

**Review report to the Board of Directors of Nitesh Estates Limited**

1. We have reviewed the accompanying statement of Unaudited financial results of Nitesh Estates Limited for the quarter and nine months ended December 31, 2014 attached herewith, being submitted by the company pursuant to the requirement of clause 41 of the listing agreement issued by the Securities Exchange Board of India ("Listing Agreement") except for the disclosures regarding 'Public Shareholding' and 'Promoter and promoter Group shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors at their meeting held on February 11, 2015. Our responsibility is to issue a report on the statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements ('SRE') 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Company has advanced an amount aggregating Rs. 1570 lakhs as at December 31, 2014 to the various parties for purchase/development of land/properties, purchase of transferable development rights as well as construction services. Considering the



timeline of these advances, the same should have been converted into acquired land/Joint development agreements or these amounts should have been recovered. Management continues to believe that these advances have been made to third parties for which a joint development agreement / acquisition of land will get consummated and in the event that it does not consummate, these advances can be recovered. However in the absence of sufficient documentation to justify the timing around when these advances are capable of being converted into joint development agreements / acquisition of land and considering that they are not secured, we are not able to comment on the recoverability of these advances and the consequential effects, if any, on the financial results for the quarter and nine months ended December 31, 2014.

4. Based on our review conducted as explained in the paragraphs 1 and 2 , *except for effect of the matter described in paragraph 3 above*, nothing has come to our attention that causes us to believe that accompanying statement of unaudited financial results for the quarter and nine months ended December 31, 2014 prepared in accordance with the applicable accounting standards and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For Ray & Ray**  
**Chartered Accountants**  
Firm's Reg. No: 301072E

**Date: February 11, 2015**

**Place: Bangalore**

*Mrinal Kanti Bandyopadhyay*  
Mrinal Kanti Bandyopadhyay

**Partner**

Membership Number: 051472



Part I Statement of unaudited standalone financial results for the quarter and nine months ended on December 31, 2014

(Rs. in Lakhs)

No	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31-Dec-14	30-Sep-14	31-Dec-13	31-Dec-14	31-Dec-13	31-Mar-14
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from operations						
	(a) Net Sales/Income from operations	2,136	3,095	1,561	7,298	8,455	11,205
	(b) Share in profit/(loss) of association of person(joint venture)	(40)	15	23	34	33	86
	Total Income from operations	2,096	3,110	1,583	7,332	8,488	11,291
2	Expenditure						
	(a) Land and construction cost	1,305	2,097	1,289	4,495	5,360	6,985
	(b) Employee benefit expense	141	159	210	448	650	926
	(c) Depreciation and amortization expense	21	(9)	40	56	120	158
	(d) Advertising and sales promotion expense	59	234	163	308	708	1,009
	(e) Other Expenditure	167	177	140	521	513	719
	Total Expenditure	1,693	2,658	1,842	5,828	7,351	9,797
3	Profit/(Loss) from operations before Other Income, Finance Costs and Exceptional Items (1-2)	403	452	(259)	1,504	1,137	1,494
4	Other Income	12	51	68	82	99	189
5	Profit/(Loss) from Ordinary Activities before Finance Costs and Exceptional Items (3+4)	415	503	(191)	1,586	1,236	1,683
6	Finance costs (net of inventorisation)	302	277	211	819	558	801
7	Profit/(Loss) from Ordinary Activities after Finance Costs but before Exceptional Items (5-6)	113	226	(402)	767	678	882
8	Exceptional Items	-	-	-	-	-	-
9	Profit/(Loss) from Ordinary Activities before tax	113	226	(402)	767	678	882
10	Tax expense/(credit)	30	36	(68)	156	81	112
11	Net Profit/(Loss) from Ordinary Activities after tax (9-10)	83	190	(333)	611	597	770
12	Extraordinary Items	-	-	-	-	-	-
13	Net Profit/ (Loss) for the period (11-12)	83	190	(333)	611	597	770
14	Paid-up equity share capital (Face value per equity share Rs.10)	14,583	14,583	14,583	14,583	14,583	14,583
15	Reserves excluding Revaluation reserves (as per balance sheet of previous accounting year)	-	-	-	-	-	28,869
16	Earnings/(Loss) Per Share ('EPS') (of Rs. 10 each) - (Rs.)						
	(a) Basic EPS	0.06	0.13	(0.23)	0.42	0.41	0.53
	(b) Diluted EPS	0.06	0.13	(0.23)	0.42	0.41	0.53



Part II Select Information for the quarter and nine months ended December 31, 2014

No	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31-Dec-14	30-Sep-14	31-Dec-13	31-Dec-14	31-Dec-13	31-Mar-14
A	Particulars of Shareholding						
1	Public shareholding						
	- Number of shares	78,230,035	78,250,360	78,686,207	78,230,035	78,686,207	78,446,245
	- Percentage of shareholding	53.64%	53.66%	53.96%	53.64%	53.96%	53.79%
2	Promoters and Promoter group shareholding						
	(a) Pledged/Encumbered						
	- Number of shares	6,802,460	6,802,460	10,437,459	6,802,460	10,437,459	10,437,459
	- Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	10.06%	10.07%	15.54%	10.06%	15.54%	15.49%
	- Percentage of shares (as a % of the total share capital of the company)	4.66%	4.66%	7.16%	4.66%	7.16%	7.16%
	(b) Non-encumbered						
	- Number of shares	60,799,605	60,779,280	56,708,434	60,799,605	56,708,434	56,948,396
	- Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	89.94%	89.93%	84.46%	89.94%	84.46%	84.51%
	- Percentage of shares (as a % of the total share capital of the company)	41.69%	41.68%	38.89%	41.69%	38.89%	39.05%

Notes to the financial results:

- (1) The above standalone results has been reviewed by the Audit committee and on their recommendation have been approved by the Board of Directors at their meeting held on February 11, 2015. The statutory auditors have conducted a Limited Review of the above financial results.
- (2) The Company primarily operates in three business segments - 'Residential', 'Retail' and 'Hospitality'. All operations are in India and hence there is no geographical segment.
- (3) Details of number of investor complaints for the quarter ended December 31, 2014:  
Beginning - Nil; Received - 1; Responded - 1; Pending - Nil.
- (4) The Company has advanced an amount aggregating Rs 1,570 lakhs as at December 31, 2014, to various parties for purchase/joint development of land/ properties. Considering the timeline of these advances, the same should have been converted into acquired land / joint development agreements or these amounts should have been recovered. Management continues to believe that these advances have been made to parties with which a joint development agreements / acquisition of land will be consummated and in the event that it does not consummate, these advances can be recovered. However, in the absence of sufficient documentation to justify the timing around when these advances are capable of being converted into joint development agreements / acquisition of land and considering that they are not secured, the auditors have qualified their opinion in relation to the recoverability of these advances and the consequential effect, if any, on the financial results for the quarter and the nine months ended December 31, 2014.
- (5) The figures of the previous year/period have been regrouped/ reclassified, wherever necessary

For and on behalf of the Board of Directors of  
Nitesh Estates Limited

Nitesh Shetty  
Chairman and Managing Director



Place: Bangalore, India  
Date: February 11, 2015

**Standalone Segment wise revenue, results and capital employed**

No	Particulars	Quarter Ended				Nine Months Ended		Year Ended
		31-Dec-14	30-Sep-14	31-Dec-13	31-Dec-14	31-Dec-13	31-Mar-14	
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
1	<b>Segment revenue</b>							
	(a) Residential	2,096	3,110	1,583	7,332	8,488	11,291	
	(b) Retail	-	-	-	-	-	-	
	(c) Hospitality	-	-	-	-	-	-	
	<b>Total</b>	2,096	3,110	1,583	7,332	8,488	11,291	
	Less: Inter-segment revenue	-	-	-	-	-	-	
	<b>Net income from operations</b>	2,096	3,110	1,583	7,332	8,488	11,291	
2	<b>Segment results</b>							
	Profit/(loss) before tax and interest							
	(a) Residential	403	452	(259)	1,504	1,137	1,494	
	(b) Retail	-	-	-	-	-	-	
	(c) Hospitality	-	-	-	-	-	-	
	<b>Total</b>	403	452	(259)	1,504	1,137	1,494	
	Add: Other income	12	51	68	82	99	189	
	Less: Interest	(302)	(277)	(211)	(819)	(558)	(801)	
	<b>Total profit/(loss) before tax</b>	113	226	(402)	767	678	882	
3	<b>Capital employed</b>							
	(a) Residential	25,068	24,687	24,911	25,068	24,911	22,736	
	(b) Retail	18,939	18,575	16,938	18,939	16,938	17,092	
	(c) Hospitality	16,286	16,286	13,989	16,286	13,989	15,037	
	(d) Unallocated	325	357	451	325	451	428	
	<b>Total</b>	60,618	59,905	56,289	60,618	56,289	55,293	



**Review report to the Board of Directors of Nitesh Estates Limited**

1. We have reviewed the accompanying statement of Consolidated unaudited financial results of Nitesh Estates Limited and its subsidiaries, joint ventures and an associate company (collectively referred to as Nitesh Group) for the quarter and nine months period ended December 31, 2014, attached herewith, being submitted by the company pursuant to the requirement of clause 41 of the listing agreement issued by the Securities Exchange Board of India ("Listing Agreement") except for the disclosures regarding 'Public Shareholding' and 'Promoters and promoter Group shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors at their meeting held on February 11, 2015. Our responsibility is to issue a report on the statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements ('SRE') 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. We did not review the unaudited financial results of three subsidiaries viz., Nitesh Property Management Private Limited, Kakanad Enterprises Private Limited &



Nitesh Indiranagar Retails Private Limited; associate i.e. Nitesh Residency Hotels Private Limited and Joint ventures i.e. Courtyard constructions Private Limited & Nitesh Estates Whitefield for the quarter and nine months ended December 31, 2014 included in the statement. The unaudited financial results of these subsidiaries, associate and joint ventures reflect total revenue of Rs. 241 lakhs and Rs. 931 lakhs for the quarter and nine months ended December 31, 2014, respectively and total assets of Rs. 21,181 lakhs as at December 31, 2014. The financial information for these subsidiaries, associate and joint ventures have been reviewed by the other auditors whose review reports have been furnished to us, and our opinion on the statement is based solely on the review reports of other auditors.

4. The group has advanced an amount aggregating Rs. 15, 235 lakhs outstanding as on December 31, 2014 to the various parties for purchase/development of land/properties, purchase of transferable development rights as well as construction services. Subsequent to December 31, 2014 the outstanding amount has been reduced by Rs.10,065 lakhs i.e. 66% of the outstanding amount as on December 31, 2014. In respect of the balance amount i.e. Rs.5,170 lakhs the management continues to believe that these advances have been made to parties for which a joint development agreement / acquisition of land will get consummated and in the event that it does not consummate, these advances can be recovered. However in the absence of sufficient documentation to justify the timing around when these advances are capable of being converted into joint development agreements / acquisition of land and considering that they are not secured, we are not able to comment on the recoverability of these advances and the consequential effects, if any, on the consolidated financial results for the quarter and nine months ended December 31, 2014.
  
5. Based on our review conducted as explained in the paragraphs 1 and 2 , *except for effect of the matter described in paragraph 4 above*, and on consideration of reports of other Auditors explained in the paragraph 3 above, nothing has come to our



attention that causes us to believe that accompanying statement of unaudited consolidated financial results for the quarter and nine months ended December 31, 2014, prepared in accordance with the applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For Ray & Ray**

**Chartered Accountants**

Firm's Reg. No: 301072E

**Date: February 11, 2015**

**Place: Bangalore**

*Mrinal Kanti Bandyopadhyay*  
Mrinal Kanti Bandyopadhyay

**Partner**

Membership Number: 051472





Part I Statement of unaudited consolidated financial results for the quarter and nine months ended on December 31, 2014

(Rs. in Lakhs)

No	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31-Dec-14	30-Sep-14	31-Dec-13	31-Dec-14	31-Dec-13	31-Mar-14
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from operations						
	(a) Net Sales/Income from operations	5,020	8,220	6,560	18,879	24,870	29,757
	Total Income from operations	5,020	8,220	6,560	18,879	24,870	29,757
2	Expenditure						
	(a) Land and construction cost	3,039	5,234	4,111	11,404	15,951	18,812
	(b) Employee benefit expense	502	571	392	1,543	1,261	1,765
	(c) Depreciation and amortization expense	27	(6)	43	68	129	171
	(d) Advertising and sales promotion expense	167	433	646	909	1,547	2,009
	(e) Other Expenditure	460	390	308	1,239	1,087	1,430
	Total Expenditure	4,195	6,622	5,500	15,163	19,975	24,187
3	Profit/(Loss) from operations before Other Income, Finance Costs and Exceptional Items (1-2)	825	1,598	1,060	3,716	4,895	5,570
4	Other Income	79	121	81	272	214	339
5	Profit/(Loss) from Ordinary Activities before Finance Costs and Exceptional Items (3+4)	904	1,719	1,141	3,988	5,109	5,909
6	Finance costs (net of inventorisation)	694	710	763	2,048	2,193	2,972
7	Profit/(Loss) from Ordinary Activities after Finance Costs but before Exceptional Items (5-6)	210	1,009	378	1,940	2,916	2,937
8	Exceptional Items	-	-	-	-	-	-
9	Profit/(Loss) from Ordinary Activities before tax	210	1,009	378	1,940	2,916	2,937
10	Tax expense/(credit)	66	213	105	471	562	581
11	Net Profit/(Loss) from Ordinary Activities after tax (9-10)	144	796	273	1,469	2,354	2,356
12	Extraordinary Items	-	-	-	-	-	-
13	(a) Profit/(Loss) transferred to minority interest	-	-	-	-	-	-
	(b) Share in loss of associate company	663	630	741	2,160	1,058	1,830
14	Net Profit/ (Loss) for the period (11-12-13)	(519)	166	(468)	(691)	1,296	526
15	Paid-up equity share capital (Face value per equity share Rs.10)	14,583	14,583	14,583	14,583	14,583	14,583
16	Reserves excluding Revaluation reserves (as per balance sheet of previous accounting year)	-	-	-	-	-	18,034
17	Earnings/(Loss) Per Share ('EPS') (of Rs. 10 each) - (Rs.)						
	(a) Basic EPS	(0.36)	0.11	(0.32)	(0.47)	0.89	0.36
	(b) Diluted EPS	(0.36)	0.11	(0.32)	(0.47)	0.89	0.36



Part II Select Information for the quarter and nine months ended December 31, 2014

No	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31-Dec-14	30-Sep-14	31-Dec-13	31-Dec-14	31-Dec-13	31-Mar-14
A	Particulars of Shareholding						
1	Public shareholding						
	- Number of shares	78,230,035	78,250,360	78,686,207	78,230,035	78,686,207	78,446,245
	- Percentage of shareholding	53.64%	53.66%	53.96%	53.64%	53.96%	53.79%
2	Promoters and Promoter group shareholding						
	(a) Pledged/Encumbered						
	- Number of shares	6,802,460	6,802,460	10,437,459	6,802,460	10,437,459	10,437,459
	- Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	10.06%	10.07%	15.54%	10.06%	15.54%	15.49%
	- Percentage of shares (as a % of the total share capital of the company)	4.66%	4.66%	7.16%	4.66%	7.16%	7.16%
	(b) Non-encumbered						
	- Number of shares	60,799,605	60,779,280	56,708,434	60,799,605	56,708,434	56,948,396
	- Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	89.94%	89.93%	84.46%	89.94%	84.46%	84.51%
	- Percentage of shares (as a % of the total share capital of the company)	41.69%	41.68%	38.89%	41.69%	38.89%	39.05%

Notes to the financial results:

- The above consolidated results has been reviewed by the Audit committee and on their recommendation have been approved by the Board of Directors at their meeting held on February 11, 2015. The statutory auditors have conducted a Limited Review of the above financial results. These results include the results of the following subsidiaries, joint ventures and associate companies:
  - Subsidiaries - Nitesh Housing Developers Private Limited, Nitesh Urban Development Private Limited, Nitesh Indiranagar Retail Private Limited, Kakanad Enterprises Private Limited, Nitesh Property Management Private Limited.
  - Joint ventures - Nitesh Estates- Whitefield, Courtyard Constructions Private Limited.
  - Associate - Nitesh Residency Hotels Private Limited
- The Company primarily operates in three business segments - 'Residential', 'Retail' and 'Hospitality'. All operations are in India and hence there is no geographical segment.
- Details of number of investor complaints for the quarter ended December 31, 2014: Beginning - Nil; Received - 1; Responded - 1; Pending - Nil.
- The Group has advanced an amount aggregating Rs.15,235 lakhs as at December 31, 2014, to various parties for purchase/joint development of land/ properties, purchase of transferable development rights as well as construction services. Subsequent to December 31, 2014 the outstanding amount has been reduced by Rs.10,065 lakhs ie 66% of the outstanding amount as on December 31, 2014. In respect of the balance amount of Rs.5,170 lakhs the management continues to believe that these advances have been made to parties with which a joint development / acquisition of land will get consummated and in the event that it does not consummate, these advances can be recovered. However, in the absence of sufficient documentation to justify the timing around when these advances are capable of being converted into joint development agreements/ acquisition of land and considering that they are not secured, the auditors have qualified their opinion in relation to the recoverability of these advances and the consequential effect, if any, on the consolidated financial results for the quarter and the nine months ended December 31 2014.

(5) Figures for standalone financial results

(Rs. in Lakhs)

No	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31-Dec-14	30-Sep-14	31-Dec-13	31-Dec-14	31-Dec-13	31-Mar-14
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from operations						
	(a) Net Sales/Income from operations	2,136	3,095	1,561	7,298	8,455	11,205
	(b) Share in profit/(loss) of association of persons (Joint Venture)	(40)	15	23	34	33	86
	Total income from operations	2,096	3,110	1,583	7,332	8,488	11,291
2	Profit/(Loss) before tax	113	226	(402)	767	678	882
3	Profit/(Loss) after tax	83	190	(333)	611	597	770

- The figures of the previous year/period have been regrouped/ reclassified, wherever necessary.

For and on behalf of the Board of Directors of  
Nitesh Estates Limited

Nitesh Shetty  
Chairman and Managing Director

Place: Bangalore, India  
Date: February 11, 2015



**Consolidated Segment wise revenue, results and capital employed**

No	Particulars	Quarter Ended				Nine Months Ended		Year Ended
		31-Dec-14	30-Sep-14	31-Dec-13	31-Dec-14	31-Dec-13	31-Mar-14	
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
1	<b>Segment revenue</b>							
	(a) Residential	5,020	8,220	6,560	18,879	24,870	29,757	
	(b) Retail	-	-	-	-	-	-	
	(c) Hospitality	-	-	-	-	-	-	
	<b>Total</b>	5,020	8,220	6,560	18,879	24,870	29,757	
	Less: Inter-segment revenue	-	-	-	-	-	-	
	<b>Net income from operations</b>	5,020	8,220	6,560	18,879	24,870	29,757	
2	<b>Segment results</b>							
	Profit/(loss) before tax and interest							
	(a) Residential	963	1,643	1,105	3,945	5,036	5,789	
	(b) Retail	(138)	(45)	(45)	(229)	(141)	(219)	
	(c) Hospitality	-	-	-	-	-	-	
<b>Total</b>	825	1,598	1,060	3,716	4,895	5,570		
	Add: Other income	79	121	81	272	214	339	
	Less: Interest	(694)	(710)	(763)	(2,048)	(2,193)	(2,972)	
	<b>Total profit/(loss) before tax</b>	210	1,009	378	1,940	2,916	2,937	
3	<b>Capital employed</b>							
	(a) Residential	35,056	36,056	33,899	35,056	33,899	34,356	
	(b) Retail	17,982	17,755	16,287	17,982	16,287	16,363	
	(c) Hospitality	16,286	16,286	13,989	16,286	13,989	15,037	
	(d) Unallocated	414	437	502	414	502	482	
	<b>Total</b>	69,738	70,534	64,677	69,738	64,677	66,238	

**Note :**

The Group holds a 21.83% stake in Nitesh Residency Hotels Private Limited which is primarily in the hospitality segment. Accordingly, results of Nitesh Residency Hotels Private Limited is reflected as Share in profit/(loss) of associate company in item 13(b) in the financial results. Share in profit/(loss) of associate company is Rs.(663 lakhs), Rs.(630 lakhs), Rs (741 lakhs), Rs (2160 lakhs) , Rs. (1058 lakhs) and Rs (1830 lakhs) for the quarter ended 31 December 2014, 30 September 2014, 31 December 2013 and nine months ended 31 December 2014, 31 December 2013 and the year ended 31 March 2014 respectively.

