NILA SPACES LIMITED

ANNUAL REPORT
2018-19

INDEX

Directors' Report

Dear Members,

The Directors of your Company are pleased to present the Nineteenth Annual Report to the Members with the Audited Financial Statements for the Financial Year ended on 31 March 2019.

STATE OF AFFAIRS OF THE COMPANY:

The Company is public limited and listed at BSE Limited (Scrip code:542231) and National Stock Exchange India Limited (Scrip code: NILASPACES) in the business of construction and development of projects for sale. During the year, an undertaking comprising of Real Estate Activities was transferred by Nila Infrastructures Limited pursuant to scheme of demerger. The Company made allotment of equity shares to the shareholders of Nila Infrastructures Limited pursuant to the scheme and the shares were listed at the stock exchanges with effect from 28 December 2018. There is no other change in the state of affairs of the company.

FINANCIAL HIGHLIGHTS:

The performance of the Company for the Financial Year 2018-19 is as under:

(₹ in lakhs, except per equity share data)

Particulars	Standalone for the year ended		Consolidated for the year ended	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Revenue from Operations	964.42	1,977.80	947.89	1,977.80
Add: Other Income	739.87	902.06	739.87	902.06
Total Income	**1,704.29**	**2,879.86**	**1,687.76**	**2,879.86**
Less: Revenue Expenditure	849.13	1,939.61	849.13	1,939.61
Less: Depreciation and Amortization	15.18	-	15.18	-
Less: Finance cost	541.41	638.19	541.41	638.19
Profit Before Tax	**298.57**	**302.06**	**282.04**	**302.06**
Less: Current Tax	20.47	85.17	20.47	85.17
Net Profit After Tax	**278.10**	**216.89**	**261.57**	**216.89**
Share of Profit/(Loss) of associate	-	-	27.36	(76.83)
Net Profit	**278.10**	**216.89**	**288.93**	**140.06**
Add: Balance Brought Forward from previous Financial Year	205.87	(11.02)	79.03	(61.03)
Profit available for appropriation	**483.97**	**205.87**	**367.96**	**79.03**
Less: Re-measurement gains/(losses) on defined employee benefit plan (Net of tax)	(2.65)	-	(2.65)	-
Surplus carried to Balance Sheet	481.32	205.87	365.31	79.03
Add: Security Premium	5.80	5.80	5.80	5.80
Add: General Reserve	7.90	7.90	7.90	7.90
Add: Capital Reserve	7,607.66	7,607.65	7,547.55	7,547.55
Reserves	**8,102.68**	**7,827.22**	**7,926.57**	**7,640.28**
Share Capital	**3,938.89**	**3,938.89**	**3,938.89**	**3,938.89**
Earnings per share (EPS) before exceptional item				
Basic	0.07	0.06	0.07	0.04
Diluted	0.07	0.06	0.07	0.04
EPS after exceptional item				
Basic	0.07	0.06	0.07	0.04
Diluted	0.07	0.06	0.07	0.04

Notes:

(1) The above figures are extracted from the standalone and consolidated financial statements as per Indian Accounting Standard.

(2) Equity shares are at par value of ₹ 1 per share.

(3) The Company has made allotment of 393889200 equity shares on 29 June 2018 pursuant to the scheme of arrangement of demerger sanctioned by the Hon'ble NCLT – Ahmedabad bench. Earnings Per Share (EPS) has therefore been adjusted and calculated in accordance with Accounting Standard (AS) 20 – Earnings Per Share.

Review of Operations:

Your Company's primary area of operations includes construction and development of projects for sale. Presently, your company focuses on the State of Gujarat for business. Your company proposes to develop residential projects mainly of affordable nature on various land in the years to come.

Revenues – Standalone and Consolidated:

Company's Revenue from Operations on a standalone basis decreased to ₹ 964.42 lakhs from ₹ 1977.80 lakhs in the previous year, at a growth rate of (51.24%). Company's Revenue from Operations on a consolidated basis decreased to ₹ 947.89 lakhs from ₹ 1977.80 lakhs in the previous year, at a rate of (52.07%).

Profits – Standalone:

Your Company's EBITDA on a standalone basis amounted to ₹ 855.16 lakhs (88.67% of revenue from operations), as against ₹ 940.25 (47.54% of revenue from operations) in the previous year. Project and Operations costs were 61.87% of revenue from operations for the year ended 31 March 2019 as compared to 91.17% for the year ended 31 March 2018. The profit before tax was ₹ 298.57 lakhs (17.52% of Total Income), as against ₹ 302.06 (10.49% of Total Income) in the previous year. Net profit was ₹ 278.10 lakhs (16.32% of Total Income), as against ₹ 216.89 lakhs (7.53% of Total Income) in the previous year.

Profits - Consolidated:

Your Company's EBIDTA on a consolidated basis amounted to ₹ 839.13 lakhs (88.48 % of revenue from operations), as against ₹ 940.25 lakhs (47.54% of revenue from operations) in the previous year. Project and Operations costs were 62.75% of revenue from operations for the year ended 31 March 2019 as compared to 91.17% for the year ended 31 March 2018. The profit before tax was ₹ 309.39 (18.33% of Total Income), as against ₹ 225.23 lakhs (7.82% of Total Income) in the previous year. Net profit was ₹ 288.92 lakhs (17.11 % of Total Income), as against ₹ 140.06(4.86 % of Total Income) in the previous year.

Liquidity:

Your Company continues to maintain sufficient cash to meet its operations as well as strategic objectives. The Board of Directors believes that liquidity in the Balance Sheet has to balance between earning adequate returns and the need to cover financial and business risks. Liquidity enables your Company to make a rapid shift in direction, if there is a market demand. The Directors believe that the working capital is sufficient to meet the current requirements. As on 31 March 2019, on a standalone basis, the Company had liquid assets of ₹ 4501.03 lakhs, as against ₹ 4232.99 lakhs at the previous year-end. On a consolidated basis, your Company had liquid assets of ₹ 4497.96 lakhs at the current year-end, as against ₹ 4232.99 lakhs at the previous year-end.

SCHEME OF DEMERGER OF REAL ESTATE UNDERTAKING:

The Hon'ble National Company Law Tribunal, Bench at Ahmedabad ('NCLT') had, vide its order dated 09th May 2018 sanctioned the scheme of arrangement among Nila Infrastructures Limited and the Company and their respective shareholders and creditors under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 ('the scheme'). The scheme provided for demerger of the Real Estate Undertaking of Nila Infrastructures Limited and transfer the same to the Company with effect from the Appointed Date i.e. 1 April 2017.

In terms of the scheme 15 June 2018 was determined as the record date to issue and allot 1 (One) equity share of ₹ 1/- (Rupee One Only) each of the Company for every 1 (One) equity share of ₹ 1/- (Rupee One Only) each held by such shareholder in Nila Infrastructures Ltd.

REPORT ON PERFORMANCE OF SUBSIDIARY COMPANIES PURSUANT TO RULE 8 (1) OF THE COMPANIES (ACCOUNTS) RULES, 2014:

Your Company is undertaking various projects through subsidiaries, associates and joint ventures. As per Section 129 (3) of the Companies Act, 2013, your Directors have pleasure in attaching the consolidated financial statements prepared in accordance with the applicable accounting standards with this report.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements are available at the Company's website at www.nilaspaces.com. The audited financial statements of each of the subsidiary, associate and joint venture are available for inspection at the Company's registered office at Ahmedabad, India and also at registered offices of the respective companies. Copies of the annual accounts of the subsidiary, associate and joint venture will also be made available to the investors of Nila Spaces Limited upon request.

In terms of proviso to Section 129(3) and Rule 8(1) of the Companies (Accounts) Rules, 2014, statement containing the salient features; of the subsidiaries, associates and joint ventures; in the prescribed Form AOC 1 is annexed to this report as **"Annexure B".**

COMPANIES WHICH HAVE BECOME OR CEASED TO BE SUBSIDIARIES, ASSOCAITES OR JOINT VENTURES DURING THE YEAR:

Pursuant to the scheme of demerger as mentioned herein above; investment held in M/s Nila Projects LLP, M/s Nilsan Realty LLP, M/s Fangdi Land Developers LLP, and securities held in M/s Mega City Cinemall Pvt. Ltd. by Nila Infrastructures Ltd. have been transferred to and vested into the Company and consequently all these entities have become subsidiary, joint ventures, associates etc. of the Company. For details of investments in such subsidiary, joint ventures, associates etc. attached Form AOC 1 may please be referred.

TRANSFER TO RESERVES:

There is no transfer of profit to reserve during the year under review.

DIVIDEND:

As a matter of sound accounting practice and management philosophy; your Directors are of the opinion to make sound economic base for the Company and in order to conserve the resources; do not recommend any dividend for the year under review.

PUBLIC DEPOSITS:

During the year under review your Company has not accepted any deposits from the public within the meaning of Section 73 and 76 of the provisions of the Companies Act, 2013.

INSURANCE:

All the existing properties of the Company are adequately insured.

DIRECTORATE:

Pursuant to Section 161, 196, 197 and 203 of the Companies Act, 2013, Mr. Anand B Patel (DIN: 07272892), was appointed as the Whole Time Director of the Company on 19 June 2018. Ms. Rajal B Mehta (DIN: 08182658) appointed as an Independent Woman Director of the Company w.e.f. 19 July, 2018 for a period of 5 (Five) Years, subject to the approval of the shareholders. Ms. Rajal B Mehta, appointed as an Additional director, will hold office till the ensuing Annual General Meeting

Pursuant to Section 152 of the Companies Act, 2013, Mr. Deep S Vadodaria, (DIN: 01284293) Director of the Company retires by rotation at the ensuing Annual General Meeting of the Company and being eligible offers himself for reappointment.

Pursuant to Section 203 of the Companies Act, 2013, on 06 August 2018, Ms. Sonal Jain, was appointed as Chief Financial Officer of the Company and on 01 October 2018 Ms. Gopi Dave, was appointed as Company Secretary of the Company.

On 11 December 2018, Ms. Sonal Jain has resigned as the Chief Financial Officer of the Company due to personal reasons and further relocation thereafter as provided in her resignation letter.

Necessary resolutions for the re-appointment of the aforesaid Directors have been included in the Notice convening the ensuing Annual General Meeting and details of the proposal, rational, justification and performance evaluation report, in terms of applicable Secretarial Standard No General Meeting (SS-2), for the re-appointment of Directors are mentioned in the explanatory statement of the Notice.

Except as mentioned hereinabove, there is no other change in the Board of Directors and Key Managerial Personnel of the Company during the year.

All the Directors have confirmed that they are not disqualified from being appointed as Directors in terms of Section 164 of the Companies Act, 2013.

Declaration given by Independent Directors:

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 25 read with 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same has been noted by the Board.

Board Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and SEBI Circular date 10 May 2018; an annual performance evaluation of the members of the board of its own individually and working of various committees of the board was carried out. Further in a separate meeting of the Independent Directors held on 12 February 2019 without presence of other Directors and management, the Independent Directors had, based on various criteria, evaluated performance of the Chairman and also performance of the other members of the board. The manner in which the performance evaluation was carried out has been explained in the Corporate Governance Report annexed with this report.

Board and Committee Meetings:

During the year under review 10 (Ten) Board Meetings and 2 (Two) Audit Committee Meetings, 2 (Two) Stakeholder Relationship Committee and 2 (Two) Nomination and Remuneration Committee were held. The details of the meetings are given in the Corporate Governance Report as a part to the Boards' Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 134 (3) (c) of the Companies Act, 2013, with respect to Director's Responsibility Statement, it is hereby confirmed that:

a) In the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) The Directors have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the company for that period.

c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company for preventing and detecting fraud and other irregularities.

d) The Directors have prepared the annual accounts on a going concern basis.

e) The Directors have laid down an adequate system of internal financial control to be followed by the Company and such internal financial controls are adequate and operating efficiently; and

f) The Directors have devised proper systems to ensure compliances with the provisions of all applicable laws and that such systems are adequate and operating effectively.

REPORTING OF FRAUDS:

During the year under review there was no instance of any fraud reported by any auditor to the audit committee or the board.

ALTERATION OF MEMORANDUM AND ARTICLE OF ASSOCIATION:

There is no change in the clauses of Memorandum of Association and Articles of Association of the Company during the year under review.

Pursuant to the scheme of demerger, the equity shares of the company have been listed on the Stock exchanges and therefore upon various securities laws becoming applicable to the Company the Board of Directors have proposed to amend existing articles of association by adopting a new sets of articles at the ensuing annual general meeting.

SHARE CAPITAL:

The equity share capital of the Company before the allotment of shares pursuant to scheme of demerger was ₹ 790000 comprising of 79000 equity shares of ₹ 10/- each was entirely held by Nila Infrastructures Ltd along with its nominees. These share capital has been cancelled in terms of the scheme of demerger.

During the year an allotment of 393889200 equity shares, pursuant to scheme of demerger, was made to the shareholders of Nila Infrastructures Ltd and consequently after the allotment and upon cancellation of existing capital held by Nila Infrastructures Ltd. in the Company, the issued, subscribed and paid up capital of the Company is ₹ 39,38,89,200 comprising of 393889200 equity shares of ₹ 1/- each.

The authorized share capital of the Company is ₹450000000 comprising of 450000000 equity shares of ₹ 1/- each.

UNCLAIMED DIVIDEND AND UNCLAIMED SHARES:

There is no unclaimed or unpaid amount of dividend with the Company.

The corresponding equity shares of the Company issued and allotted pursuant to the scheme of demerger to the shareholders of Nila Infrastructures Ltd.; whose equity shares of Nila Infrastructures Ltd. have been, in accordance with Section 124 of the Companies Act, 2013 and rules made there under transferred to and lying with the IEPF authority; have also been credited to the designated IEPF account of the Government.

INDIAN ACCOUNTING STANDARDS:

Pursuant to the notification, issued by the Ministry of Corporate Affairs dated 16 February 2015 relating to the Companies (Indian Accounting Standard) Rules, 2015, your Company, its subsidiary companies, associate companies and joint venture Companies have adopted "IND AS" with effect from 1 April 2017 and the financial statements have been prepared in accordance therewith.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORT:

The Company has implemented the procedure and adopted practices in conformity with the code of Corporate Governance as enumerated in Schedule V of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015. The management discussion & analysis and corporate governance report are made part of this report. A certificate from the Practicing Company Secretary regarding compliance of the conditions of corporate governance is given in annexure, which is attached hereto and forms part of the Directors' report.

STATUTORY AUDITORS AND AUDITORS' REPORT:

Pursuant to the provisions of Section 139 of the Companies Act, 2013 ('Act') read with Companies (Audit and Auditors) Rules, 2014, the tenure of the existing statutory auditor M/s J S Shah & Co. is expiring upon conclusion of the ensuing annual general meeting. The Board of Directors have therefore upon recommendation of the audit committee proposed to appoint M/s Dhirubhai Shah & Co., Chartered Accountants, Ahmedabad (FRN 102511W/ W100298). Necessary resolution proposing appointment of M/s Dhirubhai Shah & Co is included in the Notice convening the ensuing annual general meeting.

The report of the statutory auditor is given in this annual report. There is no qualification, reservation or any adverse remark or disclaimer in the audit report of M/s J S Shah & Co.

COST AUDIT:

As per the requirement of the Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, cost audit is not applicable to your Company for the year under review.

SECRETARIAL AUDITOR'S REPORT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Board of Directors have appointed M/s Umesh Ved & Associates, Practicing Company Secretary, Ahmedabad as the Secretarial Auditor of the Company to conduct Secretarial Audit for the year 2018-19. The report of the Secretarial Auditor is annexed herewith as **"Annexure D".** The report of the Secretarial Auditor is self explanatory and confirming compliance by the Company of all the provisions of applicable corporate laws.

The delay in filing of couple of ROC forms was on account of operational and procedural matters. The forms were filed with additional fees and compliances were made. The former name of the company was inadvertently not painted or affixed with existing name after change of name. The same has been painted and affixed. With regard to Statement pursuant to Section 129(3) of the Companies Act, 2013 it may please be noted that the amount of investment of associate and joint venture was not mentioned in Form AOC 1 of FY2017-18 inadvertently. However the same has been mentioned in the Note No 4 of the Statement to Accounts.

The above observations are of the nature of lapses on account of operational and clerical over sights and have no impact on functioning and financials of the Company.

Pursuant to the SEBI circular dated 8 February 2019, the company has obtained an annual secretarial compliance report from M/s. Umesh Ved & Associates, Practicing Company Secretary.

AUDIT COMMITTEE:

The Audit Committee constituted in accordance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure

Requirements) Regulations, 2015, reviewed the financial results and financial statements, audit process, internal control system, scope of internal audit and compliance of related regulations as prescribed. The Composition and terms of reference of the audit committee is more specifically given in the Corporate Governance Report as a part of the Boards' Report.

VIGIL MECHANISAM (WHISTLE BLOWER POLICY):

The company has established Vigil Mechanism (Whistle Blower Policy) in accordance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. The detail of the Whistle Blower Mechanism is explained in the Corporate Governance Report and the policy adopted is available on the Company's website at www.nilaspaces.com under investor segment.

DISCLOSURE IN TERMS OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place an anti-sexual harassment policy and internal complaint committee in line with the requirement of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. There is no such instance reported during the year under review.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING:

In terms of Regulation 9 of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, the Company has adopted Revised Code of Conduct prohibiting, regulating and monitoring the dealings in the securities of the Company by Directors, Designated Employees and Connected Persons while in possession of unpublished price sensitive information in relation to the securities of the Company. The code of conduct is available at the Company's website at www.nilaspaces.com under investor segment.

The Company has also in terms of Regulation 9A of the SEBI (Prohibition of Insider Trading) Regulations, 2015; put in place institutional mechanism for prevention of insider trading.

STATUTORY DISCLOSURES REQUIRED UNDER RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014:

There is no foreign exchange earnings and outgo during the year under review. Conservation of energy has always been of immense importance to your Company and all the equipments consuming energy have been placed under continuous and strict monitoring. In view of the nature of the operations, no report on the other matters is required to be made under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014.

RISK MANAGEMENT:

Your company recognizes that risks are integral part of business activities and is committed to managing the risks in a proactive and efficient manner. Your Company has robust risk management process involving periodic assessment of various risks and mitigating remedies which are more specifically discussed in MDA report as a part of the Board Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT MADE BY THE COMPANY DURING THE YEAR:

As regards investments by the Company, the details of the same are provided under Note No. 5 forming part of the financial statements of the Company for the financial year 2018-19. Details of loans given to other persons covered under Section 186 of the Companies Act, 2013 are given in the Note No. 6 relating to related parties to the financial statements.

RELATED PARTY TRANSACTIONS:

In terms of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 the Company has adopted policy on dealing with related party transactions. All related party transactions that were entered into by the Company during the financial year were in the ordinary course of business and were at arm's length basis. There are no material significant related party transaction made by the Company with its Directors, Promoters, Key Managerial Personnel or their relative. All Related Party Transactions are placed before the audit committee / Board, as applicable, for their approval. Omnibus approval is taken for the transactions which are of repetitive in nature. The Related Party Transactions that were entered into by the Company were to facilitate smooth functioning of the ordinary course of business and are in the interest of the Company. Accordingly, the disclosure of related party transactions as required under Section 134(3) (h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

The policy on related party transactions as approved by the Board is available on the website of the company www.nilaspaces.com under investor segment.

Disclosures of transactions with related parties in terms of Schedule V read with Regulation 34(3) and 53(f) of SEBI (LODR) Regulations 2015 as amended is given in Note No 26 of the Notes to the Financial Statements.

INTERNAL FINANCIAL CONTROL:

The Board of Directors has in terms of the requirements of Section 134(5)(e) of the Companies Act, 2013 laid down the internal financial controls. The Company has in place a well defined organizational structure and adequate internal controls for efficient operations which is cognizant of applicable laws and regulations, particularly those related to protection of properties, resources and assets, and the accurate reporting of financial transactions in the financial statements. The company continuously upgrades these systems. The internal control system is supplemented by extensive internal audits, conducted by independent firm of chartered accountants.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

The provision of the Corporate Social Responsibility as laid down under Section 135 of the Companies Act, 2013 were not attracted by the company. Therefore, no corporate social activities were required to be undertaken.

NOMINATION AND REMUNERATION COMMITTEE AND POLICY ON APPOINTMENT & REMUNERATION OF DIRECTORS:

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted Nomination and Remuneration Committee and adopted policy on appointment and remuneration of Directors and Key Managerial Personnel. The composition, terms of reference of the Committee are given in the Corporate Governance Report as a part to the Boards' Report.

The Company has adopted revised Policy on Nomination & Remuneration Committee containing criteria for determining qualification, positive attributes, independence of directors, directors appointment and remuneration. The gist of the policy is given in the Corporate Governance Report annexed to the Board Report. The said policy is also available at the website of the company at www.nilaspaces.com under the investor segment.

MATERIAL CHANGES:

No material change has taken place after 31 March 2019 and till the date of this report except Mr. Rajesh Shah was appointed as Chief Financial Officer of the company w.e.f. 25 May 2019.

EMPLOYEES:

During the year under review, no employee of the Company was in receipt of remuneration in excess of the limits prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

DISCLOSURES IN TERMS OF RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

The information as required under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in the **"Annexure C"** to this report.

COMPLIANCE WITH REVISED SECRETARIAL STANDARDS:

The Company has complied with all applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURT OR TRIBUNALS:

As mentioned herein above in this report except the order of the NCLT sanctioning the scheme; there is no other significant and material order passed by any regulator or court or tribunal during the year under review.

ADOPTION OF IND-AS 115 AND ITS IMPACT

W.e.f. 1 April 2018, the company has adopted IND-AS 115 for revenue recognition. The impact of adoption of the standards on the financials of the company is insignificant.

EXTRACT OF THE ANNUAL RETURN:

The details forming part of the extract of the Annual Return in Form MGT-9, as required under Section 92 of the Act, is annexed as **Annexure 'A'** which forms an integral part of this Report and is also available on the Company's website viz. www.nilaspaces.com.

APPRECIATIONS AND ACKNOWLEDGMENTS:

Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to become a meaningful player in the infrastructure industry. Your Directors would also like to place on record its appreciation for the support and cooperation your Company has been receiving from its Stakeholders, Corporations, Government Authorities, Joint Venture partners and others associated with the Company. The Directors also take this opportunity to thank all Investors, Clients, Vendors, Banks, Financial Institutions, Government and Regulatory Authorities and Stock Exchanges, for their continued support. Your Directors also wish to record their appreciation for the continued co-operation and support received from the Consultants and Advisors. Your Company looks upon them as partners in its progress and has shared with them the rewards of growth. It will be the Company's endeavour to build and nurture strong links with the business based on mutuality of benefits, respect for and cooperation with each other, consistent with consumer interests.

For and on behalf of the
Board of Directors

Jasvinder S Rana
Chairman
DIN: 01749361

Date: 25 May 2019
Place: Ahmedabad

ANNEXURE A

FORM NO MGT 9: EXTRACT OF ANNUAL RETURN (As on financial year ended on 31 March 2019)

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

Particulars	Details
CIN	L45100GJ2000PLC083204
Registration Date	03 May 2000
Name of the Company	Nila Spaces Limited (Formerly known as Parmananday Superstructure Limited)
Category/Sub-category of the Company	Public Limited Listed Company
Address of the Registered office & contact details	First Floor, Sambhaav House, Opp. Chief Justice's Bungalows, Bodakdev, Ahmedabad – 380 015 Tel. +91 79 4003 6817/18 , Fax: +91 79 3012 6371; Email: secretarial@nilaspaces.com Website: www.nilaspaces.com
Whether listed company	Yes
Name, Address & Contact details of the Registrar & Transfer Agent, if any.	M/s MCS Share Transfer Agent Ltd. 201, Second Floor, Shatdal Complex, Opp: Bata Show Room Ashram Road, Ahmedabad-380009 Tel no. (079) 26582878; Fax no. (079) 26581296 Email: mcsstaahmd@gmail.com.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

SN	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Construction of Buildings Carried out on own account basis or on a fee or basis	41001	100%

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SN	Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate Company	% of shares held	Applicable Section
1	Mega City Cinemall Private Limited	U92412GJ2006PTC048195	Associate Company	42.50%	Section 2(6) of the Companies Act, 2013

Note: Statement containing salient features of the Financial Statement of the Subsidiary Companies, Associate companies and Joint Venture in the prescribed Form AOC 1 is annexed to this report as **"Annexure B"**.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A) Category-wise Share Holding

SN	Category	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	**Promoters Shareholding**									
(1)	Indian									
a)	Individual/ HUF	0.00	0.00	0.00	0.00	243825187	0.00	243825187	61.90	61.90
b)	Central Govt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c)	State Govt(s)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d)	Bodies Corp.	0.00	79000	79000	100.00	0.00	0.00	0.00	0.00	0.00
e)	Banks / FI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f)	Any other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Sub – Total (A.1)	**0.00**	**79000**	**79000**	**100.00**	**243825187**	**0.00**	**243825187**	**61.90**	**61.90**
(1)	**Foreign**									
a)	Individual (NRI/Foreign Individuals)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b)	Government	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c)	Institutions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d)	Foreign Portfolio Investor	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e)	Any other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Sub-Total (A.2)	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
	Total (A) = (A.1) + (A.2)	**0.00**	**79000**	**79000**	**100.00**	**243825187**	**0.00**	**243825187**	**61.90**	**61.90**
B.	**Public Shareholding**									
1.	**Institutions**									
a)	Mutual Funds	0.00	0.00	0.00	0.00	5371654	0.00	5371654	1.36	1.36
b)	Banks / FI	0.00	0.00	0.00	0.00	100000	0.00	100000	0.02	0.02
c)	Central Govt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d)	State Govt(s)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e)	Venture Capital Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f)	Insurance Companies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
g)	Foreign Portfolio Investor	0.00	0.00	0.00	0.00	22315001	0.00	22315001	5.67	5.67
h)	Foreign Venture Capital Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
i)	Others (specify)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Sub-total (B.1):-	**0.00**	**0.00**	**0.00**	**0.00**	**27786655**	**0.00**	**27786655**	**7.05**	**7.05**
2.	**Non-Institutions**									
a)	Bodies Corp.									
i)	Indian	0.00	0.00	0.00	0.00	18346122	156000	18502122	4.70	4.70
ii)	Overseas	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b)	Individuals									
i)	Individual shareholders holding nominal share capital upto ₹ 1 lakh	0.00	0.00	0.00	0.00	55884712	6779696	62664408	15.91	15.91

SN	Category	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	during the year
ii)	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	0.00	0.00	0.00	0.00	22438463	1067000	23505463	5.97	5.97
c)	Others Hindu Undivided Families	0.00	0.00	0.00	0.00	5640427	0.00	5640427	1.43	1.43
d)	Non Resident Indians	0.00	0.00	0.00	0.00	7989338	0.00	7989338	2.03	2.03
e)	Overseas Corporate Bodies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f)	Foreign Nationals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
g)	Clearing Members	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
h)	Trusts	0.00	0.00	0.00	0.00	7500	0.00	7500	0.00	0.00
i)	Foreign Bodies - D R	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
j)	IEPF	0.00	0.00	0.00	0.00	3968100	0.00	3968100	1.01	1.01
	Sub-total (B.2)	**0.00**	**0.00**	**0.00**	**0.00**	**114274662**	**8002696**	**122277358**	**31.05**	**31.05**
	Total Public Shareholding (B)=(B)(1)+ (B)(2)	**0.00**	**0.00**	**0.00**	**0.00**	**142061317**	**8002696**	**150064013**	**38.10**	**38.10**
C.	Shares held by Custodian for GDRs & ADRs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Grand Total (A+B+C)	**0.00**	**79000**	**79000**	**100.00**	**385886504**	**8002696**	**393889200**	**100.00**	**100.00**

B) Shareholding of Promoter:

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year of the year			% Change in
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	shareholding during the year
1	Nila Infrastrcutures Limited	79000	100.00	0.00	0.00	0.00	0.00	(100.00)
2	Manoj B Vadodaria	0.00	0.00	0.00	53154712	13.49	0.00	13.49
3	Nila M Vadodaria	0.00	0.00	0.00	43955267	11.16	0.00	11.16
4	Alpa K Vadodaria	0.00	0.00	0.00	36800000	9.34	0.00	9.34
5	Kiran B Vadodaria	0.00	0.00	0.00	38608100	9.80	0.00	9.80
6	Deep S Vadodaria	0.00	0.00	0.00	31752108	8.07	0.00	8.07
7	Shailesh B Vadodaria	0.00	0.00	0.00	12960000	3.29	0.00	3.29
8	Mina S Vadodaria	0.00	0.00	0.00	8695000	2.21	0.00	2.21
9	Rajesh B Vadodaria	0.00	0.00	0.00	5000000	1.27	0.00	1.27
10	Chhayaben R Vadodaria	0.00	0.00	0.00	4300000	1.09	0.00	1.09
11	Siddharth R Vadodaria	0.00	0.00	0.00	4300000	1.09	0.00	1.09
12	Karan R Vadodaria	0.00	0.00	0.00	4300000	1.09	0.00	1.09
	Total	**79000**	**100.00**	**0.00**	**243825187**	**61.90**	**0.00**	**38.10**

C) Change in Promoters Shareholding:

SN	Shareholding for each Promoter and person belonging to Promoter Group	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Nila Infrastructures Limited				
	01 April 2018	79000	100.00	0.00	0.00
	29 June 2018 – Cancelled*	(79000)	(100.00)	0.00	0.00
	31 March 2019	0.00	0.00	0.00	0.00
2	Manoj B Vadodaria				
	01 April 2018	0.00	0.00	0.00	0.00
	29 June 2018 – Allotment*	53154712	13.49	53154712	13.49
	31 March 2019	53154712	13.49	53154712	13.49
3	Kiran B Vadodaria				
	01 April 2018	0.00	0.00	0.00	0.00
	29 June 2018 – Allotment*	38608100	9.80	38608100	9.80
	31 March 2019	38608100	9.80	38608100	9.80
4	Deep S Vadodaria				
	01 April 2018	0.00	0.00	0.00	0.00
	29 June 2018 – Allotment*	31752108	8.07	31752108	8.07
	31 March 2019	31752108	8.07	31752108	8.07
5	Nila M Vadodaria				
	01 April 2018	0.00	0.00	0.00	0.00
	29 June 2018 – Allotment*	43955267	11.16	43955267	11.16
	31 March 2019	43955267	11.16	43955267	11.16
6	Alpa K Vadodaria				
	01 April 2018	0.00	0.00	0.00	0.00
	29 June 2018 – Allotment*	36800000	9.34	36800000	9.34
	31 March 2019	36800000	9.34	36800000	9.34
7	Shailesh B Vadodaria				
	01 April 2018	0.00	0.00	0.00	0.00
	29 June 2018 – Allotment*	12960000	3.29	12960000	3.29
	31 March 2019	12960000	3.29	12960000	3.29
8	Mina S Vadodaria				
	01 April 2018	0.00	0.00	0.00	0.00
	29 June 2018 – Allotment*	8695000	2.21	8695000	2.21
	31 March 2019	8695000	2.21	8695000	2.21
9	Rajesh B Vadodaria				
	01 April 2018	0.00	0.00	0.00	0.00
	29 June 2018 – Allotment*	5000000	1.27	5000000	1.27
	31 March 2019	5000000	1.27	5000000	1.27
10	Chhayaben R. Vadodaria				
	01 April 2018	0.00	0.00	0.00	0.00
	29 June 2018 – Allotment*	4300000	1.09	4300000	1.09
	31 March 2019	4300000	1.09	4300000	1.09
11	Siddharth R. Vadodaria				
	01 April 2018	0.00	0.00	0.00	0.00
	29 June 2018 – Allotment*	4300000	1.09	4300000	1.09
	31 March 2019	4300000	1.09	4300000	1.09
12	Karan R Vadodaria				
	01 April 2018	0.00	0.00	0.00	0.00
	29 June 2018 – Allotment*	4300000	1.09	4300000	1.09
	31 March 2019	4300000	1.09	4300000	1.09

*Pursuant to Scheme of Demerger

D) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	Share holding for Each of the Top 10 Shareholders	Shareholding at the beginning of the year (01 April 2018)		Cumulative Shareholding at the end of the year (31 March 2019)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Elara India Opportunities Fund Limited	-	-	12315000	3.12
2	Shobha I Desai	-	-	6243657	1.58
3	HDFC Housing Opportunities Fund	-	-	5371654	1.36
4	Tushar R Mehta	-	-	3096050	0.78
5	Jainam Share Consultants Pvt Ltd	-	-	3079180	0.78
6	Elara Capital Mauritius Ltd	-	-	2500000	0.63
7	Jitendra V Sanghavi	-	-	2431500	0.61
8	Nisha J Mehta	-	-	1990000	0.50
9	Plutus Terra India Fund	-	-	1840000	0.46
10	Rajni T Jain	-	-	1500000	0.38

1. The shares of the Company are substantially held in dematerialized form and are traded on a daily basis and hence, the date wise increase/decrease in shareholding is not indicated.
2. There was no public shareholding at the beginning of the year.

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Deep S Vadodaria				
	01 April 2018	-	-	-	-
	31 March 2019	31752108	8.06	31752108	8.06
2	Prashant H Sarkhedi				
	01 April 2018	-	-	-	-
	31 March 2019	175000	0.00	175000	0.00
3	Jasvinder S Rana	-	-	-	-
4	Anand B Patel	-	-	-	-
5	Rajal B Mehta	-	-	-	-
6	Gopi V Dave	-	-	-	-
7	Sonal K Jain	-	-	-	-

V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(₹ in lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
At the beginning of the year				
Indebtedness at the beginning of the financial year				
I) Principal Amount	4758.41	984.97	-	5743.38
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**4758.41**	**984.97**	**-**	**5743.38**
Change in Indebtedness during the financial year				
* Addition	2203.32	818.32	-	3021.64
* Reduction	116.87	984.97	-	1101.84
Net Change	**2086.45**	**(166.65)**	**-**	**1919.80**
Indebtedness at the end of the financial year				
i) Principal Amount	6844.86	818.32	-	7663.18
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**6844.86**	**818.32**	**-**	**7663.18**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ in lakhs)

SN	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Anand B Patel	
1	Gross salary (per annum)	27.00	27.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission		
	- as % of profit		
	- other	-	-
5	Others	-	-
	Total (A)	**27.00**	**27.00**
	Ceiling as per Schedule V of the Companies Act, 2013**	63.00	63.00

*MD= Managing Director; ** WTD= Whole Time Director

** Mr. Anand B Patel was appointed with effect from 19 June 2018 and therefore in terms of explanation provided to Item (A) of Section II of Schedule V, the above ceiling limit is calculated on pro-rated basis.

B. REMUNERATION TO OTHER DIRECTORS

(₹ in lakhs)

SN	Particulars of Remuneration	Name of Directors				Total
		Other NED*		Independent Directors		
		Deep S Vadodaria	Prashant H Sarkhedi	Jasvinder S Rana	Rajal B Mehta	
1	Fee for attending board, committee meetings	-	-	-	-	-
2	Commission	-	-	-	-	-
3	Others – For attending meeting of Independent Directors	-	-	-	-	-
	Total Managerial Remuneration	**-**	**-**	**-**	**-**	**-**
	Overall Ceiling as per the Act	₹1 Lakh per meeting per Director as per Rule 4 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014				

*NED= Non Executive Director

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(₹ in lakhs)

SN	Particulars of Remuneration	Key Managerial Personnel		
		*CS	**CFO	Total
1	Gross salary per annum	0.80	3.54	4.34
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option – Value of Perquisites	-	-	-
3	Sweat Equity	-	-	-
4	Commission as % of Profit/ Others	-	-	-
5	Others	-	-	-
	Total	**0.80**	**3.54**	**4.34**

*CS= Company Secretary ** CFO = Chief Financial Officer

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

(₹ in lakhs)

SN	Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made if any (give Details)
A.	COMPANY					
	Penalty	-	-	-	-	-
	Punishment	-	-	-	-	-
	Compounding	-	-	-	-	-
B.	DIRECTORS					
	Penalty	-	-	-	-	-
	Punishment	-	-	-	-	-
	Compounding	-	-	-	-	-
C.	OTHER OFFICERS IN DEFAULT					
	Penalty	-	-	-	-	-
	Punishment	-	-	-	-	-
	Compounding	-	-	-	-	-

ANNEXURE B

FORM AOC-1

STATEMENT CONTAINING SALIENT FEATURES OF FINANCIAL STATEMENT OF SUBSIDIARY COMPANY, ASSOCIATE COMPANY AND JOINT VENTURE

Pursuant to Section 129(3) of the Companies Act, 2013 (Disclosure in respect of Subsidiaries, Joint Ventures and Associate)

(A) Statement containing salient features of the financial statements of subsidiary company: Not Applicable as there is no Subsidiary Company of the Company.

(B) Statement containing salient features of the financial statements of associate companies and joint ventures:

(₹ in lakhs)

SN	Name of Associate Companies	Mega City Cine mall Pvt. Ltd.
	Latest audited Balance Sheet Date	31 March 2019
1.	Shares of associates and Joint Ventures held by company on the year end	42.5%
	i. Number of Shares	233750
	ii. Amount of Investment	222.06
	iii. Extend of Holding %	42.5%
2.	Description of how there is significant influence	By holding more than 20% of voting power
3.	Reason why the associate / joint venture is not consolidated	Not Applicable
4.	Net worth attributable to shareholding as per latest audited balance sheet	(481.09)
5.	Profit/Loss for the year	(74.86)
	i. Considered in consolidation	(31.82)
	ii. Not considered in consolidation	Not Applicable

(₹ in lakhs)

SN	Name of Joint Ventures	Nila Projects LLP	Nilsan Realty LLP
	Latest audited Balance Sheet Date	31 March 2019	31 March 2019
1.	Shares of associates and Joint Ventures held by company on the year end	99.97%	99.99%
	i. Number of Shares	Not Applicable	Not Applicable
	ii. Amount of Investment	2480.66	168.34
	iii. Extend of Holding %	99.97%	99.99%
2.	Description of how there is significant influence	By contractual agreement	By contractual agreement
3.	Reason why the associate / joint venture is not consolidated	Not Applicable	Not Applicable
4.	Net Worth attributable to shareholding as per latest audited balance sheet	2475.03	168.89
5.	Profit/Loss for the year	(6.29)	65.47
	i Considered in consolidation	(6.29)	65.47
	ii Not considered in consolidation	Not Applicable	Not Applicable

*Profit/Loss of the LLP is consider in accordance with the Profit Sharing Ratio of the partners

For J. S. Shah & Co.
Chartered Accountants
Firm's Registration No: 132059W

Jaimin Shah
Partner
Membership No. 138488

Place : Ahmedabad
Date : 25 May 2019

For and on behalf of the Board of Directors of
Nila Spaces Limited **(Formerly known as Parmananday Superstructure Ltd.)**
CIN No.: L45100GJ2000PLC083204

Jasvinder S Rana
Chairman
DIN : 01749361

Anand B Patel
Whole Time Director
DIN : 07272892

Deep S Vadodaria
Director
DIN : 01284293

Rajesh M Shah
Chief Financial Officer

Gopi V Dave
Company Secretary
Membership No. A46865

ANNEXURE C

REMUNERATION DETAILS

Part-1: [Pursuant to section 197(12) of the Companies Act, 2013 and Rule No. 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

1. **The ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year:**

   The median remuneration of the employees of the Company as on 31 March 2019 is ₹2,08,000/- per annum and the ratio of remuneration of each Director to this median remuneration is as under.

Name of the Director	Ratio of each Director to the median remuneration of the employee
Deep S Vadodaria	N.A
Prashant H Sarkhedi	N.A
Jasvinder S Rana	N.A
Rajal B Mehta	N.A
Anand B Patel	12.98:1

2. **The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year 2018-19:**

   There is no increase in remuneration of any directors and key managerial personnel during the year.

3. **The percentage increase in the median remuneration of employees in the financial year:**

   The median remuneration of employees was ₹ 2,08,000 on 31 March 2019. In the view of the Scheme of demerger the percentage increase is not comparable during the year.

4. **The number of permanent employees on the roll of Company: 21 as on 31 March 2019.**

5. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

   The comparison of average percentile increase in the salaries of managerial personnel and that of non managerial personnel is not ascertainable in view of scheme of demerger during the year.

6. **Affirmation that the remuneration is as per the Remuneration Policy of the Company:**

   It is confirmed that the remuneration paid to the Directors and Key Managerial Personnel are as per the Remuneration Policy of the Company.

PART 2: Information Pursuant to section 197(12) of the Companies Act, 2013 and Rule No. 5 of the Companies (Appointment and Remuneration Personnel) Rules, 2014

SN	Name of Employee	Designation	Remuneration During the year (for 9 months)	Nature of Employment	Qualification and Experience	Date of Commencement of Employment	Age of Employee (in years)	Last Employment held before joining the Company	% of Equity shares held by employee along with spouce and dependent children
1	Mr. Maulik R. Shah	Sr Engineer	7,65,000	On Roll	Diploma (Civil) , 12 years	1 July 2018	34	Nila Infrastructures Ltd.	0.0580
2	Mrs Rita Patel	Business Development Executive	7,27,095	On Roll	Graduate, 10 years	1 November 2018	51	Nila Infrastructures Ltd.	0.0228
3	Mr. Anil Fulmali	Project Coordinator	4,50,000	On Roll	ITI, 24 years	1 July 2018	48	Nila Infrastructures Ltd.	0.0038
4	Mr. Prakash R Patel	Asst. Manager - Sales and Marketing	3,33,000	On Roll	DCA, 18 years	1 July 2018	37	Nila Infrastructures Ltd.	0.0002
5	Mr. Rajesh M Shah	Chief Financial Officer*	3,15,000	On Roll	B.Com, 22 years	1 July 2018	45	Nila Infrastructures Ltd.	0.0094
6	Mr. Arun Pasi	Executive - Revenue	2,61,000	On Roll	Undergraduate, 19 years	1 July 2018	41	Nila Infrastructures Ltd.	-
7	Mr. Lilashankar Panchavat	Incharge - Houskeeping	2,38,500	On Roll	Undergraduate, 19 years	1 July 2018	39	Nila Infrastructures Ltd.	-
8	Mr. Maulik P Patwa	Executive - Accounts and Finance	2,07,000	On Roll	Undergraduate, 19 years	1 July 2018	45	Nila Infrastructures Ltd.	0.0008
9	Mr. Mahesh B Makwana	Computer Operator	2,02,500	On Roll	B.A., 6 years	1 July 2018	33	Nila Infrastructures Ltd.	-
10	Mr. Nisarg Thakkar	Executive - Sales and Marketing	1,98,000	On Roll	Undergraduate, 6 years	1 July 2018	23	Nila Infrastructures Ltd.	-

*W.e.f. 25 May 2019

ANNEXURE D:

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON 31 MARCH 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
NILA SPACES LIMITED
(Formerly known as Parmananday Superstructure Limited)
Ist Floor, Sambhaav House,
Opp.Chief Justice's Bungalow,
Bodakdev,
Ahmedabad - 380 015

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Nila Spaces Limited (Fomerly Known as Parmananday Superstructure Limited) (hereinafter called the Company).Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31 March 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent , in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2019 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (upto 10th November, 2018) and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (with effect from 11th November, 2018);
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable to the Company during the Audit Period)
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable to the Company during the Audit Period) and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (upto 10th September 2018) and The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (with effect from 11th September 2018); (Not Applicable to the Company during the Audit Period)

(vi) Transfer of Property Act, 1882;

(vii) Registration Act, 1882;

(vii) The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996;

(viii) The Land Acquisition Act, 1894;

(ix) Real Estate Regulation Act, 2017

(x) The Gujarat Town Planning and Urban Development Act, 1976

(xi) The Environment (Protection) Act, 1986

(xii) The Gujarat Land Revenue Code, 1879

(xiii) The Gujarat Tenancy & Agricultural Lands Act, 1948

(xiv) The Indian Stamp Act, 1899

(xv) The Gujarat Stamp Act, 1958

(xvi) The Gujarat Ownership Flats Act, 1973

(xvii) The Indian Contract Act, 1872

(xviii) The Gujarat Shops and Establishments Act, 1948

(xix) The Contract Labour (Regulation and Abolition) Act, 1970

(xx) Gujarat Real Estate (Regulation and Development) General Rules, 2017

(xxi) We have relied on the representation made by the Company, its Officers and on the reports given by designated professionals for systems and processes formed by the Company to monitor and ensure compliances under other applicable Acts, Laws and Regulations to the Company.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with Stock Exchanges read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

There were lapses in compliance of Provisions of Section 12 of the Companies Act 2013,

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associates Companies and Joint ventures was not strictly complied.

Couple of forms required to be filed under the provisions of the Companies Act, 2013 were filed after the statutory period along with the additional filing fees.

The Secretarial standards issued by the Institute of Company Secretaries of India were not followed in words and spirit.

We further report that:

Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions in the Board is carried through, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the year under report, The Hon'ble National Company Law Tribunal, Ahmedabad bench has vide its order dated 09 May, 2018 approved the Scheme of Arrangement among Nila Infrastructure Limited and Nila Spaces Limited under section 230-232 read with other relevant provisions of the Companies Act, 2013.

We further report that during the year under report, In Compliance with the order of The Hon'ble National Company Law Tribunal, Ahmedabad bench has vide its order dated 09 May 2018 approved the Scheme of Arrangement among Nila Infrastructure Limited and Nila Spaces, the Company has Increased its Authorised Share Capital from ₹ 15,00,000/- (Rupees Fifteen Lakhs Only) divided into 1500000 (Fifteen Lakhs Only) Equity shares of ₹ 1/- each to ₹ 45,00,00,000/- (Rupees Forty Five Crore Only) divided into 4,50,000,000 (Forty Five Crore) Equity shares of ₹ 1/- each and the same was approved by way of Ordinary resolution on 01 June 2018.

We further report that during the year under report, Nila Spaces has issued equity shares to the shareholders of Nila Infrastructures limited as per the scheme in the ratio of 1:1 and not with reference to the market price of Nila Infra

We further report that during the year under report, the Equity Shares of Company are Listed and admitted to dealings on the Exchange with effect from 28 December 2018.

Umesh Ved
Umesh Ved & Associates

Company Secretaries
FCS No.: 4411
C.P. No.: 2924

Date: 25 May 2019
Place: Ahmedabad

To,
The Members,
NILA SPACES LIMITED
(Fomerly Known as Parmananday Superstructure Limited)
1st Floor, Sambhaav House,
Opp. Chief Justice Bunglow,
Bodakdev, Ahmedabad – 380 015

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

Umesh Ved
Umesh Ved & Associates

Company Secretaries
FCS No.: 4411
C.P. No.: 2924

Date: 25 May 2019
Place: Ahmedabad

Management Discussion and Analysis

1. **THE ECONOMIC SCENARIO:**

One year ago economic activity was accelerating in almost all regions of the world and the global economy was projected to grow at 3.9% in 2018 and 2019. One year later, much has changed: the escalation of US–China trade tensions, macroeconomic stress in Argentina and Turkey, disruptions to the auto sector in Germany, tighter credit policies in China, and financial tightening alongside the normalization of monetary policy in the larger advanced economies have all contributed to a significantly weakened global expansion, especially in the second half of 2018.

Global growth, which peaked at close to 4% in 2017, softened to 3.6% in 2018, and is projected to decline further to 3.3% in 2019. Although a 3.3% global expansion is still reasonable, the outlook for many countries is very challenging, with considerable uncertainties in the short term, especially as advanced economy growth rates converge toward their modest long-term potential. While 2019 started out on a weak footing, a pickup is expected in the second half of the year. This pickup is supported by significant policy accommodation by major economies, made possible by the absence of inflationary pressures despite closing output gaps. The US Federal Reserve, in response to rising global risks, paused interest rate increases and signaled no increases for the rest of the year. The European Central Bank, the Bank of Japan, and the Bank of England have all shifted to a more accommodative stance. China has ramped up its fiscal and monetary stimulus to counter the negative effect of trade tariffs. Furthermore, the outlook for US–China trade tensions has improved as the prospects of a trade agreement take shape. These policy responses have helped reverse the tightening of financial conditions to varying degrees across countries. Emerging markets have experienced a resumption in portfolio flows, a decline in sovereign borrowing costs, and a strengthening of their currencies relative to the dollar. While the improvement in financial markets has been rapid, those in the real economy have yet to materialize. Measures of industrial production and investment remain weak for most advanced and emerging economies, and global trade has yet to recover.

With improvements expected in the second half of 2019, global economic growth in 2020 is projected to return to 3.6%. This return is predicated on a rebound in Argentina and Turkey and some improvement in a set of other stressed emerging market and developing economies, and therefore subject to considerable uncertainty. Beyond 2020 growth will stabilize at around 3.5%, bolstered mainly by growth in China and India and their increasing weights in world income. Growth in advanced economies will continue to slow gradually as the impact of US fiscal stimulus fades and growth tends toward the modest potential for the group, given ageing trends and low productivity growth. Growth in emerging market and developing economies will stabilize at around 5%, though with considerable variance between countries as subdued commodity prices and civil strife weaken prospects for some.

While the overall outlook remains benign, there are many downside risks. There is an uneasy truce on trade policy, as tensions could flare up again and play out in other areas (such as the auto industry) with large disruptions to global supply chains. Growth in China may surprise on the downside, and the risks surrounding BREXIT remain heightened. In the face of significant financial vulnerabilities associated with large private and public sector debt in several countries, including sovereign-bank doom loop risks (for example, in Italy), there could be a rapid change in financial conditions owing to, for example, a risk-off episode or a no-deal BREXIT.

With weak expansion projected for important parts of the world, a realization of these downside risks could dramatically worsen the outlook. This would take place at a time when conventional monetary and fiscal space is limited as a policy response.

The Indian economy started the FY2019 with a healthy 8.2% growth in the first quarter on the back of domestic resilience. Growth eased to 7.3% in the subsequent quarter due to rising global volatility, largely from financial volatility, normalized monetary policy in advanced economies, externalities from trade disputes, and investment rerouting. Further, the INR suffered on wake of the crude price, and conditions exacerbated as recovery in some advanced economies caused faster investment outflows. Despite softer growth, the Indian economy remained one of the fastest growing and possibly the least affected by global turmoil. In fact, the effects of such external shocks were contained in part by India's strong macroeconomic fundamentals and policy changes (including amendments to the IBC, bank recapitalization, and FDI). The improving macroeconomic fundamentals have further been supported by the implementation of reform measures, which facilitated an environment to boost investments and ease banking sector concerns. Together, these augur well for a healthy growth path for the economy.

In 2019, the Indian economy is expected to continue to be the global outperformer at a relatively stable pace in terms of economic growth with 7.3%. While high by international standards, this growth rate is at or slightly below India's potential. While not immune, India is less exposed to a slowdown in global manufacturing trade growth than other major Asian economies and emerging markets. Growth will be supported by favourable fiscal and monetary policies. In India, government spending announced ahead of elections this year will support near-term growth. RBI is also likely to be able to maintain its current monetary policy stance after some tightening last year. Indian household spending growth will remain stable. A recent positive development is a pickup in investment spending and exports, after weak growth in 2017. In fact, with range-bound oil prices, export growth has outpaced import growth for the last two years. Fiscal spending on infrastructure and the rural economy should continue to support domestic activity. Ahead of the upcoming elections and amid financial distress among small farmers from prolonged low food price increases, the government included a special relief package for farmers in the interim budget. The budget also includes tax breaks for middle-class earners through tax rebates and an increased standard deduction. Together, the direct cash transfer program for farmers and the middle-class tax relief measures will contribute a fiscal stimulus of about 0.45% of GDP. These measures will support growth through consumption over the near term, albeit at a fiscal cost. The RBI cut its benchmark policy rate in February and changed the policy stance to "neutral" from "calibrated tightening." Inflation measures have steadily declined since the middle of 2018. The headline inflation rate declined to only 2.04% in January, largely because of declining food prices, even though core inflation at 5.6% remains only slightly below the RBI's target. Although the overall strength of the banking system is improving, it remains a constraint on the economy. In February 2019, the government provided further capital infusions to public sector banks. These measures, combined with the application of the PCA framework, which requires timely recognition of bad loans, and resolution of bad loans through the IBC, are helping to address solvency and asset quality challenges. However, a complete turnaround of the banking system requires more time amid slower-than-expected resolution of legacy problem loans. According to the RBI, NPA declined to 10.8% in September 2018 from a peak of 11.5% in March 2018. The central bank expects this ratio to improve further to 10.3% in March 2019. Meanwhile, bank credit has also started to flow, with growth of outstanding credit from commercial banks at 12.8% in December 2018. Nevertheless, there are substantial downside risks as well, such as elusive outcome of the general elections, an escalation of the trade tensions between China and the US and a more rapidly cooling down of the global economy than expected.

It may be noted that India has already surpassed France to become the sixth-largest economy backed by gradual revival in investments, especially with a greater focus on infrastructure development.

With this backdrop, infrastructure remains a key tool to address developmental gaps as it is considered a catalyst to lift the economy out of the financial turmoil. Every year, there is about USD 10,00,000 crore in construction-related spending globally, equivalent to 13% of GDP. This makes construction one of the largest sectors of the world economy. The sector employs 7% of the world's working population and, by building the structures in which we live and work, which create our energy, materials, and goods, and on which we travel, has an impact well beyond its own boundaries. Construction matters. The governments around the world are pumping money to generate demands for goods and services by creating jobs through higher spending into public and social infrastructure. India's emergence as an economic superpower is predicated upon transforming its basic infrastructure (power, bridges, dams, roads and urban infrastructure development – including Affordable Housing). The impetus is now towards rapid industrialization and infrastructure development where the government and the private sector players are looking to work in a cohesive manner. Apropos, the Indian government has taken concrete steps to revive the sector at a quickened pace. Increased impetus to develop infrastructure in the country is attracting both domestic and international players. Private sector is emerging as a key player across various infrastructure segments, ranging from roads and communications to power and airports. Infrastructure combined index measures the performance of eight core industries with aggregate weightage of 40.27% in the IIP i.e. refinery production (28.04%), electricity generation (weight: 19.85%), steel production (17.92%), coal production (10.33%), crude oil production (8.98%), natural gas production (6.88%), cement production (5.37%) and fertilizers production (2.63%).

2. THE INDUSTRY SCENARIO:

The real estate sector is one of the most globally recognized sectors. Real estate sector comprises four sub sectors - housing, retail, hospitality, and commercial. The growth of this sector is well complemented by the growth of the corporate environment and the demand for office space as well as urban and semi-urban accommodations.

It is also expected that this sector will incur more non-resident Indian (NRI) investments in both the short term and the long term. Bengaluru is expected to be the most favoured property investment destination for NRIs, followed by Ahmedabad, Pune, Chennai, Goa, Delhi and Dehradun.

Real estate sector in India is expected to reach a market size of US$ 1 trillion by 2030 from US$ 120 billion in 2017 and contribute 13% of the country's GDP by 2025. Real Estate stock in India is expected to reach 3.7 million square feet in 2019, with addition of 200 million square feet during the year. Emergence of nuclear families, rapid urbanisation and rising household income are likely to remain the key drivers for growth in all spheres of real estate, including residential, commercial and retail. The Indian real estate sector has witnessed high growth in recent times with the rise in demand for office as well as residential spaces. Between 2009-18, Indian real estate sector attracted institutional investments worth US$ 30 billion. Private Equity and Venture Capital investments in the sector reached US$ 4.47 billion in 2018 and US$ 546 million in Jan-Feb 2019. According to data released by Department of Industrial Policy and Promotion (DIPP), the construction development sector in India has received Foreign Direct Investment (FDI) equity inflows to the tune of US$ 24.91 billion in the period April 2000-December 2018. Some of the major investments and developments in this sector are as follows:

- Housing launches across top eight Indian cities increased 75% in 2018 to 182,207 units.
- In March 2019, Embassy Office Parks, India's first real estate investment trust (REIT) went public.

- Warehousing space in top eight Indian cities increased 22% y-o-y in 2018 to 169 mn sq. ft.
- Around 5.1 million sq. ft. of retail space became operational in top seven Indian cities in 2018.
- In May 2018, Blackstone Group acquired One Indiabulls in Chennai from Indiabulls Real Estate for around ₹ 900 crore.
- In February 2018, DLF bought 11.76 acres of land for ` 15 billion for its expansion in Gurugram, Haryana.

  The Government of India along with the governments of the respective states has taken several initiatives to encourage the development in the sector. The Smart City Project, where there is a plan to build 100 smart cities, is a prime opportunity for the real estate companies. Below are some of the other major Government Initiatives:
- Under the Pradhan Mantri Awas Yojana (PMAY) Urban, more than 7.98 million houses have been sanctioned up to March 2019.
- In February 2018, creation of National Urban Housing Fund was approved with an outlay of ₹ 600 billion.

  The Securities and Exchange Board of India (SEBI) has given its approval for the REIT platform which will help in allowing all kinds of investors to invest in the Indian real estate market. It would create an opportunity worth ₹ 1,250 billion in the Indian market over the years. Responding to an increasingly well-informed consumer base and, bearing in mind the aspect of globalisation, Indian real estate developers have shifted gears and accepted fresh challenges. The most marked change has been the shift from family owned businesses to that of professionally managed ones. Real estate developers, in meeting the growing need for managing multiple projects across cities, are also investing in centralised processes to source material and organise manpower and hiring qualified professionals in areas like project management, architecture and engineering.

  The growing flow of FDI into Indian real estate is encouraging increased transparency. Developers, in order to attract funding, have revamped their accounting and management systems to meet due diligence standards.

3. THE COMPANY:

- Your Company is a latest enterprise of Ahmedabad headquartered Sambhaav Group, pursuant to the Scheme of Arrangement for Demerger (the "Scheme") of Real Estate (RE) Undertaking of Nila Infrastructures Ltd (the "Demerged Company"/NI Ltd (BSE: 530377/NILA; NSE: NILAINFRA)) into NS Ltd (the "Resultant Company") under section 230 to 232 and other applicable provisions of the Companies Act, 2013 with Appointed Date of 01/04/17.
- Your Company (ISIN: INE00S901012) got listed on the BSE (Security Code: 542231) and NSE (Symbol: NILASPACES) on 28/12/2018.
- The Group has completed more than 10+ million sq.ft. real estate projects over last 29+ years.
- Business Strategy is to partake in the opportunities available in Affordable Housing space.
- Your Company has a land bank of over 18 acres (in-and-around Ahmedabad); and holds the near-future potential to develop 47 lakh sq.ft.

4. STRATEGIC FOCUS:

- Main focus is to develop Affordable Housing Schemes, where the buyers get a chance to avail benefits under PMAY – Housing for All Mission.
- It may also offer Residential apartments in Premium, Luxury, and Signature categories.

5. GROWTH DRIVERS:

- Huge demand-supply gap in housing per-se and specifically Affordable Housing.
- The size and scale of government's initiatives - "Housing for All by 2022", and "Smart cities".
- The State Government contributes upto INR 150,000 as the subsidy per unit over and above INR 150,000 per unit that the Central Government provides, which serves to drive up affordability.
- Existing society Redevelopment opportunities.

6. REAL-ESTATE PROJECTS:

Your Company's comprehensive evaluation of opportunities in real estate projects includes the following parameters:

- Market: Local economic conditions, demand-supply outlook, interest/inflation rate scenario, etc.
- Pre-development: Financing flexibility to fund the early design work, community/political participation/opposition, government stability over the life of the project, environmental problems, site selection and regulatory approval delays, land acquisition, etc.
- Finance: Commercial viability of the project, capacity of the lender to evaluate and speed in providing the credit lines, repayment mechanism, credit availability on viable terms, etc.
- Construction: Viability of the design/technology, availability of labour and raw-material, outlook of raw-material cost, contractor failure, developer's access to funds on a timely basis for construction, etc.

  Throughout this process, your Company has to identify and mitigate inherent risks that can adversely affect the project. It is broadly evaluated in three parts: 1) preliminary considerations, market analysis, financial analysis, and strategic marketing; 2) site selection and due diligence, land acquisition, deal structure, entitlements, permissions, etc.; and 3) planning and design, construction management, operations and property management. Hence, with sufficient due-diligence the project is selected and execution is carried-out accordingly by your Company.

7. **Financial Resources:**

The foremost source of finance of your Company is internal accruals and borrowings from GRUH Finance Limited (GRUH). Your Company has made financial arrangement with GRUH for its project funding requirements.

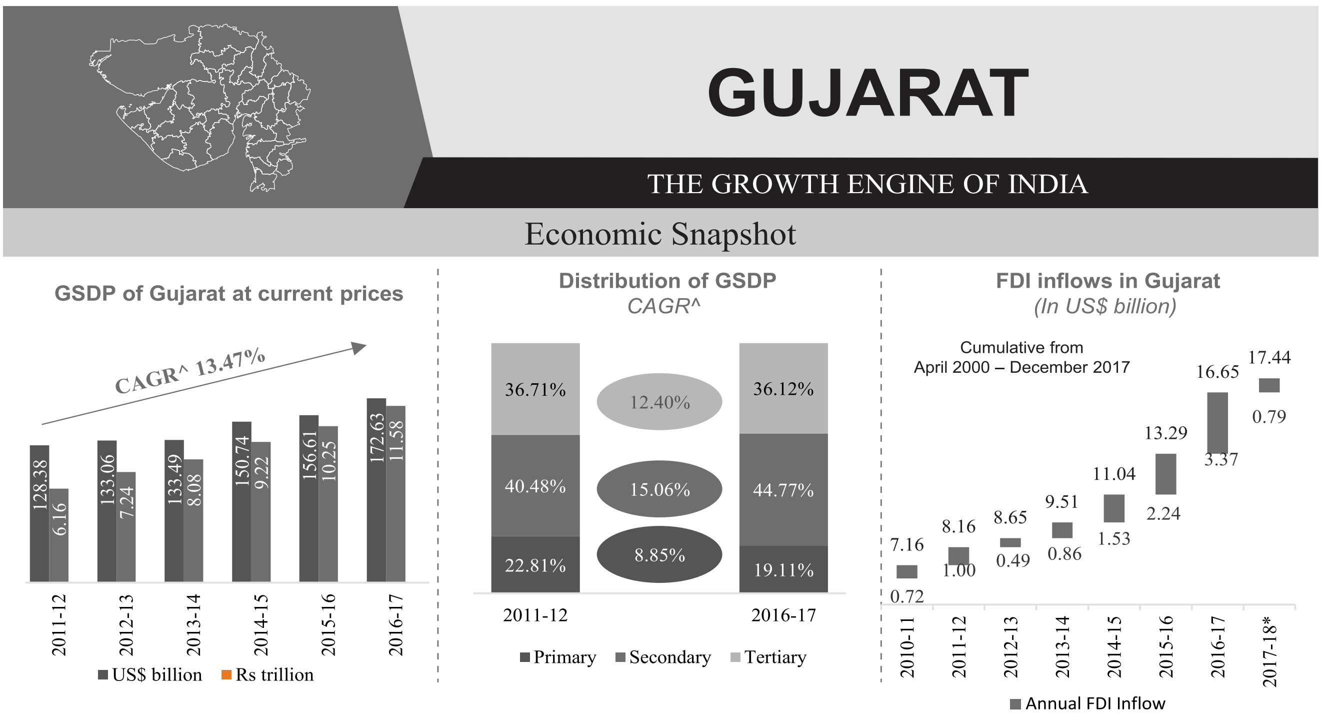
8. **Joint Ventures:**

In order to share risk and cost, experience and expertise your Company develops certain projects in association with other renowned corporates and has formed associates and joint ventures. This provides a larger scale to your Company to work on specific operations. In such a scenario, the construction work is invariably carried-out by your Company. Your Company looks upon them as partners in its progress and shares with them the rewards of growth. It is the Company's endeavour to build and nurture strong links with the trade based on mutuality of benefits, respect for and cooperation with each other, consistent with consumer interests.

9. **Opportunities and Outlook:**

A. **Gujarat – The Growth Engine of India:**

The organisation of "Vibrant Gujarat" at every two-years has been instrumental to make Gujarat a corporate hub with the entry of national and multinational companies which has led to rising employment. Gujarat is one of the leading industrialised states in India. As of February 2019, Gujarat had a total installed power generation capacity of 31,579 megawatt (MW). Gujarat is considered the petroleum capital of India due to presence of large refining capacity set up by private and public sector companies with total refining capacity of 102 MMTPA, accounting for 42% of the country's capacity. The state is the world's largest producer of processed diamonds, accounting for 72% of the world's processed diamond share and 80% of India's diamond exports. With a contribution of 65 to 70% to India's denim production, Gujarat is the largest manufacturer of denim in the country and the third largest in the world. There are 42 ports, 18 domestic airports and one international airport. There are 106 product clusters and 60 notified special economic zones (SEZs). Large scale investment is expected in Gujarat as part of the USD 9,000 crore DMIC.



Note: 201718 - up to December 2017, ^CAGR in Rs*

Source: Directorate of Economics and Statistics Gujarat, Department of Industrial Policy & Promotion

Advantages

High economic growth and industrial development

- One of the **most industrially developed** states. Contributes about a **quarter of India's goods exports**
- Gross State Domestic Product (GSDP) of Gujarat grew at a rate of 13.47 per cent during 2011-12 to 2016-17.

Policy incentives

- The state government has framed policies in almost all key sectors such as industry, power, ports, roads, agriculture & minerals.
- Garment & Apparel policy was announced in October 2017 with the **aim of creating 100,000 jobs in the state.**

Rich labour pool

- **Good educational infrastructure** with premier institutes in management, fashion, design, infrastructure planning & pharmaceuticals.
- **Industrial training institutes in each district** train manpower for the shop floor level.

Facilitating infrastructure

- The state has developed **42 ports, 18 domestic airports & 1 international airport.**
- A **2,200 km gas grid** supplies gas to the industrial areas.

Key Government Policies and Objectives

Policy	Objective
Garment and Apparel Policy 2017	Creation of 100,000 jobs in the state
Gujarat New Industrial Policy 2015	Develop Gujarat as a global manufacturing global hub
Solar Power Policy 2015	Promote power generation of green and clean power in the state using solar energy and reduce the cost of generating renewable energy.
IT Policy, 2014-19	Accumulate US$ 15 billion from IT sector in Gujarat by 2020
E-Governance Policy, 2014-19	Provide cost efficient services in Gujarat through information and communication technologies
Electronics Policy, 2014-19	Promote semiconductor manufacturing sector and establish an electronic manufacturing cluster in the state

Government Vision for the State

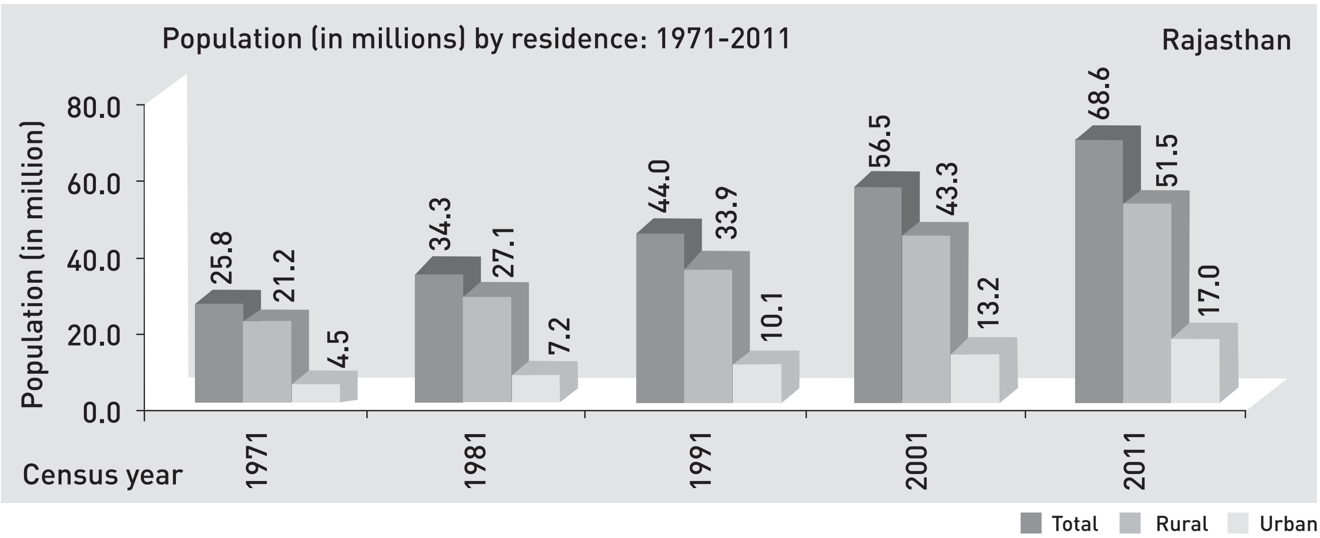
GSDP Growth	Transport	Tourism	Renewable Energy	Education	Industry	Healthcare	Investment promotion
Real GSDP to grow three times by 2020.	Bullet train and Metro Rail Transport Project to reduce travel time. Develop high speed integrated transport network meeting global standards.	Develop tourism infrastructure and make Gujarat a global tourist destination.	Encourage solar and wind energy generation.	Make Gujarat a globally recognised knowledge society.	Develop world class and globally competitive industrial infrastructure.	Improve quality of life of people by developing clean, green and safe cities.	Attract investments in SIRs, industrial areas, SEZ infrastructure.

Further, it may be noted that Gujarat ranked 5th (97.99%) in the recent EODB Combined Score Card of Reform Evidence and Feedback; 4th (99.73%) in Reform Evidence Score Card for Business Reforms Action Plan of Department for Promotion of Industry and Internal Trade by the Ministry of Commerce & Industry, GoI. There are about 248 Infrastructure projects with total outlay of ` 1,68,700 crore under implementation at Gujarat. Hence, your Company foresees ample opportunities in infrastructural development. The rapid urbanisation is likely to boost metaphorical growth in years to come. All these would ultimately generate a demand to develop infrastructure that shall offer opportunity to the developers to grow in years to come. The envisaged opportunities are discussed further. Your Company is favourably placed to participate in the opportunities arising from the home-state that is considered the "Growth Engine of India".

B. Rajasthan – The Sunrise State for Civic Urban Infrastructure:

Rajasthan is India's largest state by area and it is bordered by the other important Indian states: Punjab to the north; Haryana and Uttar Pradesh to the northeast; Madhya Pradesh to the southeast; and Gujarat to the southwest. Thus it is a natural corridor between the wealthy northern and the prosperous western states, making it an important trade and commerce centre.

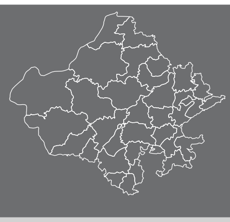
The population of Rajasthan stands at about 680 lakh (2011 census), making it the eighth most populated state in India (5.6% of the country's population). Globally, the urban areas are becoming centres of economic growth. Due to the rapid growth and urbanization, there has been an increased pressure on the urban infrastructure facilities. Rajasthan is also in accordance with such global phenomenon and has recorded 29% urbanisation growth rate during 2001-2011 as per the Census (refer the below chart):



Source: http://www.rajcensus.gov.in/

Meanwhile, the Urban infrastructure and Public Services for Rajasthan's burgeoning urban population is inadequate. On a conservative basis, an investment to the tune of ` 10,000 crore would be required in the next 10 years to adequately address the infrastructure needs of various urban centres in Rajasthan.

The natural resources, policy incentives, strategic location and infrastructure in the state are favourably suited for investments in sectors such as cement, IT and IteS, ceramics, tourism, automotive and agro-based industries. Rajasthan is the largest producer of oilseeds, seed spices and coarse cereals in India. Tremendous opportunities exist in the areas of organic and contract farming as well as in infrastructure developments. Rajasthan accounts for 17.5% of the total cement grade limestone reserves in India and is the largest cement producer with 21 major cement plants having a total capacity of 55 MTPA. A SWC System for investment approvals is operational in the state and BIP is a nodal agency of the GoR that facilitates investments in various sectors in the state.

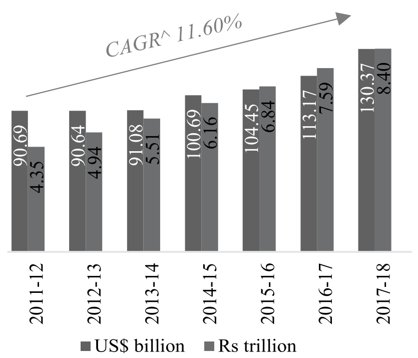


RAJASTHAN

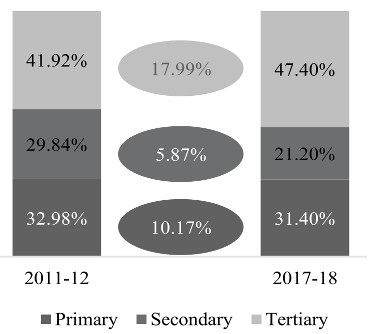
ROYAL HERITAGE

Economic Snapshot

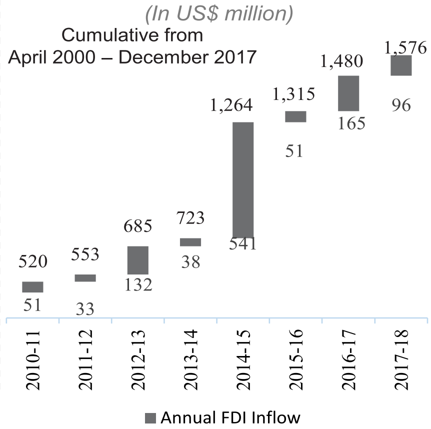
GSDP of Rajasthan current prices



Distribution of GSDP
CAGR^



FDI inflows in Rajasthan
(In US$ million)



Note: 2017-18 - up to December 2017, CAGR Rs*

Source: Central Statistics Office, Directorate of Economics and Statistics of Rajasthan, Department of Industrial Policy & Promotion

Advantages

High economic growth and stable political environment

- GSDP grew at a CAGR (in Rs) of 11.60 per cent between 2011-12 and 2017-18.
- Stable political environment. Government committed towards creating a **progressive business environment.**

Rich labour pool and infrastructure support

- Rajasthan has renowned **higher education institutions** in various disciplines, producing thousands of skilled and proficient young individuals every year.
- State developing **sector specific infrastructure**, such as special purpose industrial parks and special economic zones for exports of handicrafts, IT and electronic goods.

Abundant mineral resources and location advantage

- Rajasthan offers a variety of **unexploited agricultural and mineral** resources.
- Rajasthan is a **natural corridor** between the wealthy northern and the prosperous western states.

Policy and incentives

- The state offers a wide range of **fiscal and policy** incentives for businesses.
- Rajasthan has a **favourable industrial relations** environment. The **law & order** situation in the state ensures a good working environment.

Key Government Policies and Objectives

Rajasthan Startup Policy 2015	• Establish 50 incubators, support 500 innovative start-ups, mobilize US$ 77.77 million of Angel and Venture Capital and develop an innovation culture in the state.
E-Governance and IT/ITeS Policy, 2015	• Provision of IT for good governance in the state and enhanced investments in IT/ITeS, ESDM and robotics sector
Rajasthan Mineral Policy 2015	• Improve the exploration of the mineral wealth of Rajasthan through various in-house facilities and by outsourcing different enhanced techniques
Rajasthan Solar Energy Policy, 2014	• Reduce dependence on conventional sources of energy by promoting the development of non-conventional energy sources
Rajasthan Industrial and Investment Policy, 2010	• Achieve higher and sustainable economic growth through greater private investment in manufacturing as well as services sectors

Government Vision for the State

Infrastructure	Agriculture	Economy	Education	Human development	Community	Governance
To develop good quality roads, proper traffic management systems and appropriate water policy.	To create network of canals, develop five international level research labs and address soil fertility.	To promote region wide economic balance and develop efficient economic infrastructure.	To make education compulsory up to 10th standard, promote privatisation, support higher education & research and provide computer literacy.	To eliminate poverty & generate employment opportunities for all and develop a comprehensive Economic Inclusion Policy.	To develop a coherent social environment and execute poverty elimination plans.	To make minimum education & work experience must for politicians, provide more freedom to bureaucrats and implement fair & advanced taxation system.

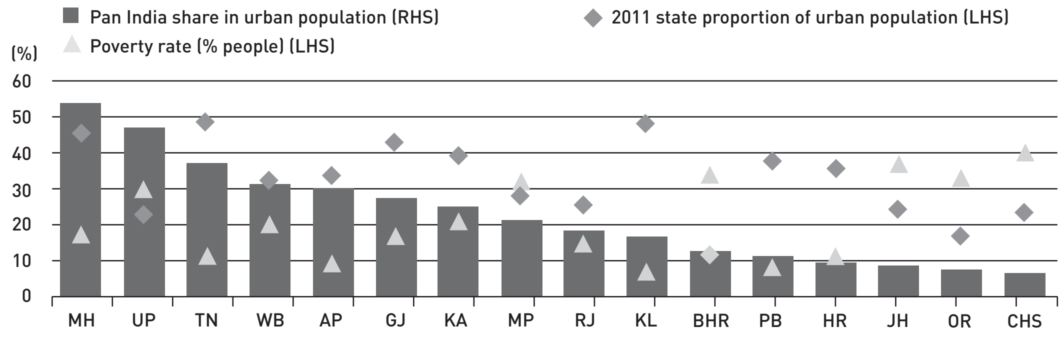
The state has undertaken a series of labour and industry reforms in recent past. It has also opened many sectors for PPP; earning favourable response from residents, activists and industrialists. The GoR is committed to providing a significantly better and more prosperous life to all the citizens of the State. For people of Rajasthan to realise their dream of a much better life for themselves and their children, it is creating an entire ecosystem of opportunities including a slew of measures, which gets reflected as Rajasthan ranked 9th (95.70%) in the recent EODB Combined Score Card of Reform Evidence and Feedback; 6th (99.46%) in Reform Evidence Score Card for Business Reforms Action Plan of Department for Promotion of Industry and Internal Trade by the Ministry of Commerce & Industry, GoI. Hence, your Company foresees ample opportunities in real estate development.

C. Affordable Housing:

Right to adequate housing is a basic human right as shelter is a basic human need. Provision of adequate housing is emerging as a major thrust area for Government and the government accords a very high priority to this task. With all round increase in the cost of land, building materials, labour and infrastructure, affordable housing has become a distant dream for the economically weaker, low income groups, and middle income groups. Hence, the role and intervention of the Government has become all the more important. Sustainable human development cannot be achieved without adequate & affordable housing. Affordable shelter for the masses or creation of productive and responsive housing for all is not a simple technological issue or a mere problem of finance. It is a complex amalgam of a host of factors, which need to be tackled at all levels and in a synchronised manner. Due to rapid pace of urbanisation, increasing rural to urban migration and the gap between demand and supply, there is a growing requirement for shelter and related infrastructure in urban areas of the country.

The latest mission of the MHUPA i.e. "Pradhan Mantri Awas Yojana – HFA by 2022" offers a considerable opportunity. It aims to build about 200 lakh houses across the length and breadth of the country for EWS, ST, SC, and women (irrespective of caste and religion). HFA alongwith the "100 Smart Cities" will be a major game changer for the industry. While, the most coveted "Infrastructure" tag to AH has already initiated change in the rules-of-the-game amongst even the established and branded real-estate players.

A demand for 250 lakh homes is estimated (4x of the entire current stock) upto FY2022 in the MIG and LIG categories.



Source: RBI, Census data

The state has undertaken a series of labour and industry reforms in recent

A combination of factors such as: 1) government financial and policy thrust, 2) regulatory support, 3) rising urbanisation, 4) increasing nuclearisation of families, and 5) increasing affordability is converting latent demand into a commercially lucrative business opportunity. The AH finance sector alone will attract over ₹ 20,000 crore of equity inflows upto FY2022 to support growth. Increased impetus to the creation of affordable housing mission, along with quicker approvals and other supportive policy changes offers a considerable opportunity. On operating cost metrics, the new entrants with their pan-India ambitions would need to build scale quickly to compete with the incumbents whose regional-focussed models have helped maintain tight opex ratios in addition to their cost of fund advantage. This entails building up the order-book at a rapid pace. This in turn would necessitate having the right 'people' (who have seen various cycles and scale) and the right 'processes' (building a scalable and robust platform) while getting the 'pricing' (risk and opex adjusted spreads) right. These are the key differentiators. As your Company has already become a sort of a Specialist in affordable housing space, it is quite favourably placed to participate in such opportunity as discussed further.

PMAY has selected 171 cities of Gujarat and 183 cities of Rajasthan for HFA by 2022. The latest progress of PMAY (U) – HFA at March 25, 2019 is furnished below:

State	Project Proposal Considered	Financial Progress (₹ in crores)			Physical Progress (Nos.)			
		Investment in Projects	Central Assistance Sanctioned	Central Assistance Released	Houses Sanctioned	Houses grounded* for construction	Houses Completed*	Houses Occupied*
Gujarat	743	40,984	8,172	4,849	4,79,988	3,94,279	2,27,036	2,29,293
Rajasthan	345	10,235	2,847	864	1,74,942	97,663	57,505	57,383
Total	1,088	51,219	11,019	5,713	6,54,930	4,91,942	2,84,541	2,86,676
PAN India	16,512	4,64,347	1,23,307	44,039	79,78,066	44,11,410	19,05,379	18,18,764

* Including incomplete houses of earlier NURM.

It can be gathered from the above table that your Company is already operating in states that offer about 7% in numbers and 11% amountwise opportunity. Also, about 52% Central assistance is already released in Gujarat (59%) and Rajasthan (30%) combined together, wherein it is 36% for Pan India. Out of the Houses Sanctioned, Gujarat has completed 47% and Rajasthan 30% that is superior to 24% for Pan India. Further, out of the Houses Sanctioned, 48% are occupied in Gujarat and 33% in Rajasthan that is superior to 23% for Pan India.

10. Risk, Challenges, and Threats:

As is typical in expanding business activities your Company has become a subject to a variety of risks, challenges, and threats. It is recognised that risks are not only inherent to any business but are also dynamic in nature. Further, the Company is susceptible to certain risks arising out of various activities undertaken in the normal course of business.

There are many constraints affecting the smooth functioning of the industry in which your Company operates. The table below provides a brief overview of the most significant risks and the company's approach to managing them.

Risk	Explanation	Mitigation approach
Interest rate risk	Your Company's interest costs are impacted by market rates.	Your Company's liquidity and borrowing are managed by professional at Senior management level. The interest rate exposure of your Company is reduced by matching the duration of investments and borrowings.
Credit risk	The flat-buyer's ability to pay can have an impact on the financial result.	As per your Company's policy only the flat-buyer's that get loan from bank/FI/NBFC/HFC and/or who can establish sufficient assets/investments/liquidity are entertained. Receipt plan is drawn per prospective flat-buyer, and is continuously monitored.
Liquidity risk	Acceptable liquidity levels are required in order to achieve desired financial results.	In addition to its own liquidity/internal accruals, your Company enjoys credit facilities with GRUH to support its real-estate business endeavour.
Market risk	Your Company's competitors find ways to sell at dramatically lower cost or with better amenities.	Your Company aims to be the cost and value leader, meaning striving to innovate and bring new and increased value through the innovation to our customers while at the same time working to assure that your Company's operations are world class in terms of efficiency, cost and waste avoidance. Your Company has developed proprietary

Risk	Explanation	Mitigation approach
		knowledge with different technologies, while the management provides highest importance to the Quality perspective to ensure long-term sustainable growth.
	Your Company's customers could be impacted by a major economic downturn.	The demand-supply gap for the subject flats at the project site is positive for short-to-long term. Your Company has done internal assessment as well as through an international property consultant of very high repute. Your Company uses market data intelligence to follow and anticipate developments – allowing proactive management of changing market conditions.

Your Company is operating in a business which is cyclic in nature and in which; the price is mainly driven by the demand and supply factors. It is not largely based on the cost of the product. Timely supply of raw material like cement, steel, bricks are essential for timely completion of the projects. Shortage of labour and raw material may delay the execution of projects of the Company. The infrastructure projects are capital intensive in nature. The Company's business requires long-term commitment of capital to meet the financial requirement of long-term projects. Further, timely availability of skilled and technical personnel is also one of the key challenges. Real-estate projects are mainly dependent on the economic scenarios and any adverse events affecting the whole economy may deteriorate the industry as well. Any significant change in government policy in promoting Affordable Housing could pose a threat. Further, the approval process and time for projects are generally uncertain which may delay the execution and thereby affect financials.

Your Company has in place an effective risk management mechanism to identify potential risk and its timely mitigation.

11. Corporate Governance:

Your Company's Corporate Governance philosophy is based on conscience, openness, fairness, professionalism and accountability. These qualities are ingrained in its value system and are reflected in its policies, procedures and systems. Your Company not only believes in adopting the best corporate governance system but also in proactive inclusion of public interest in its corporate priorities. The Company has its mission, vision, goals and core values. The Company is being governed in accordance with the policies, code of conducts, charters and various committees are formed in accordance with the law to ensure governance. The Companies Act, 2013 and SEBI Listing Regulations have strengthened the governance regime in the country. Your Company is in compliance with the governance requirements provided under the new law and listing regulations. The Company has adopted the policies in line with new governance requirements including the Policy on Related Party Transactions, Policy on Material Subsidiaries, CSR Policy and Whistle Blower Policy. These policies are available on the website of the Company at www.nilaspaces.com. The Company has established a vigil mechanism for Directors and employees to report their genuine concerns, details of which have been given in the Corporate Governance Report annexed to this Report.

The extract of annual return in Form MGT-9 as required under Section 92(3) and Rule 12 of the Companies (Management and Administration) Rules, 2014 is appended as an Annexure to this Report. A separate report on Corporate Governance is provided together with a Certificate from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Listing Regulations. A Certificate of the CEO and CFO of the Company in terms of Listing Regulations, inter alia, confirming the correctness of the financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee, is also annexed.

12. Work Culture and Human Resources:

The management believes in team work and a corporate environment which is self-motivating. Your Company has successfully developed a work force of people over a period of time i.e. 21 Nos. at 31 March 2019. The top management is acting as the governing force in creating and maintaining the corporate work culture. The businesses that your Company engages in are primarily people-driven. Our Vision is to raise our own benchmarks with every successive endeavour and it is possible only by making every employee a fully engaged and aligned team member. Your Company continues to remain focused on reinforcing the key thrust areas i.e. being the employer of choice, building an inclusive culture, building a strong talent pipeline, building capabilities in the organization and continuing to focus on progressive employee relations policies. Accordingly, our HR policies are centered around the creation of an environment that attracts, nurtures and rewards high-caliber talent. Young engineers gain the opportunity to operate on the frontlines of technology and associate with projects of scale and complexity. We drive sustainable growth and have been instrumental in bringing in thought leadership in building strong employee relations. There is no material development in HR. Your Company continued to build on the Diversity and Inclusion agenda through building leadership capability and recognizing line managers who provide a simple, flexible and respectful work environment for their teams. Your Company is developing future leaders and having the best people practices. A structured leadership development initiative has helped to build a robust talent pipeline at all levels. Our HR organisation is well-geared towards attraction and retention of engineering talent in an ecosystem that provides long-cycle professional development opportunities in various facets of real estate and caters to career building aspirations of talent at all levels.

13. **Internal Control System:**

The Corporate Governance Policy guides the conduct of affairs of your Company and clearly delineates the roles, responsibilities and authorities at each level of its three-tiered governance structure and key functionaries involved in governance. The Code of Conduct commits management to financial and accounting policies, systems and processes. The Corporate Governance Policy and the Code of Conduct stand widely communicated across the Company at all times, and, together with the 'Strategy of Organisation', Planning & Review Processes and the Risk Management Framework provide the foundation for Internal Financial Controls with reference to your Company's Financial Statements. Such Financial Statements are prepared on the basis of the Significant Accounting Policies that are carefully selected by management and approved by the Audit Committee and the Board. These Policies are supported by the Corporate Accounting and Systems Policies that apply to the entity as a whole to implement the tenets of Corporate Governance and the Significant Accounting Policies uniformly across the Company. The Accounting Policies are reviewed and updated from time to time. These, in turn are supported by a set of divisional policies and SOPs that have been established for individual businesses. Your Company uses ERP System as a business enabler and also to maintain its Books of Account. The SOPs in tandem with transactional controls built into the ERP Systems ensure appropriate segregation of duties, tiered approval mechanisms and maintenance of supporting records. The Information Management Policy reinforces the control environment. The systems, SOPs and controls are reviewed by divisional management and audited by Internal Audit whose findings and recommendations are reviewed by the Audit Committee and tracked through to implementation. Your Company has in place adequate internal financial controls with reference to the Financial Statements. Such controls have been tested during the year and no reportable material weakness in the design or operation was observed. Nonetheless your Company recognises that any internal financial control framework, no matter how well designed, has inherent limitations and accordingly, regular audit and review processes ensure that such systems are reinforced on an on-going basis. Your Company has also put in place comprehensive systems and procedural guidelines concerning other areas of business, too, like budgeting, execution, material management, quality, safety, procurement, asset management, human resources etc., which are adequate and necessary considering the size and level of operations of the Company. The management has been making constant efforts to review and upgrade existing systems and processes to gear up and meet the changing needs of the business.

14. **Financial Discussion and Analysis**

The vision of your Company to consciously concentrate on Real-estate, and especially on Affordable Housing; stems from a positive demand-supply gap for a short to long-term, vast addressable market, and a conducive eco-system promoted by the Government by offering monetary and non-monetary benefits.

During FY2019, your Company has initiated a 460 flats Affordable Housing project "Anant Sky". The project focuses to provide the buyer the Space, the Identity, and above all – Home. Broad contours of the same are furnished further.

- Located at the North-West of Ahmedabad, in Ghanshyam Nagar, Old Ranip along the famous Arjun Ashram Road.
- At a mid-end demographic neighbourhood ideal for Affordable Housing.
- Flat table land amply spread over about 7,900 square meters.
- Flanked by broad-gauge railway line in the North followed by premises of Container Corporation of India – ensures unhindered ventilation.
- Excellent access through 9 meters wide road branching out from GST Road.
- Excellent connectivity to Ranip Bus-Port/132' Road (0.8 Km), Sabarmati Railway Junction (2.6 km), Ashram Road (CBD) (4.0 km), Airport (9.7 km)
- Forthright access to well-developed social infrastructure i.e. schools, temples, shopping mall, hospitals, multiplex, hotel, restaurants, convenience shops, etc.
- The units repertoire and offering is as:

Type	Layout type	SBA sq ft	No. of units
1 BHK	A	649	236
1 BHK	A1	640	28
2 BHK	B	974	168
2 BHK	C	1,131	28
Shop	Shop	694 to 1,014	10
		Total	**470**

- The USPs of the project are as:
  - o Ideal location for an AFFORDABLE HOUSING project
  - o Well-developed urban and social infrastructure
  - o Excellent access to CBD and travel stations
  - o Reasonable/affordable unit cost
  - o Superior amenities as compared to competition in micro-market | More-value-for-money
  - o Skillfully designed plans ensure minimum wastage, ensures lower Saleable to Carpet Area Ratio
  - o Wide range of unit sizes, availability of units at assorted price-points
  - o Selectively chosen common amenities ensures low maintenance
  - o Achieved superior sales-velocity
  - o Benefits of CLSS under PMAY
- Unique financial support: ONE TIME PAYMENT PLAN: "No Pre-EMI interest burden to the buyer":
  - o Buyer to upfront pay min 10% of the flat cost as booking amount
  - o Bank/FI to sanction loan upto 90% of the flat cost
  - o Bank/FI to disburse loan in tranches as per the stage of construction upto 95% of the flat cast
  - o The developer to pay the Pre-EMI interest to the Bank/FI on loan disbursed during construction period
  - o Balance 5% is disbursed on execution of Sale/Conveyance Deed
  - o Buyer/Borrower to start paying EMI to the Bank/FI
  - o Preferred Home Loan Partners:

- o Beneficial financial subvention schemes through reputed lenders i.e. GRUH Finance, ICICI Bank, Piramal Capital & Housing Finance, etc.

The discussion on financial performance with respect to operational performance is furnished further.

Key financial ratios:

Ratio	FY2019	FY2018	Detailed explanation
Debtor Turnover	3.51	14.41	The credit policies, and collection process of your Company are satisfactory and commensurate to the industry and/or the segment it operates into. Your Company mainly deals with retail/individual buyers, who in turn would approach a bank/FI for sanction of their home-loan. Your Company has tied-up with three (3) reputed banks/NBFCs, while the project is approved by quite a few other banks/NBFCs. FY2019 has been the first full year post completion of all the demerger related formalities. Your Company has initiated a new project during FY2019 – which is under construction, while there were minimal operations during FY2018 related to real-estate project development. There has been increase of debtors at 31 March 2019 to ₹ 510.00 lakh as compared to ₹ 39.36 lakh at 31 March 2018, while the revenue has reduced. Hence, this movement in debtor turnover.
Days	104	25	
Inventory Turnover	0.03	1.18	FY2019 has been the first full year post completion of all the demerger related formalities. Your Company has initiated a new project during FY2019 – which is under construction, while there were minimal operations during FY2018 related to real-estate project development. There has been increase in inventory at March 31, 2019 to ` 12,439.40 lakh as compared to ₹ 11,846.57 lakh at 31 March 2018, which is mainly owing to increment in work-in-progress. Hence, this movement in inventory turnover.
Days	12000	2055	
Interest Coverage Ratio	1.55	1.47	Your Company's debt:equity, leverage, gearing are commensurate to the industry and/or the segment it operates into. Your Company has tied-up with GRUH Finance for its credit requirements. The account of your Company is Standard with GRUH Finance. For FY2019, the interest coverage is marginally lower by 0.08 times as compared to FY2018, which is mainly owing to lower level of earnings.
Current Ratio	10.66	9.99	The improvement in current ratio of your Company at March 31, 2019 as compared to that of 31 March 2018 is mainly owing to the increment in current assets on one hand, while reduction in current liabilities on the other during FY2019. It could also indicate that your Company has sufficient ability to pay short-term obligations or those due within one year. Your company has been able to maximize the current assets on its balance sheet to satisfy its current debt and other payables.
Debt : Equity Ratio	0.64	0.49	During FY2019, your Company has been aggressive in financing its growth with debt. However, it is commensurate to the industry and/or the segment it operates into. Your Company has tied-up with GRUH Finance for its credit requirements. Your Company has successfully maintained the account as Standard with GRUH Finance.
Operating Profit Margin (%)	10.38%	1.93%	During FY2019, your Company could generate higher operating profit mainly owing to overall reduction in operating expenses, especially, cost of material consumed and project expenses; at a higher rate as compared to reduction in operating revenue.
Net Profit Margin (%)	16.32%	7.53%	During FY2019, your Company could earn higher at net profit level as compared to FY2018, which is mainly owing to lower expenses, and tax as compared to previous year.
Return on Networth	2.31%	1.84%	The stagnated return during FY2019, while increased networth has affected the return on networth by 3.16%. The phenomena are more specifically described in the other sections of this Report.

Details of Subsidiaries, Associates and JVs of your Company: **(₹ in lakhs)**

Sr. No.	Name of the entity | Project location	NILA SPACES's investment in equity	% shareholding
1	Nila Projects LLP	2,481	99.97 %
2	Nilsan Realty LLP	168	99.99 %
3	Mega City Cinemall Pvt Ltd	222	42.5 %

Report on Corporate Governance

[In terms of Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. **COMPANY'S PHILOSOPHY ON THE CODE OF CORPORATE GOVERNANCE**

At NILA SPACES we believe in adopting and adhering to the best standards of Corporate Governance to all the stakeholders. The Company's Corporate Governance is therefore based on the total transparency, integrity, fairness, equity, accountability and commitments to the values. The Company is committed to the best governance practices that create long term sustainable shareholder value. With the object of the Company to conduct its business in a highly professional manner and thereby enhance trust and confidence of all its stakeholders, the Company has devised a complete compliance of Corporate Governance norms.

We at NILA SPACES firmly believe that firm Corporate Governance leads to the optimal utilization of resources and enhance the value of the enterprise and an ethical behavior of the enterprise leads to honoring and protecting the rights of all the stakeholders. Sound Corporate Governance practices and ethical business conduct always remain at the core of the NILASPACES's value system.

2. **BOARD OF DIRECTORS**

2.1 **Composition of the Board:**

The Company has an optimum combination of Executive and Non-Executive Directors. At the end of the year the Board consists of five directors comprising of two non-executive independent director including one chairman, one executive director and two other non-executive directors. The appointment of two non-executive independent directors is in conformity with the provisions of Section 149 of the Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There is one promoter group non-executive director. Out of the two independent directors there is one woman director. There is no nominee director on the board.

2.2 **Information in the form of table setting out the skills/ expertise/ competence of the Board of Directors:**

The Company operates in the business of construction of buildings and development of affordable housing. The Board has identified on the basis of recommendation of Nomination and Remuneration Committee, various skills and expertise like land acquisition and development, construction, project management and execution, business strategy and management, engineering, communication and media, strategic management, business planning and marketing, corporate affairs, financial management, corporate governance, banking, M&A, capital market, fund raising and wealth management, communication, PR, media, and brand building.

The information of skills and expertise available is as under.

Name of Director	Expertise in specific functional area identified by the Board and available
Deep S Vadodaria	Land Acquisition and Development, Construction, Engineering, Project Management and Execution, Business Planning and Marketing, Strategic Management, Communication and Media.
Prashant H Sarkhedi	Corporate Affairs, Financial Management, Corporate Governance, Banking, M&A, Capital Market, Fund Raising and Wealth Management
Jasvinder S Rana	Business Planning and Marketing, Strategic Management
Anand B Patel	Construction, Engineering, Project Management and Execution, Business Planning
Rajal B Mehta	Marketing, Communication, PR, Media, and Brand Building.

2.3 **Directorships, Membership on Committees and Meetings Attended:**

The Name and Category of the Directors on the Board, their Attendance at Board Meetings held during the year and at the last Annual General Meeting; Number of Directorships, Committee Chairmanships or Memberships and Name of the Listed Entities and category of Directorships held by them in other Companies are given below.

SN	Name of Director(s)	Category	Attendance Particulars		#No of Directorship(s) held in other Companies	##Committee Memberships/ Chairmanships of other Companies		Name of the Other Listed Entities and category of Directorship
			Board Meeting	Last AGM		Member	Chairman	
1	**Jasvinder S Rana DIN: 01749361	Non-Executive Chairman and Independent Director	10	Yes	-	-	-	-
2	*Deep S Vadodaria DIN: 01284293	Non-Executive Director	10	Yes	4	-	-	-
3	** Prashant H Sarkhedi DIN: 00417386	Non-Executive Director	10	Yes	2	-	-	-
4	** Anand B Patel DIN: 07272892	Executive Director	7	Yes	1	-	-	-
5	** Rajal B Mehta DIN: 08182658	Non-Executive Independent Director	6	No	-	-	-	-

*Promoter Director; ** Non-Promoter Director

Excludes directorship in the Company.

Committees considered are Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee, Environment, Health & Safety Committee in other Companies listed at BSE Limited and National Stock Exchange of India Limited excluding that of the Company Committee Membership(s) & Chairmanships are counted separately.

None of the Directors of Board is a member of more than ten Committees or Chairman of more than five committees across all the Public companies in which they are director. The necessary disclosures regarding Committee positions have been made by all the Directors.

2.4 Independent Directors confirmation by the Board:

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. the opinion of the Board, the Independent Directors, fulfil the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2.5 Number of Independent Directorships:

As per Regulation 17A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Independent Directors of the Company do not serve as Independent Director in more than seven listed companies. Further, the whole time director of the Company does not serve as an Independent Director in any listed entity.

2.6 Details of Number of Meetings of the Board of Directors held and dates on which held

During the year total 10 (Ten) meetings of the Board of Directors were held. The dates of the meetings are as under.

Date of Board Meeting	Board Strength	No of Directors Present
19 May 2018	3	3
30 May 2018	3	3
19 June 2018	3	3
29 June 2018	4	4
19 July 2018	5	5
06 August 2018	5	5
01 October 2018	5	5
01 December 2018	5	5
11 December 2018	5	5
12 February 2019	5	5

2.7 Disclosures of relationship between Directors inter-se:

None of the Directors of the Company are related with each other in any manner.

2.8 Number of shares and convertible instruments held by Non-Executive Directors:

Mr. Deep S Vadodaria holds 31752108 equity shares and Mr. Prashant H Sarkhedi holds 175000 equity shares of the Company. Other than this no other Non Executive Director holds any share of the Company.

2.9 Performance Evaluation and Familiarization programs imparted to Independent Directors:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, after considering various criteria, the performance evaluation of the Board Members was carried out. Various aspects like attendance and participation at meetings, suggestions, inputs at discussions, adherence to various codes and policies, role in overall growth etc. were taken into consideration while evaluating the Board. The detailed performance evaluation framework is displayed at the website of the Company at www.nilaspaces.com. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors and Non-Executive Director. The Board of Directors expressed their satisfaction with the evaluation process.

The Company believes that a Board, which is well informed / familiarized with the Company, can contribute significantly to effectively discharge its role of trusteeship in a manner that fulfils stakeholders' aspirations and societal expectations. In pursuit of this, the Directors have been familiarized on a continuing basis on changes / developments corporate and industry scenario including those pertaining to statutes / legislations and economic environment, by way of presentations, board review notes, regular updates of projects and business operations, meetings etc. to enable them to take well informed and timely decisions.

The details of familiarization programs are available at the website of the Company at www.nilaspaces.com under investor segment.

2.10 Board Diversity and Policy on Director's Appointment and Remuneration:

The Company believes that building a diverse and inclusive culture is integral to its success. A diverse Board, among others, will enhance the quality of decisions by utilizing different skills, qualifications, professional experience and knowledge of the Board members necessary for achieving sustainable and balanced development. Accordingly, the Board has adopted a policy on 'Board Diversity', which sets out the criteria for determining qualifications, positive attributes and independence of a Director. The detailed policy is available on the Company's website www.nilaspaces.com.

2.11 Code of Conduct for the Board of Directors and Senior Management Personnel:

In Compliance with Part-D under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; the Board has adopted a code of conduct for the Board of Directors and senior management personnel of the Company. This code of conduct is comprehensive code which is applicable to all Directors and senior management personnel. A copy of the same has been put on the Company's website www.nilaspaces.com. The same code has been circulated to all the members of the Board and all senior management personnel. The compliance of the said code has been affirmed by them annually. A declaration signed by the Whole Time Director of the Company forms part of this Report.

Declaration of Compliance of Code of Conduct:

This is to confirm that the Company has adopted a Code of Conduct for its Board Members and the Senior Management Personnel and the same is available on the Company's website. I confirm that the Company has in respect of the financial year ended on 31 March 2019 received from the Senior Management Personnel of the Company and the members of the Board a declaration of compliance with Code of Conduct applicable to them

Date: 25 May 2019
Place: Ahmedabad

Anand B Patel
Whole Time Director
DIN: 07272892

2.12 Board Procedure:

Pursuant to the SEBI Laws, Stock Exchanges are being informed about the convening of the Board Meetings at least 5 clear days in advance. The agenda is prepared by the Secretarial Department in consultation with the Chief Financial Officer and Chairman of the Board. The information as required under the SEBI Regulations is made available to the Board. The agenda for the meeting of the Board and its Committees together with the appropriate supporting documents and papers are circulated well in advance of the meeting to enable the Board to take informed decisions. The Stock Exchanges are informed about the outcome of the Board Meeting as soon as the meeting concludes.

The meetings of the Board and its various Committees are generally held at the Registered Office of the Company at Ahmedabad.

2.13 Separate Meeting of Independent Directors:

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on 12 February 2019 to review the performance of Non-Independent Directors (including the Chairman) and the entire Board. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

3 AUDIT COMMITTEE

3.1 Composition of the Audit Committee:

The Audit Committee of the Company is comprised of three directors of which two are non-executive independent directors. The chairman of the audit committee is an independent director. The constitution of the audit committee is in line with the requirement of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mr. Jasvinder S Rana is the Chairman of the committee. He possesses adequate financial accounting knowledge. Mr. Prashant H Sarkhedi and Ms. Rajal B Mehta are the other two members of the audit committee.

3.2 Brief Description of the terms of reference of the Audit Committee:

The terms of reference and role of the audit committee as decided by the Board of Directors are in accordance with the provisions of Section 177 of the Companies Act, 2013 and SEBI Regulations as under:

a. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

b. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;

c. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

d. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

   i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013

   ii. Changes, if any, in accounting policies and practices and reasons for the same

   iii. Major accounting entries involving estimates based on the exercise of judgment by management

   iv. Significant adjustments made in the financial statements arising out of audit findings

   v. Compliance with listing and other legal requirements relating to financial statements

   vi. Disclosure of any related party transactions

   vii. Qualifications in the draft audit report

e. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

f. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

g. Review and monitor the auditor's independence and performance, and effectiveness of the audit process;

h. Approval or any subsequent modification of transactions of the company with related parties;

i. Scrutiny of inter-corporate loans and investments;

j. Valuation of undertakings or assets of the company, wherever it is necessary;

k. Evaluation of internal financial controls and risk management systems;

l. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

m. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

n. Discussion with internal auditors of any significant findings and follow up there on;

o. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

p. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

q. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

r. To review the functioning of the Whistle Blower Mechanism (Vigil Mechanism);

S. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

t. To review compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and verify the Internal Controls are adequate and operative effective.

u. To review mechanism, code of conduct and policy framework under SEBI (Prohibition of Insider Trading) Regulations, 2015 and recommend changes.

v. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

w. A statement of all transactions with related parties, including their basis shall be placed before the Audit Committee for formal approval / ratification with explanations where there are interested transactions.

x. Details of material individual transactions with related parties which are not in the normal course of business shall be placed before the audit committee.

y. The audit committee shall mandatorily review the following information:

i. Management discussion and analysis of financial condition and results of operations;

ii. Statement of significant related party transactions (as defined by the audit committee), submitted by management;

iii. management letters / letters of internal control weaknesses issued by the statutory auditors;

iv. internal audit reports relating to internal control weaknesses; and

v. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

vi. statement of deviations:

- Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
- Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

3.3 Meetings of the Audit Committee and Attendance:

Two Audit Committee meetings were held during the year on 01 December 2018 and 12 February 2019. The time gap between two Audit Committee meetings was not more than 120 days.

The details of the attendance of the Members at the Meetings of Audit Committee are as under:

Name of Committee Members	Category	Designation	No. of Meetings during the year	
			Held	Attended
Jasvinder S Rana	Non Executive - Independent Director	Chairman	2	2
Prashant H Sarkhedi	Non Executive Director	Member	2	2
Rajal B Mehta	Non Executive - Independent Director	Member	2	2

The Statutory Auditors and Internal Auditors of the Company are invited in the meeting of the Committee wherever required. The Chief Financial Officer of the Company is a regular invitee at the Meeting.

The Company Secretary & Compliance Officer acts as the Secretary to the Committee.

Recommendations of Audit Committee have been accepted by the Board of wherever/whenever given.

4. NOMINATION AND REMUNERATION COMMITTEE:

4.1 Composition of the Committee:

The Nomination and Remuneration Committee of the Company comprises of three members and all are Non-Executive Independent Directors. Ms. Rajal B Mehta is the Chairman and Mr. Jasvinder S Rana and Mr. Prashant H Sarkhedi are the other two members of the committee. The committee has been constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

4.2 Brief Description of terms of reference of the Committee:

The broad terms of reference of the Nomination and Remuneration Committee, as approved by the Board, are in accordance with provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing

Obligations and Disclosure Requirements) Regulations, 2015, which are as follows:

a. To recommend the Board in determining the appropriate size, diversity and composition of the Board;

b. Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal, and shall carry out evaluation of every director's performance.

c. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

d. Formulate criteria for performance evaluation of Independent Directors and the Board;

e. Devising a policy on Board diversity;

4.3 Details of Meetings of the Nomination and Remuneration Committee and Attendance:

Two Nomination and Remuneration Committee meetings were held during the year on 01 October 2018 and 12 February 2019.The requisite quorum was present at the meeting.

The table below provides the attendance of the Nomination & Remuneration Committee members:

Name of Committee Members	Category	Designation	No. of Meetings during the year	
			Held	Attended
Rajal B Mehta	Non Executive - Independent Director	Chairman	2	2
Prashant H Sarkhedi	Non Executive Director	Member	2	2
Jasvinder S Rana	Non Executive - Independent Director	Member	2	2

4.4 Performance evaluation criteria for independent directors:

The Independent Directors are being evaluated by the members of the Board of Directors other than Independent Directors on the basis of pre defined evaluation criteria as under:

a) Attendance and contribution at the Board and Committee meetings

b) Educational qualification, experience of relevant field, expertise of subjects,

c) Leadership qualities, skills, behavior, understanding of business, knowledge of subjects and processes,

d) Ability to participate at debates, discussions and quality of suggestions, guidance, advise

e) Traits like integrity, honesty, secrecy maintenance, etc.

5. REMUNERATION OF DIRECTORS

5.1. Criteria for making payment to non-executive directors:

Various criteria of making payments to non-executive directors are displayed on the website of the Company at www.nilaspaces.com under investor segment.

5.2 Details of Remuneration paid during the year:

Disclosures with respect to remuneration and sitting fees paid to the Directors during the year is provided under extract of Annual Report in Form MGT-9 duly annexed with the Board Report.

5.3 Pecuniary Relationship or transactions with Non-Executive Directors:

There is no pecuniary relationship or transactions with non-executive directors.

5.4 Remuneration Policy:

5.4.1 The Sailent Features of the Nomination and Remuneration Policy of the Company constituted in terms of the provisions of the Companies Act, 2013 and as per the requirements of the SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015 as amended from time to time is as under:

The Full Nomination & Remuneration Policy is available at the website of the Company i.e. www.nilaspaces.com . The Nomination and Remuneration Policy of the Company Policy is divided in three parts:

Part – A covers the matters to be dealt with and recommended by the Committee to the Board;

Part – B covers the appointment and nomination and

Part – C covers remuneration and perquisites etc.

PART – A: Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee

The Committee shall:

(a) Formulate the criteria for determining qualifications, positive attributes and independence of a director.

(b) Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial Personnel and Senior Management positions in accordance with the criteria laid down in this policy.

(c) Recommend to the Board, appointment and removal of Director, KMP and Senior Management.

PART – B: Policy for appointment and removal of Director, KMP and Senior Management

(a) Appointment criteria and Qualifications:

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience

of the person for appointment as Director, KMP, Committees or at Senior Management level and recommend to the Board his / her appointment.

2. A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.

3. The Company shall not appoint or continue the employment of any person as Managing Director or Whole-time Director or Manager who has attained the age of seventy years.

   Provided that where any person has attend the age of seventy years and where his appointment or reappointment is approved by passing a special resolution in the General Meeting based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years. In any other case the same shall be approved by Central Government.

(b) Term or Tenure:

1. Managing Director/Whole-time Director:

   The Company shall appoint or re-appoint any person as its Managing Director or Whole-time Director or Manager for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

2. Independent Director:

   i. An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for reappointment on passing of a Special Resolution by the Company and disclosure of such appointment in the Board's report.

   ii. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years from cessation of Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on 1 October 2014 or such other date as may be determined by the Committee as per regulatory requirement, he/she shall be eligible for appointment for one more term of 5 years only.

   iii. At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and in case he is serving as a Whole-time Director of a listed company then he shall serve as Independent Director in three listed companies.

(c) Evaluation:

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

(d) Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

(e) Retirement:

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

PART – C: Policy relating to the remuneration for the Whole-Time Director, KMP and Senior Management

(a) General:

i. The committee will determine and recommend to Board the remuneration / compensation / commission etc. to the Managing Director, Whole-time Director, KMP and Senior Management Personnel for approval. The remuneration/ compensation/ commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

ii. The remuneration and commission to be paid to the Managing Director or Whole-time Director shall be in accordance with the limits or conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013, and the rules made there under as amended from time to time.

iii. Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managing Director or Whole-time Director. Increments will be effective from the date mentioned in the respective resolutions in case of a Managing Director and Whole-time Director and 1st April in respect of other employees of the Company or such other date as may be determined from time to time.

iv. Where any insurance is taken by the Company on behalf of its Managing Director, Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

(b) Remuneration to Whole-time Director, Managing Director/ Manager, KMP and Senior Management:

i. Fixed pay:

The Managing Director/Manager, Whole-time Director, KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to provident fund, superannuation or annuity fund, gratuity, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

ii. Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director and Whole-time Director in accordance with the provisions of Section II of Part II of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the Central Government.

iii. Provisions for excess remuneration:

If any Managing Director and Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

iv. Stock Options:

In case, Managing Director, Whole-time Director, Company Secretary and Chief Financial Officer, are not being Promoter Director or Independent Director, they shall be entitled to any stock option of the Company as qualified by the normal employees of the Company. Provided the same shall be subject to the Companies Act, 2013 and rules made there under read with Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and any amendment or modification thereof.

Senior Management Personnel shall be eligible for stock options as normal employees of the Company.

(c) Remuneration to Non- Executive / Independent Director:

i. Remuneration / Commission:

The remuneration / commission shall be fixed as per the limits and conditions mentioned in the Articles of Association of the Company and the Companies Act, 2013 and the rules made there under.

ii. Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. The sitting fees shall be decided by the Board of Directors of the Company at its meeting where quorum consists of disinterested directors. In case all the directors are interested, the same shall be decided by the Resolution passed by the Members of the Company.

Provided that the amount of such fees shall not exceed Rupees One lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

iii. Commission:

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

iv. Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

5.4.2 In terms of the recent amendments in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board of Directors of the Company at its meeting held on 12 February 2019, had adopted a revised Nomination & Remuneration Policy w.e.f. 01 April 2019. Changes incorporated in the revised policy are mainly related to Composition of the Committee, Chairperson of the Committee, Frequency of the Meetings, Performance Evaluation of every Director, KMP, Committees and Senior Management Personnel and Recommendation to the Board all remuneration, in whatever form payable to senior management. The full Nomination & Remuneration Policy is available at the website of the Company www.nilaspaces.com

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

In terms of the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the

Company has constituted Stakeholders' Relationship Committee to look into the mechanism of redressal of grievances of shareholders and investors of the Company. The Stakeholders' Relationship Committee has three members comprising of three non-executive directors.

6.1 **Name of the non-executive director heading the committee:** Mr. Jasvinder S Rana

6.2 **Name and designation of Compliance Officer:** Ms. Gopi Dave, Company Secretary

6.3 **Number of shareholders' complaints received so far:** NIL

6.4 **Number not solved to the satisfaction of shareholders:** NIL

6.5 **Number of pending Complaints:** NIL

6.6 **Meetings held during the year:** Two Stakeholder Relationship Committee meetings were held during the year on 01 December 2018 and 12 February 2019.

The details of the attendance of the Members at the Meetings of Stakeholder Relationship Committee are as under:

Name of Committee Members	Category	Designation	No. of Meetings during the year	
			Held	Attended
Jasvinder S Rana	Non Executive - Independent Director	Chairman	2	2
Prashant H Sarkhedi	Non Executive Director	Member	2	2
Rajal B Mehta	Non Executive - Independent Director	Member	2	2

7. DETAILS OF WHISTLE BLOWER POLICY (VIGIL MECHANISM)

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. A Vigil (Whistle Blower) Mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the codes of conduct or policy or any misconduct. The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. This is to affirm that no personnel have been denied access to the audit committee during the year. The whistle Blower Policy is available at the website of the Company at www.nilaspaces.com.

8 MEANS OF COMMUNICATIONS

8.1 **Quarterly Results:** Company submits financial results on quarterly basis to the Stock Exchanges as required under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. The copies of quarterly results submitted to the Stock Exchanges are also available on the website of the Company at www.nilaspaces.com under investor segment.

8.2 Normally quarterly results of the Company are published in Business Standard (English) and Loksatta Jansatta (Gujarati).

8.3 **Website of the Company:** The Company's website www.nilaspaces.com contains a separate dedicated section namely "Investors" where shareholders information is available. The Annual Report of the Company is also available on the website of the Company https://www.nilaspaces.com/investors.html in a downloadable form.

8.4 **Whether it also displays official news release and presentation made to institutional investors or to the analyst:** Copies of press release and presentation are submitted to stock exchange prior to presentation and release made to institutional investors or to the analysts.

8.5 **Any presentation(s) made to the institutional investors or to the analysts:** Any presentation made to the institutional or/and analyst are also posted on the Company's website at www.nilaspaces.com.

9. GENERAL BODY MEETINGS

9.1 Location and time, where last three Annual General Meetings held:

Financial Year	Venue	Date	Time
2015-16	9, Madhuvan Apartment, Behind SukhSagar Tower, Pragna Society Road, Navrangpura, Ahmedabad – 380009	30 September 2016	02.30 P.M.
2016-17	9, Madhuvan Apartment, Behind SukhSagar Tower, Pragna Society Road, Navrangpura, Ahmedabad – 380009	30 September 2017	02.30 P.M.
2017-18	First Floor, "Sambhaav House", Opp. Chief Justice's Bungalow, Bodakdev, Ahmedabad – 380 015	28 June 2018	10:00 A.M.

9.2 Special Resolution passed at last 3 Annual General Meetings:

Financial Year	Special Resolution passed
2015-16	No special resolution was passed
2016-17	No special resolution was passed
2017-18	To appoint Mr. Anand Patel as Whole Time Director

9.3 Whether any special resolution is proposed to be conducted through Postal Ballot – Details of Voting Pattern: Not Applicable

9.4 Details of special resolution proposed through Postal Ballot –: None of the Businesses proposed to be transacted at the ensuing 19th Annual General Meeting requires passing of a special resolution through postal ballot

10. GENERAL SHAREHOLDER INFORMATION

10.1 Day, Date, Time and Venue of the 19th Annual General Meeting:

Day and Date: Friday, 27 September 2019 Time: 11:00 am

Venue: First Floor, "Sambhaav House", Opp: Chief Justice's Bungalow, Bodakdev, Ahmedabad-380015

10.2 Financial Year: 01 April 2018 to 31 March 2019

10.3 Financial Calendar: Tentative and subject to change for the financial year 2019-2020

Quarter Ending	Release of Results
30 June 2019	Mid of August, 2019
30 September 2019	Mid of November, 2019
31 December 2019	Mid of February, 2020
31 March 2020	Last week of May, 2020

10.4 Date of Book Closure: From 21 September 2019 to 27 September 2019 [both days inclusive]

10.5 Dividend Payment Date: Not Applicable

10.6 Dividend Payment History: Not Applicable

10.7 Unpaid and Unclaimed Dividend: Not Applicable

10.8 Listing at Stock Exchanges:

Name and Address of the Stock Exchanges	Stock Code/ Scrip Symbol	ISIN Number for NSDL / CDSL (Dematerialized shares)
BSE Limited 25 Floor, Phirozee Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	542231	INE00S901012
National Stock Exchange of India Limited Plot No. C/1, G Block, Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051	NILASPACES	

10.9 Confirmation of payment of Listing Fees: The annual listing fees for the year 2018-19 and advance listing fees for the year 2019-20, to the stock exchanges where the securities of the Company are listed, has been paid in prescribed time limit.

10.10 Market Price Data:

The monthly high / low and the volume of the Company's shares trades at BSE Limited and the monthly high/low of the said exchange are as under:

Month	Nila Spaces Limited			BSE Limited	
	High (₹)	Low (₹)	Volume	High	Low
April 2018	-	-	-	35213.30	32972.56
May 2018	-	-	-	35993.53	34302.89
June 2018	-	-	-	35877.41	34784.68
July 2018	-	-	-	37644.59	35106.57
August 2018	-	-	-	38989.65	37128.99
September 2018	-	-	-	38934.35	35985.63
October 2018	-	-	-	36616.64	33291.58
November 2018	-	-	-	36389.22	34303.38
December 2018	3.70	3.40	1,57,936	36554.99	34426.29
January 2019	5.10	2.58	96,93,994	36701.03	35375.51
February 2019	3.18	2.25	20,44,367	37172.18	35287.16
March 2019	2.81	2.25	18,33,893	38748.54	35926.94

The monthly high / low and the volume of the Company's shares trades at National Stock Exchange of India Limited and the monthly high/low of the said exchange are as under:

Month	Nila Spaces Limited			National Stock Exchange of India Limited	
	High (₹)	Low (₹)	Volume	High	Low
April 2018	-	-	-	10759.00	10111.30
May 2018	-	-	-	10929.20	10417.80
June 2018	-	-	-	10893.25	10550.90
July 2018	-	-	-	11366.00	10604.65
August 2018	-	-	-	11760.20	11234.95
September 2018	-	-	-	11751.80	10850.30
October 2018	-	-	-	11035.65	10004.55
November 2018	-	-	-	10922.45	10341.90
December 2018	3.70	3.40	1,16,678	10985.15	10333.85
January 2019	5.05	2.65	3,60,44,441	10987.45	10583.65
February 2019	3.20	2.30	1,01,54,145	11118.10	10585.65
March 2019	2.70	2.25	61,25,062	11630.35	10817.00

Note: The Equity Shares of M/s. Nila Spaces Limited were listed on exchanges with effect from 28 December 2018 on demerger from M/s. Nila Infrastructures Limited

10.11 In case the securities are suspended from trading; the Directors' Report shall explain the reason thereof: Not Applicable

10.12 Registrar to an issue and Share Transfer Agent:

M/s MCS Share Transfer Agent Limited

201, Second Floor, Shatdal Complex, Opp. Bata Show Room; Ashram Road, Ahmedabad – 380 009

Email: mcsstaahmd@gmail.com | Website: www.mcsregistrars.com | Tel No. +91 79 2658 0461 / 62 / 63, Fax No. +91 79 2658 1296

10.13 Share Transfer System: The powers of transfer and transmission of shares of the company have been delegated to the RTA of the Company M/s MCS Share Transfer Agent Limited, Ahmedabad. The RTA within time limit prescribed under the law approves and registers the transfer lodged by the investors.

10.14 Distribution of shareholding as on March 31, 2019:

Shareholding of nominal value of	Number of Holder		Number of Shares	
	Nos	% of Total	Nos	% of Total
1 - 500	16908	49.46	4019788	1.02
501 - 1000	7674	22.44	7103905	1.80
1001 - 2000	3644	10.66	6266338	1.59
2001 - 3000	1580	4.62	4277483	1.08
3001 - 4000	705	2.06	2644258	0.67
4001 - 5000	1097	3.20	5388418	1.36
5001 - 10000	1309	3.82	10515534	2.66
10001 - 50000	990	2.89	21386132	5.42
50001 - 100000	140	0.40	10604037	2.69
100001 and Above	136	0.39	321683307	81.66
Total	**34183**	**100.00**	**393889200**	**100**

10.15 Shareholding Pattern as on 31 March 2019:

Category	No. of shares held	% of total share capital
Promoters' Holding	**243825187**	**61.90**
Public holding		
Institutions and Bodies Corporate	46296277	11.75
Individuals	86169871	21.88
HUF	5640427	1.43
Non Resident Indians	7989338	2.03
IEPF	3968100	1.01
Total	**393889200**	**100.00**

10.16 Lock in Shares:

Following shares held by the promoter of the company are under lock in as on 31 March 2019

SN	Name	Category	No. of shares locked in	Percentage of total shares held by them
1	Mr. Manoj B Vadodaria	Promoter	90,00,000	16.93
2	Mr. Kiran B Vadodaria	Promoter	67,50,000	17.48
3	Mr. Deep S Vadodaria	Promoter Group & Director	67,50,000	21.26

10.17 Compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of listing regulations

Particulars	Regulation Number	Compliance status (Yes/No/NA)
Board composition	17(1)	Yes
Meeting of Board of directors	17(2)	Yes
Review of Compliance Reports	17(3)	Yes
Plans for orderly succession for appointments	17(4)	Yes
Code of Conduct	17(5)	Yes
Fees/compensation	17(6)	Yes
Minimum Information	17(7)	Yes
Compliance Certificate	17(8)	Yes
Risk Assessment & Management	17(9)	Yes
Performance Evaluation of Independent Directors	17(10)	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes
Composition of nomination & remuneration committee	19(1) & (2)	Yes
Composition of Stakeholder Relationship Committee	20(1) & (2)	Yes
Composition and role of risk management committee	21(1),(2),(3),(4)	NA
Vigil Mechanism	22	Yes
Policy for related party Transaction	23(1),(5),(6),(7) & (8)	Yes
Prior or Omnibus approval of Audit Committee for all related party transactions	23(2), (3)	Yes
Approval for material related party transactions	23(4)	Yes
Composition of Board of Directors of unlisted material Subsidiary	24(1)	Yes
Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6)	Yes
Maximum Directorship & Tenure	25(1) & (2)	Yes
Meeting of independent directors	25(3) & (4)	Yes
Familiarization of independent directors	25(7)	Yes
Memberships in Committees	26(1)	Yes
Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	26(3)	Yes
Disclosure of Shareholding by Non-Executive Directors	26(4)	Yes
Policy with respect to Obligations of directors and senior management	26(2) & 26(5)	Yes

Particulars	Regulation Number	Compliance status (Yes/No/NA)
Details of business	46 (2) (a)	Yes
Terms and conditions of appointment of independent directors	46 (2) (b)	Yes
Composition of various committees of board of directors	46 (2) (c)	Yes
Code of conduct of board of directors and senior management personnel	46 (2) (d)	Yes
Details of establishment of vigil mechanism/ Whistle Blower policy	46 (2) (e)	Yes
Criteria of making payments to non-executive directors	46 (2) (f)	Yes
Policy on dealing with related party transactions	46 (2) (g)	Yes
Policy for determining 'material' subsidiaries	46 (2) (h)	Yes
Details of familiarization programmes imparted to independent directors	46 (2) (i)	Yes
email address for grievance redressal and other relevant details	46 (2) (j)	Yes
Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances	46 (2) (k)	Yes
Financial results	46 (2) (l)	Yes
Shareholding pattern	46 (2) (m)	Yes
Details of agreements entered into with the media companies and/or their associates	46 (2) (n)	NA
Schedule of analyst or institutional investor meet and presentations made by the listed entity to analyst or institutional investors simultaneously with submission to stock exchange	46 (2) (o)	Yes
New name and the old name of the listed entity	46 (2) (p)	Yes

10.18 Dematerialization of Shares and liquidity:

Trading in the Company's shares is permitted only in dematerialization form for all investors. The Company has established connectivity with CDSL and NSDL through the Registrar, M/s MCS Share Transfer Agent Limited, Ahmedabad, whereby the investors have the option to dematerialize their shares with either of the depositories. As on 31 March 2019, 97.96% of the paid up share capital has been dematerialized (ISIN: INE00S901012).

10.19 Outstanding GDR/ADR/Warrants or any convertible instrument, conversion date and likely impact on equity:

At the end of the year there is no such instrument pending for conversion.

10.20 Share Capital Evolution:

Date of Issue/ Allotment	No. of shares Alloted	Issue Price per share (₹)	Distinctive Numbers	Type of Issue	Cumulative capital (No of shares)
03 May 2000	70	10	1-70	Subscribers to the Memorandum and Articles of Association	70
05 December 2002	49930	10	71 – 49930	Right Issue of Share	50000
31 March 2008	14500	10	49931 - 64500	Right Issue of Share	64500
28 March 2014	14500	10	64501 - 79000	Right Issue of Share	79000
29 June 2018	(79000)	NA	1-79000	Cancellation of shares pursuant to Scheme of Demerger	(79000)
29 June 2018	393889200	1/-	1-393889200	Scheme of Demerger	393889200

Note: Upon allotment of 393889200 equity shares pursuant to the scheme of demerger; the shareholding of Nila Infrastructures Ltd. of 79000 equity shares in the Company stands cancelled.

10.21 Commodity price risk or foreign exchange risk and hedging activities:

There is no exposure of the Company involving any commodity price risk or foreign exchange risk and therefore there is no hedging activities undertaken.

10.22 Plant locations:

The Company is in the business of real estate and construction activities and therefore do not have any plant or production units. However, the information regarding various infrastructure and real estate projects of the Company is available on the Company's website at www.nilaspaces.com.

10.23 Credit Rating: Not Applicable

10.24 Address for Correspondence: All shareholder's related enquires; clarifications and correspondence should be addressed at the following address:

The Compliance Officer

Nila Spaces Limited, (Formerly known as Parmananday Superstructure Limited) 1st Floor, "Sambhaav House", Opp: Chief Justice's Bungalows, Bodakdev, Ahmedabad-380 015 Email: secretarial@nilaspaces.com, Fax: +91 79 2687 3922; Phone: +91 79 4003 6817/18

11. OTHER DISCLOSURES

11.1 Materially Significant Related Party Transaction:

The transaction(s) entered into between the Company and its related parties are disclosed in the Notes forming part of accounts and are in compliance with the Accounting Standards relating to "Related Party Disclosures". There is no materially significant Related Party Transaction wherein Directors and Key Managerial Personnel are interested and that may have potential conflict with the interest of the Company. All material transactions with subsidiaries, associates and joint ventures are in compliance with applicable law.

11.2 Statutory Compliances, Penalties and Strictures:

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years.

11.3 Details of non-compliance with mandatory requirements and adoption of the non-mandatory requirements:

There is no non-compliance of any mandatory requirements and adoption of the non-mandatory requirements by the Company.

11.4 Web link where policy for determining 'Material Subsidiaries' is disclosed:

The Company does not have any material subsidiary within the meaning of SEBI laws. The Company's policy on determining material subsidiary is placed on the Company's website at www.nilaspaces.com under investor segment.

11.5 Web link where policy on dealing with related party transactions:

The Company's policy on dealing with related party transactions is placed on the Company's website at www.nilaspaces.com under investor segment.

11.6 Certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified:

A Certificate from a Company Secretary in practice has been received that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority. The certificate is reproduced herein after.

11.7 Total Fees for all services paid by the listed entity and its subsidiaries etc. whose accounts have been consolidated; on a consolidated basis to the statutory auditors for the financial year 2018-19:

SN	Particulars	Consolidated Amount (₹)
1	Audit and Other Fees	1,05,000

12. DISCLOSURES IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

a. No. of complaints filed during the financial year: Nil

b. No. of complaints disposed of during the financial year: Nil

c. No. of complaints pending as at end of the financial year: Nil

13. **DETAILS OF NON COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT ABOVE, WITH REASONS THEREOF SHALL BE DISCLOSED:** NOT APPLICABLE

14. **DISCLOSE OF THE EXTENT TO WHICH THE DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 HAVE BEEN ADOPTED:** NOT APPLICABLE

15. **WHERE THE BOARD HAD NOT ACCEPTED ANY RECOMMENDATION OF ANY COMMITTEE OF THE BOARD WHICH IS MANDATORILY REQUIRED, IN THE RELEVANT FINANCIAL YEAR:** NOT APPLICABLE

16. **SECRETARIAL AUDIT REPORT FOR SHARE CAPITAL RECONCILIATION:**

    As stipulated by SEBI, a Secretarial Audit is carried out by an Independent Practicing Company Secretary on quarterly basis to confirm reconciliation of the issued and listed capital, shares held in dematerialized and physical mode and the status of the register of members.

17. **SECRETARIAL AUDIT REPORT FOR COMPLIANCES:**

    Secretarial Audit has been carried out by an Independent Practicing Company Secretary at the end of the financial year to ensure timely compliances of all applicable acts, laws, guidelines, rules and regulations.

Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of

Nila Spaces Limited
(Formerly known as Parmananday Superstructure Limited)

1st Floor, Sambhaav House,

Opp. Chief Justice's Bungalow,

Bodakdev, Ahmedabad -380 015

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Nila Spaces Limited having CIN: L45100GJ2000PLC083204 and having registered office at 1st Floor, Sambhaav House, Opp. Chief Justice's Bungalow, Bodakdev, Ahmedabad -380015. (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31 March 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Jasvinder S Rana	01749361	12/10/2017
2	Deep S Vadodaria	01284293	12/10/2017
3	Prashant H Sarkhedi	00417386	12/10/2017
4	Anand B Patel	07272892	19/06/2018
5	Rajal B Mehta	08182658	19/07/2018

Ensuring the eligibility of for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Umesh Ved
Umesh Ved & Associates
Company Secretaries
FCS No.: 4411
C.P. No.: 2924

Place: Ahmedabad
Date: 25 May 2019

Corporate Governance Compliance Certificate

To

The Members,

Nila Spaces Limited, (Formerly known as Parmananday Superstructure Limited)

In accordance with Chapter IV of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we have examined all relevant records of the Nila Spaces Limited relating to its compliance of condition of Corporate Governance as stipulated in said Listing Regulations for the financial year ended 31 March 2019. It is responsibility of the Company to prepare and maintain the relevant necessary record under the SEBI guidelines, Listing Agreement and other application Laws. Our responsibility is to carry out an examination on the basis of our professional judgment so as to award a reasonable assurance of the correctness and completeness of the records for the purpose of this certificate. We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of this certificate and have been provided with such records documents certificates etc as had been required by us. We certify that from the records produced and the explanation given to us by the Company for the purpose of this certificate and to the best of our information, the Company has complied with all the mandatory requirement of the Chapter IV of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Umesh Ved
Umesh Ved & Associates
Company Secretaries
FCS No.: 4411
C.P. No.: 2924

Place: Ahmedabad
Date: 25 May 2019

CEO and CFO Certification

To,
The Board of Directors

Nila Spaces Limited (Formerly known as Parmananday Superstructure Limited)

We, Mr. Anand Patel, Whole Time Director and Mr. Rajesh Shah, Chief Financial Officer responsible for the finance function of the Company certify that:

(a) We have reviewed financial statements and the cash flow statement for the year ended on 31 March 2019 and that to the best of our knowledge and belief:

 (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

 (ii) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) To the best of our knowledge and belief, no transactions entered into by the Company during the Financial Year ended on 31 March 2019 which are fraudulent, illegal or violative of the Company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the Auditors and to the Audit committee:

 (i) There have been no significant changes in internal control over financial reporting during the year;

 (ii) There have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

 (iii) There have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Anand B Patel
Whole Time Director
DIN: 07272892

Date: 25 May 2019
Place: Ahmedabad

Rajesh Shah
Chief Financial Officer

Independent Auditors' Report

To the Members of Nila Spaces Limited

I. **Report on the Audit of the Standalone Financial Statements**

1. **Opinion**

   A. We have audited the accompanying Standalone Financial Statements of NILA SPACES LIMITED ("the Company"), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

   B. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date

2. **Basis for Opinion**

   We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

3. **Key Audit Matters**

   Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

The key audit matter	How the matter was addressed in our audit
Adoption of Ind AS 115 - Revenue from Contract with Customers The Company has adopted Ind AS 115 – 'Revenue from Contracts with Customers', mandatory for reporting periods beginning on or after 01 April 2018. Revenue from real-estate contracts is recognized over a period of time in accordance with the requirements of the said Standard using the percentage of completion method. This determination is based on the proportion that contract costs actually incurred, bear to the estimated total contract costs, and requires significant judgments, including identification of contractual obligations, the Company's rights to receive payments for performance completed till date, changes in scope and consequential revised contract price. Revenue recognition is significant to the financial statements based on the quantitative materiality. The adoption of Ind. AS 115, including the impact to retained earnings as at the transition date as per the modified retrospective method requires significant judgment in determining when 'control' of the asset underlying the performance obligation is transferred to the customer. Further, the application of percentage of completion method involves significant judgment as explained above. Accordingly, we regard these as key audit matter Refer Note 3(h) to the standalone financial statements on accounting policy for revenue recognition	As part of our audit procedures: • We read the accounting policy for revenue recognition of the Group and assessed compliance with the requirements of Ind AS 115. • We assessed the management evaluation of recognizing revenue from real estate contracts over a period of time in accordance with the requirements under Ind AS 115. • We tested controls over revenue recognition with specific focus on determination of progress of completion, recording of costs incurred and estimation of costs to complete the remaining contract obligations. • We inspected a sample of underlying customer contracts, performed retrospective assessment of costs incurred with estimated costs to identify significant variations and assess whether those variations have been considered in estimating the remaining costs-to-complete and consequential determination of stage of completion. • We tested controls and management processes pertaining to transfer of control in case of real estate projects. • We performed test of details, on a sample basis, and inspected the underlying customer contracts/ agreements evidencing the transfer of control of the asset to the

The key audit matter	How the matter was addressed in our audit
	customer based on which revenue is recognized over a period of time. • We assessed the adequacy of disclosures included in financial statements, as specified in Ind AS 115.
Assessing the carrying value of inventory and advances paid towards land procurement As at 31 March 2019, the carrying value of the inventory of ongoing and completed real-estate projects is 12,439.40 lakhs. The inventories are held at the lower of the cost and net realisable value ("NRV"). The determination of NRV involves estimates based on prevailing market conditions and taking into account the stage of completion of the inventory, the estimated future selling price, cost to complete projects and selling costs. Advances paid by the Company for acquisition of land is recognised as Inventories. With respect to these advances, the net recoverable value is based on the management's estimates and internal documentation, which include, among other things, the likelihood when the land acquisition would be completed, the expected date of plan approvals for commencement of project and the estimation of sale prices and construction costs. We identified the assessment of the carrying value of inventory and land advances as a key audit matter due to the significance of the balance to the financial statements as a whole and the involvement of estimates and judgement in the assessment.	As part of our audit procedures, • We evaluated the design and internal controls related to testing recoverable amounts with carrying amount of inventory and advances, including evaluating management processes for estimating future costs to complete projects. • As regards NRV, compared costs incurred and estimates of future cost to complete the project with costs of similar projects and compared NRV to recent sales or to the estimated selling price. For Advance for land, as a part of audit procedures we, • Read the documentation relating to the advance paid and obtained management's the status of the advance. • Obtained and assessed management's assumptions relating to the proposed projects, estimated time frame, and forecast sales.

4. Information Other than the Standalone Financial Statements and Auditor's Report Thereon

A. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Financial Statements and our auditor's report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon

B. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

5. Management's Responsibility for the Standalone Financial Statements

A. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

B. In preparing the Standalone Financial Statements, management and Board of Director is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

6. Auditor's Responsibilities for the Audit of the Standalone Financial Statements

A. Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

B. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

i) Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

ii) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

v) Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

C. Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

D. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

E. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

F. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

II. Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

A. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

B. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

C. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

D. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

E. On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

F. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.

G. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

H. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements

ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

3. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2019.

For J. S. SHAH & CO.
Chartered Accountants
Firm Registration Number: 132059W

JAIMIN SHAH
Partner
Membership Number: 138488

Place: Ahmedabad
Date: 25 May 2019

Annexure A
To the Independent Auditor's Report – 31 March 2019

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (Referred to in paragraph l(A)(t) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to standalone financial statements of Nila Spaces Limited ("the Company") as of 3l March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial controls with Reference to Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference tostandalone financial statements include those policies and procedures that (l) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial controls with Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For J. S. SHAH & CO.
Chartered Accountants
Firm Registration Number: 132059W

JAIMIN SHAH
Partner
Membership Number: 138488

Place: Ahmedabad
Date: 25 May 2019

Annexure B

To the Independent Auditor's Report – 31 March 2019

(Referred to in our report of even date)

With reference to the "Annexure B" referred to in the Independent Auditor's Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31 March 2019, we report the following:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified annually. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us including registered titled deeds, we report that, the title deeds, comprising of all of immovable properties of land and buildings which are freehold, are held in the name of the Company as at Balance sheet date.

(ii) Inventories have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.

(iii) The company has granted unsecured loans to three companies and two limited liability partnership covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). The Company has not granted any loans, secured or unsecured, to firms or parties covered in the register required to be maintained under Section 189 of the Act.

(a) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that rate of interest and other terms and conditions of unsecured loans granted by the company to companies and limited liability partnership covered in the register maintained under section 189 of the Act are not, prima facie, prejudicial to the interest of Company.

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, the unsecured loans granted to companies and limited liability partnership and interest payable thereon are repayable as stipulated. The borrowers have been regular in payment of principal and interest as stipulated.

(c) There are no overdue amounts of more than 90 days in respect of unsecured loans granted to companies and limited liability partnership covered in the register maintained under Section 189 of the Act.

(iv) In our opinion and according to the information and explanations given to us, and based on the audit procedures conducted by us, the Company has complied with the provisions of Section 185 and Section 186 of the Act, with respect to loans granted and investments made by the Company. The Company has not provided any guarantee or security during the year to the parties covered under section 185 and 186 of the Act. Accordingly, compliance under section 185 and 186 of the Act in respect of providing guarantees or securities is not applicable to the company.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposit from public as per the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.

(vi) We have not included the matters specified in paragraph 3 & 4 of Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, as the order is not in terms applicable to the Company of sub-clause (v) of clause 2 of Paragraph 1.

(vii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans and borrowings to banks, financial institutions and government. The Company did not have any dues to debenture holders during the year.

(viii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, Goods and service tax, Duty of excise, Value added tax, Cess and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, Goods and service tax, Duty of excise, Value added tax, Cess and other material statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.

(ix) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion and according to the information and explanations given to us, the term loans taken by the Company were applied for the purpose for which they were raised.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company as prescribed under Section 406 of the Act. Accordingly, paragraph 3 (xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable. The details of such related party transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable Indian Accounting Standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3 (xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3 (xv) of the Order is not applicable to the Company.

(xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3 (xvi) of the Order is not applicable to the Company.

For J. S. SHAH & CO.
Chartered Accountants
Firm Registration Number: 132059W

JAIMIN SHAH
Partner
Membership Number: 138488

Place: Ahmedabad
Date: 25 May 2019

Standalone Balance Sheet
as at 31 March 2019

(₹ in lakhs)

Particulars	Note	As at 31 March 2019	As at 31 March 2018
ASSETS			
Non-current assets			
(a) Property, Plant & Equipment	4	21.49	-
(b) Investments Properties	5	1,287.36	-
(c) Financial Assets			
(i) Investments	6	3,076.36	2,794.02
(ii) Loans	7	3.08	247.63
Total non current assets		**4,388.29**	**3,041.65**
Current assets			
(a) Inventories	9	12,439.40	11,846.57
(b) Financial assets			
(i) Trade receivables	10	510.00	39.36
(ii) Cash and cash equivalents	11	262.85	0.65
(iii) Loans	7	2,123.27	2,563.05
(c) Other current assets	8	1,601.85	1,629.93
Total current assets		**16,937.37**	**16,079.56**
Total assets		**21,325.66**	**19,121.21**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	12	3,938.89	3,938.89
(b) Other equity	13	8,102.68	7,827.22
Total equity		**12,041.57**	**11,766.11**
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	7,645.90	5,742.79
(ii) Other financial liabilities	15	49.53	2.16
Total non current liabilities		**7,695.43**	**5,744.95**
Current liabilities			
(a) Financial Liabilities			
(i) Trade payables			
(ia) Due to micro & small enterprises	16	-	-
(ib) Due to Others	16	74.86	47.61
(b) Other current liabilities	17	1,513.80	1,477.39
(c) Current tax liability	18	-	85.15
Total current liabilities		**1,588.66**	**1,610.15**
Total liabilities		**9,284.09**	**7,355.10**
Total equity and liabilities		**21,325.66**	**19,121.21**

The accompanying notes 1 to 36 form an integral part of these standalone financial statements.
As per our report of even date attached

For J. S. Shah & Co.
Chartered Accountants
Firm's Registration No: 132059W

For and on behalf of the Board of Directors of
Nila Spaces Limited **(Formerly known as Parmananday Superstructure Ltd.)**
CIN No.: L45100GJ2000PLC083204

Jaimin Shah
Partner
Membership No. 138488

Jasvinder S Rana
Chairman
DIN : 01749361

Anand B Patel
Whole Time Director
DIN : 07272892

Deep S Vadodaria
Director
DIN : 01284293

Place : Ahmedabad
Date : 25 May 2019

Rajesh M Shah
Chief Financial Officer

Gopi V Dave
Company Secretary
Membership No. A46865

Standalone Statement of Profit and Loss
for the year ended 31 March 2019

(₹ in lakhs)

Particulars	Note	For the year ended 31 March 2019	For the year ended 31 March 2018
Income			
Revenue from operations	19	964.42	1,977.80
Other income	20	739.87	902.06
Total income		**1,704.29**	**2,879.86**
Expenses			
Cost of material consumed and project expenses	21	596.13	1,803.15
Employee benefits expense	22	47.44	75.66
Finance costs	23	541.41	638.19
Depreciation	4&5	15.18	-
Other expenses	24	205.56	60.80
Total expenses		**1,405.72**	**2,577.80**
Profit before tax		**298.57**	**302.06**
Tax expense	28	20.47	85.17
Profit for the year		**278.10**	**216.89**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of post-employment benefit obligation		(3.73)	-
Income tax relating to these items		1.08	-
Other comprehensive income for the year, net of tax		**(2.65)**	**-**
Total comprehensive income for the year		**275.45**	**216.89**
Earnings per equity share (Face value ₹ 1 per share)	**25**		
Basic		0.07	0.06
Diluted		0.07	0.06

The accompanying notes 1 to 36 form an integral part of these standalone financial statements.

As per our report of even date attached

For J. S. Shah & Co.
Chartered Accountants
Firm's Registration No: 132059W

Jaimin Shah
Partner
Membership No. 138488

Place : Ahmedabad
Date : 25 May 2019

For and on behalf of the Board of Directors of
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CIN No.: L45100GJ2000PLC083204

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Gopi V Dave
Company Secretary
Membership No. A46865

Standalone Statement of Changes in Equity
for the year ended 31 March 2019

Equity Share Capital

(₹ in lakhs)

Particulars	Note	Amount
Balance as at 1 April 2017		**7.90**
Shares cancel during the year		(7.90)
Changes during the year		3938.89
Balance as at 31 March 2018	**10**	**3,938.89**
Shares cancel during the year		-
Changes during the year		-
Balance as at 31 March 2019	**10**	**3,938.89**

Other Equity

(₹ in lakhs)

Particulars	Note	Reserves and Surplus				Total
		Retained earnings	Capital reserve	Securities premium account	General reserve	
Balance as at 1 April 2017		**(11.02)**	**14,454.64**	**5.80**	**-**	**14,449.42**
Total comprehensive income for the year ended 31 March 2018						
Profit for the year		216.89		-	-	216.89
Issue of equity shares			(3,938.89)		7.90	(3,930.99)
Changes on account of scheme of arrangement			(2,908.09)		-	(2,908.09)
Balance as at 31 March 2018		**205.87**	**7,607.66**	**5.80**	**7.90**	**7,827.23**
Total comprehensive income for the year						
Profit for the year		278.10		-	-	278.10
Items of other comprehensive income Remeasurement of post-employment benefit obligation (net of tax)	13	(2.65)	-	-	-	(2.65)
Balance as at 31 March 2019		**481.32**	**7,607.66**	**5.80**	**7.90**	**8,102.68**

Nature and purpose of reserves:

General Reserve - The General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General Reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve is not reclassified subsequently to the Statement of Profit and Loss.

Equity Security Premium - Securities premium reserve is used to record the premium on issue of equity shares. The reserve is utilised in accordance with the provisions of the Act.

The accompanying notes 1 to 36 form an integral part of these standalone financial statements.
As per our report of even date attached

For J. S. Shah & Co.
Chartered Accountants
Firm's Registration No: 132059W

Jaimin Shah
Partner
Membership No. 138488

Place : Ahmedabad
Date : 25 May 2019

For and on behalf of the Board of Directors of
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Company Secretary
Membership No. A46865

NILA SPACES LIMITED

Standalone Statement of Cash Flow
for the year ended 31 March 2019

(₹ in lakhs)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Cash flow from operating activities		
Profit before tax	298.57	302.06
Adjustments for:		
Finance cost	541.41	638.19
Depreciation	15.18	
Stamp Duty Povision	39.39	
Interest income	(739.87)	(901.71)
Share of profit from LLP	(16.53)	-
Operating profit before working capital changes	**138.15**	**38.54**
Changes in working capital adjustments		
Decrease in loans & advances	561.52	3,024.55
(Increase)/Decrease in trade receivables	(470.64)	195.70
Decrease in other assets (current and non-current)	70.42	223.74
(Increase) in inventories	(592.83)	(3,626.20)
(Decrease) in trade payables	(12.14)	(258.23)
Increase/(Decrease) in other financial liabilities	47.37	(128.51)
(Decrease) in other current liabilities	32.68	2,327.42
Cash generated from operations	**(225.47)**	**1,797.01**
Less: Income taxes paid (net)	**(146.89)**	**(0.02)**
Net cash flow from operating activities [A]	**(372.36)**	**1,796.99**
Cash flow from investing activities		
Purchase / sale of investments	-	(234.38)
Purchase of property, plant and equipment	(1,324.03)	-
Re-patment of loans given to related parties	732.65	-
Loans (given to) related parties	(609.84)	-
Interest income	474.07	901.71
Net cash flow (used in) investing activities [B]	**(727.15)**	**667.33**
Cash flow from financing activities		
Proceeds from / (repayment) of long term borrowings (net)	2069.17	(1,825.61)
Proceeds from loans from others	818.32	-
(Repayment) of loans from others	(984.37)	-
Finance costs paid	(541.41)	(638.19)
Net cash flow (used in) financing activities [C]	**1,361.71**	**(2,463.80)**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	**262.20**	**0.52**
Cash and cash equivalents at beginning of the year	0.65	0.13
Cash and cash equivalents at end of the year (see note 2)	**262.85**	**0.65**

Standalone Statement of Cash Flow
for the year ended 31 March 2019

Notes:

1 The above statement of Cash Flows has been prepared under "Indirect method" as set out in the Indian Accounting Standard (Ind AS 7) "Statement of Cash Flows".

2 Reconciliation of cash and cash equivalents as per the Standalone Statement of Cash Flows.

(₹ in lakhs)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Cash on hand	1.56	0.65
Balance with banks	261.29	-
	262.85	**0.65**

3 Changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes:

Reconciliation of liabilities arising from financing activities

(₹ in lakhs)

Particulars	As at 1 April 2018	Changes as per Standalone Statement of Cash Flows	Non cash changes Acquisition	Changes from losing control of subsidiaries	Fair value changes	As at 31 March 2019
Long term borrowings	5,742.79	1,903.11	-	-	-	7,645.90

As per our report of even date attached

For J. S. Shah & Co.
Chartered Accountants
Firm's Registration No: 132059W

Jaimin Shah
Partner
Membership No. 138488

Place : Ahmedabad
Date : 25 May 2019

For and on behalf of the Board of Directors of
Nila Spaces Limited **(Formerly known as Parmananday Superstructure Ltd.)**
CIN No.: L45100GJ2000PLC083204

Jasvinder S Rana
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DIN : 01284293

Rajesh M Shah
Chief Financial Officer

Gopi V Dave
Company Secretary
Membership No. A46865

Notes to Standalone Financial Statements

for the year ended 31 March 2019

1. **Corporate Information**

Nila Spaces Limited is a Company based in Ahmedabad, Gujarat with its Registered Office situated at 1st Floor, Sambhaav House, Opp. Chief Justice Bungalow, Bodakdev, Ahmedabad - 380015. Nila Spaces Limited is a public company incorporated on 03rd May 2000 and listed on BSE Ltd. and NSE Ltd. The Company is involved in the construction as well as development of projects for sale.

2. **Basis of preparation and measurement**

2.1. Statement of compliance

These standalone financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

The standalone financial statements for the year ended 31 March 2019 have been reviewed by audit committee and subsequently approved by Board of Directors at its meetings held on 25 May 2019.

Details of the Company's significant accounting policies are included in note 3.

2.2. Functional and presentation currency

These standalone financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency. All the amounts have been rounded-off to the nearest lakhs, unless otherwise stated.

2.3. Basis of Measurement

The standalone financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Net defined benefit plans	Fair value of plan assets less present value of defined benefit obligation using key actuarial assumptions

2.4. Use of estimates and judgments

In preparing this standalone financial statements, management has made judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized prospectively.

Information about critical judgements in applying accounting policies, as well as estimates and the assumptions that have most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

Note 3(h) – Evaluation of percentage completion for the purpose of revenue recognition

Note 3(d) - Identification of the building as an investment property

Note 3(b) – Useful life used for the purpose of depreciation on property, plant and equipment and investment properties and amortisation of intangible assets

Note 3 (e), (k) – Impairment of financial and non-financial assets

Note 3 (s) - Lease classification

Note 3 (g) – Recognition and measurement of defined benefit obligations, key actuarial assumptions

Note 3 (e) – Fair value measurement of financial instruments

Note 3 (l) – Current / deferred tax expense and recognition and evaluation of recoverability of deferred tax assets

Note 3 (n)– Provisions and contingencies

2.5. Measurement of fair values

The Company's accounting policies and disclosures requires the measurement of fair values for financial instruments.

The Company has established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entity in the same level of fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between the levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

Note 5 - Investment properties

Note 31 – Financial instruments

3. Significant Accounting Policies

a) Operating Cycle

The Company's normal operating cycle in respect of operations relating to the construction and development of projects may vary from project to project depending upon the size of the project, type pf development, project complexities and related approvals. Operating cycle for all completed projects is based on 12 months period. Assets and liabilities have been classified into current and non-current based on their respective operating cycle.

b) Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in Statement of Profit and Loss.

Subsequent measurement

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation

Depreciation is being provided on a pro-rata basis on the 'Straight Line Method' over the estimated useful lives of the assets as prescribed under Part C of Schedule II to the Companies Act, 2013. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Advances given towards acquisition of property, plant and equipment outstanding at each Balance Sheet date are disclosed as other non-current assets.

Derecognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use of disposal. The consequential gain or loss is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss.

c) Intangible assets and amortisation

Intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The cost of an intangible asset comprises of its purchase price, including any import duties and other taxes (other than tho se subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use.

Subsequent Expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits associated with the expenditure will flow to the Company. All other expenditure is recognized in the Statement of Profit and Loss as incurred

Amortisation

Intangible assets are amortized on a straight - line basis (pro-rata from the date of additions) over estimated useful life of four years.

Derecognition

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of intangible assets and is recognized in the Statement of Profit and Loss.

d) Investment Property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Recognition and measurement

Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation

Depreciation is being provided on a pro-rata basis on the 'Straight Line Method' over the estimated useful lives of the assets as prescribed under Part C of Schedule II to the Companies Act, 2013. The residual values, useful lives and methods of depreciation of investment properties equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Fair value disclosure

The fair values of investment property is disclosed in the notes. Fair value is determined by an independent valuer who holds a recognized and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

Any gain or loss on disposal of an investment property is recognized in Statement of Profit and Loss.

e) Impairment of non-financial assets

Non-financial assets of the Company, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the Statement of Profit and Loss. Impairment loss recognized in respect of a CGU is allocated to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

f) Business Combination

The acquisition method of accounting is used to account for all the business combinations, regardless of whether equity instruments or other assets are acquired. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at the fair values at the acquisition date. The Company recognizes any non – controlling interest in the acquired entity on an acquisition by acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Common control business combinations

Business combinations involving entities that are controlled by the Company are accounted for using the pooling of interest method as follows:

a. The assets and liabilities transferred are derecognized at their book value

b. No adjustments are made to reflect the fair value

c. The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

g) Employee benefits

Short term employee benefits

Short term employee benefit obligations are measured on an undiscounted expenses and are expensed as the related services are provided. A liability is recognized for the amount expected to be paid, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards government administered schemes. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in the Statement of Profit and Loss in the periods during which the services are rendered by the employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed periodically by an independent qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company , the recognized asset is limited to the present value of

economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset). Net interest expense and other expenses related to defined benefit plans are recognized in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in Statement of Profit and Loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefits that employees have earned in return for their service in the current and prior periods; that benefits is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method.

Remeasurement gains or losses are recognized in the Statement of Profit and Loss in the period in which they arise.

Share-based payments

Employees of the Company receive remuneration in the form of share based payments in consideration of the services rendered.

Under the equity settled share based payment, the fair value on the grant date of the awards given to employees is recognized as 'employee benefit expenses' with a corresponding increase in equity over the vesting period. The fair value of the options at the grant date is calculated by an independent valuer on the basis Black Scholes model. At the end of each reporting period, apart from the non-market vesting condition, the expense is reviewed and adjusted to reflect changes to the level of options expected to vest. When the options are exercised, the Company issues fresh equity shares.

Cancellation of Share based payment is accounted as an acceleration of vesting, and therefore recognize immediately the amount that otherwise would have been recognized for services received over the remainder vesting period. The amount that would have been recognized is based on an estimate on the date of cancellation – i.e. estimating how many instruments are expected to vest at the original vesting date.

h) Revenue recognition

(i) Recognition of Revenue from Real Estate Developent:

Effective 1 April 2018, the Company has applied Ind AS 115 – "Revenue from contracts with customers", which outlines single comprehensive model for accounting of revenue arising from contracts with customers and supersedes Ind AS 11 "Construction Contracts". It focuses on performance obligations in a contract with customers, allocation of transaction price to the performance obligations and recognition of revenue as the performance obligations are satisfied either at a point in time or over a period of time. While recognizing revenue, the cost of land has been allocated in proportion to the percentage of work completed. If the outcome of a construction contract can be estimated reliably, contract revenue is recognized in the Statement of Profit and Loss in proportion to the stage of completion of the contract. The stage of completion is assessed by reference to surveys of work performed. Otherwise, contract revenue is recognized only to the extent of contract costs incurred that are likely to be recoverable. Contract costs are recognized as expenses as incurred unless they create an asset is related to future contract activity. An expected loss on a contract is recognized immediately in the Statement of Profit and Loss.

Revenue is recognised in the income statement to the extent that it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably

(ii) Land and transferrable development rights

Revenue from contracts for sale of land and transferrable development rights is recognised at a point in time when control is transferred to the customer and it is probable that consideration will be collected. This is usually deemed to be legal completion as this is the point at which the Company has an enforceable right to payment. Revenue from sale of land and transferrable development rights is measured at the transaction price specified in the contract with the customer.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer e.g. unbilled revenue. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset i.e. unbilled revenue is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional i.e. only the passage of time is required before payment of consideration is due.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognised as revenue when the Company performs under the contract.

(iii) Lease rental income

Lease income from operating leases shall be recognised in income on a straight line basis over the lease term, unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished. Income from leasing of commercial complex is recognised on an accrual basis in accordance with lease agreements. Refer note 3 (r) for accounting policy on leases.

i) Other income

Interest income from financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition.

Dividend income and share of profit in LLP is recognized when the right to receive the same is established, it is probable that the economic benefits associated with the dividend will flow to the Company and amount can be measured reliably.

j) Financial instrument

Financial assets

Classification

The Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit and loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Initial recognition and measurement

On initial recognition, a financial asset is recognized at fair value, in case of financial assets which are recognized at fair value through the Statement of Profit and Loss (FVTPL), its transaction cost are recognized in the Statement of Profit and Loss. In other case, the transaction costs are attributed to the acquisition value of the financial asset.

Subsequent measurement and gains and losses

Financial assets are subsequently classified as measured at

- Financial assets at amortized cost: These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment is recognized in the Statement of Profit and Loss. Any gain or loss on derecognition is recognized in the Statement of Profit and Loss.
- Fair value through profit and loss (FVTPL): These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in the Statement of Profit and Loss.
- Fair value through other comprehensive income (FVOCI): These assets are subsequently measured at fair value. Dividends are recognized as income in the Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains or losses are recognized

in OCI and are not reclassified to the Statement of Profit and Loss.

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

Trade receivables and loans

Trade receivables and loans are initially recognized at fair value when they are originated. Subsequently, these assets are held at amortized cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

Equity instrument

All investments in equity instruments classified under financial assets are initially measured at fair value, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognized as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value Changes excluding dividends, on an equity instrument measured at FVOCI are recognized in OCI. Amounts recognized in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognized as 'other income' in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of the financial asset) is primarily derecognized when:

a) The right to receive cash flows from the asset have expired; or

b) The Company has transferred substantially all the risks and rewards of the asset; or

c) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financials assets in FVTPL category. For financial assets other than trade receivables, as per Ind AS 109, the Company recognizes 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall. The impairment losses and reversals are recognized in Statement of Profit and Loss.

Financial liabilities

Initial recognition and measurement

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortized cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognized at fair value and subsequently, these liabilities are held at amortized cost, using the effective interest method.

Subsequent measurement

Financial liabilities are subsequently measured at amortized cost using the EIR method. Financial liabilities carried at fair value through Statement of Profit and Loss are measured at fair value with all changes in fair value recognized in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet date if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle them on net basis or to realize the assets and settle the liabilities simultaneously.

k) Income taxes

Income tax comprises of current and deferred tax. It is recognized in the Statement of Profit and Loss except to the extent that it is relates to an item recognized directly in equity or in OCI.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes.

It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date. Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available.

Minimum Alternate Tax (MAT) eligible for set off in subsequent years (as per tax laws), is recognized as an asset by way of credit to the restated standalone summary Statement of Profit and Loss only if there is convincing evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilized by the Company. At each balance sheet date, the carrying amount of deferred tax in relation to MAT credit entitlement receivable is reviewed to reassure realization.

l) Inventories

Inventory comprises of land and land development rights. Land and land development rights are valued at lower of cost or net realizable value. Cost includes cost of land, land development rights, acquisition of tenancy rights, materials, services, borrowing cost and other related overhead as the case may be. In the case of acquisition of land for development and construction, the rights are acquired from the owners of the land and the conveyance and registration thereof will be executed between the original owners and the ultimate purchasers as per trade practice. As a result, in the immediate period, generally, the land is not registered in the name of the company.

Project inventories

Inventories of project materials are valued at cost or net realizable value whichever is less. Cost is arrived at on weighted average method (WAM) basis.

Work-in-progress

Construction and development of real estate project:

Cost incurred for the contract that relate to future activity of the contract, such contract cost are recognized as an asset provided it is probable that they will be recovered. Such costs represent an amount due from the customer and are often classified as Contract work in progress which is valued at cost or net realizable value whichever is less.

m) Provisions and contingencies

A provision is recognized if, as a result of past events, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax that reflects current market assessments of the time value of money and the risks specific to the liability.

The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for.

Contingent liabilities are disclosed in the Notes to the Standalone Financial Statements. Contingent liabilities are disclosed for:

i. possible obligations which will be confirmed only by future events not wholly within the control of the Company, or

ii. Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

n) Borrowing Cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings to the extent they are regarded as an adjustment to the interest cost.

Investment income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

o) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the

Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company. For the disclosure on reportable segments see Note 35.

p) Cash and cash equivalents

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid.

q) Investments in subsidiaries, joint venture and associates

The Company has elected to recognise its investments in subsidiary and associate and joint venture companies at cost in accordance with the option available in Ind AS 27, Separate Financial Statements.

r) Leases

Asset given under lease

In respect of assets provided on finance leases, amount due from lessees are recorded as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases. In respect of assets given on operating lease, lease rentals are accounted on accrual basis in accordance with the respective lease agreements.

Asset held under lease

Leases of property, plant and equipment that transfer substantially all the risks and rewards of ownership ae classified as finance leases. All the other leases are classified as operating leases. For finance lease, the leased assets are measured initially at an amount equal to the lower of their fair value and the present value of minimum lease payments. Subsequent to the initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

Assets held under operating leases are neither recognized in (in case the Company is lessee) nor derecognized (in case the Company is lessor) from the Company's balance sheet.

Lease payments

Payments made under operating leases are generally recognized in the Statement of Profit and Loss on a straight line basis over the term of lease unless such payments are structured to increase in line with the expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognized as an integral part of the total lease expense over the term of lease.

s) Earnings per share

Basic earnings per share is computed by dividing the net profit for the year attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events such as bonus shares, other than conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

In a capitalization or bonus issue or share split, ordinary shares are issued to equity shareholders for no additional consideration. The number of ordinary shares outstanding before the event is adjusted for the proportionate change in the number of ordinary shares outstanding as if the event had occurred at the beginning of the earliest period presented.

t) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of the Company at the exchange rates as at the date of transaction or at an average rate if the average rate approximates the actual rate at the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of transaction. Exchange differences are recognized in the Statement of Profit and Loss.

u) Recent accounting pronouncement

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 And Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind ASs which the Company has not applied as they are effective from April 1, 2019:

Ind AS 116 – Leases

Ind AS 116, Leases replaces existing lease accounting guidance i.e. Ind AS 17, Leases. It sets out principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases, except short-term leases and leases for low-value items, under a single on-balance sheet lease accounting model. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. Lessor accounting largely unchanged from the existing standard – i.e. lessors continue to classify leases as finance or operating leases.

Based on the preliminary assessment, the Company does not expect any significant impacts on transition to Ind AS 116. This assessment is based on currently available information and may be subject to changes arising from further reasonable and supportable information when the standard will be adopted. The quantitative impacts would be finalised based on a detailed assessment which has been initiated to identify the key impacts along with evaluation of appropriate transition options.

Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Company does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company does not expect any significant impact of the amendment on its financial statements.

Ind AS 19 – Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company does not expect this amendment to have any significant impact on its financial statements.

Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The company does not expect any impact from this amendment.

Ind AS 28 – Long-term Interests in Associates and Joint Ventures

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The company accounts for long term interest in associate and joint venture as per equity method and hence the company does not expect any impact from this amendment.

Ind AS 103 – Business Combinations and Ind AS 111 – Joint Arrangements

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. The Company will apply the pronouncement if and when it obtains control / joint control of a business that is a joint operation.

Note-4
Property, plant and equipment

(₹ in lakhs)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1 April 2018	Additions	Sales	As at 31 March 2019	As at 1 April 2018	Additions	Sales	As at 31 March 2019	As at 31 March 2019	As at 31 March 2018
Computer Equipment	-	0.49	-	0.49	-	0.03	-	0.03	0.46	-
Office Equipment	-	23.38	-	23.38	-	2.50	-	2.50	20.88	-
Plant & Machinery	-	0.16	-	0.16	-	0.01	-	0.01	0.15	-
Total	**-**	**24.03**	**-**	**24.03**	**-**	**2.54**	**-**	**2.54**	**21.49**	**-**

Note-5
Investments Properties

(₹ in lakhs)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1 April 2018	Additions	Sales	As at 31 March 2019	As at 1 April 2018	Additions	Sales	As at 31 March 2019	As at 31 March 2019	As at 31 March 2018
Building & Office Premises	-	1,300.00	-	1,300.00	-	12.64	-	12.64	1,287.36	-
Total	**-**	**1,300.00**	**-**	**1,300.00**	**-**	**12.64**	**-**	**12.64**	**1,287.36**	**-**

Note-6
Investments

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Investment in associate and joint venture		
Investments in joint ventures (at cost)		
Nila Projects LLP	2,480.86	2,215.05
Nilsan Realty LLP	168.34	151.81
Fangdi Land Developers LLP	-	205.10
	2,649.20	**2,571.96**
Investments in associate (at cost)		
2,33,750 (31st March 2018 : 2,33,750) equity shares of Mega City Cinemall Pvt. Ltd. of ₹10/- each	222.06	222.06
	222.06	**222.06**
Total investment in associate and joint venture	**2,871.26**	**2,794.02**
Investments in others (at cost)		
Fangdi Land Developers LLP	205.10	-
Total investments in others	**205.10**	**-**
Total	**3,076.36**	**2,794.02**
Nila Projects LLP	**Total Capital**	**Total Capital**
Nila Spaces Limited - 99.97 %	2,480.86	2,215.05
Vijay Parikh - 0.03%	0.83	0.74
Nilsan Realty LLP	**Total Capital**	**Total Capital**
Nila Spaces Limited - 99.99 %	168.34	151.81
Nila Projects LLP - 0.01%	0.55	0.55

Note-7
Loans

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 1 April 2018
Non-current loans		
Loans to related party (refer note 26)		
- Unsecured, considered good	-	244.68
Security and other deposits	3.08	2.95
	3.08	**247.63**
Current loans		
Loans to related party (refer note 26)		
- Unsecured, considered good	609.84	487.97
Loans to others		
- Unsecured, considered good	1,513.43	2,075.08
	2,123.27	**2,563.05**
Total	**2,126.35**	**2,810.68**

Refer note 31 - Financial instruments, fair values and risk measurement.

Note-8
Other current assets

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Advance to vendors	1,551.84	1,629.90
Prepaid expenses	2.00	0.03
Advance to Employees	5.65	-
Advance Income Tax	42.34	-
Advance with Government Authorities	0.02	-
Total	**1,601.85**	**1,629.93**

Refer note 31 - Financial instruments, fair values and risk measurement.

Note-9
Inventories

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Construction material on hand	-	14.53
Work in progress	1,805.33	968.24
Land and land development rights	10,634.07	10,863.80
Total	**12,439.40**	**11,846.57**

Refer note 3 (l) for accounting policy on inventories.

During the year ended 31 March 2019, the company has inventorised borrowing cost of ₹ 240.25 lakhs (31 March 2018 ₹ 194.65 lakhs)

Note-10
Trade receivables

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Other than related parties		
Unsecured, considered good	510.00	39.36
Total	**510.00**	**39.36**

Refer note 31 - Financial instruments, fair values and risk measurement.

Note-11
Cash and cash equivalents

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Balance in current account	261.29	-
Cash on hand	1.56	0.65
Total	**262.85**	**0.65**

Refer note 31 - Financial instruments, fair values and risk measurement.

Note-12

Equity share capital

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Authorised share capital		
450,000,000 (31 March 2018 : 450000000 Equity shares of ₹1/- each	4,500.00	4,500.00
Issued, Subscribed and Paid-up Capital		
393,889,200 (31 March 2018: 393,889,200)Equity Shares of ₹ 1/- each	3,938.89	3,938.89 *
Total	**3,938.89**	**3,938.89**

*During the year 2018-19 pursuant to scheme of Demerger, allotment dated 29 June 2018, of 393889200 shares of ₹1 each was made to the shareholders of Nila Infrastructures Limited whose name appeared in as on record date of 15 June 2018.

(₹ in lakhs)

Particulars	As at 31 March 2019		As at 31 March 2018	
	Numbers	₹ in lakhs	Numbers	₹ in lakhs
Balance as at the beginning of the year	**393,889,200**	**3,938.89**	**79,000**	**7.90**
Less Cancelation during the year	-	-	(79,000)	(7.90)
Addition during the year	-	-	393,889,200	3,938.89
Balance as at the end of the year	**393,889,200**	**3,938.89**	**393,889,200**	**3,938.89**

Terms / rights attached to Equity shares

The company has single class of equity shares having a par value of ₹1 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Details of shareholders holding more than 5% shares in the company

For the year ending on 31st March 2018, shareholders holding more than 5% shares of the Company comprises of only Nila Infrastrucutres Limited which otherwise shall be sharholders of Nila Spaces Limited holding more than 5% shares as on the record date pursuant to the scheme of de-merger.

Particulars	As at 31 March 2019	
	Nos. Shares	% holding
Mr. Manoj B Vadodaria	53,154,712	13.49%
Mrs. Nila M Vadodaria	43,955,267	11.16%
Mr. Kiran B Vadodaria	38,608,100	9.80%
Mrs. Alpa K Vadodaria	36,800,000	9.34%
Mr. Deep S Vadodaria	31,752,108	8.06%

Note-13

Other Equity

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Reserves & Surplus		
(I) Retained earnings	481.32	205.87
(ii) Equity security premium	5.80	5.80
(iii) Capital reserve	7,607.66	7,607.65
(iv) General reserve	7.90	7.90
Total	**8,102.68**	**7,827.22**

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
(i) Retained earnings		
Profit & loss opening balance	205.87	(11.02)
Profit during the year	278.10	216.89
	483.97	**205.87**
Items of other comprehensive income		
Remeasurement of post-employment benefit obligation (net of tax)	(2.65)	-
Total	**481.32**	**205.87**
(ii) Equity security premium		
Opening balance	5.80	5.80
Addition during the year	-	-
Total	**5.80**	**5.80**
(iii) Capital reserve		
Opening balance	7,607.66	7,607.65
Addition during the year	-	-
Total	**7,607.66**	**7,607.65**
(iv) General reserve	**7.90**	**7.90**
Total reserves and surplus	**8,102.68**	**7,827.22**

Note-14

Borrowings

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Non current borrowings		
Secured loans		
Indian rupee loan from		
Financial institution	6,827.58	4,758.41
Unsecured Loans#		
Loan from others	818.32	984.37
Total	**7,645.90**	**5,742.78**

* Current maturities of long term borrowings is reported under 'Other financials liabilities'
# Unsecured loan from related party carries interest rate of 15 % and the same is repayable on demand.
Refer note 31 - Financial instruments, fair values and risk measurement

Borrowing from Financial institution is secured by way of:

a) Equitable Mortgage of Vejalpur land owned by Company

b) Personal Guarantee of promoter family members

c) Escrow of revenue of certain infrastructure projects of Nila Spaces Limited

During previous year, to implement the Scheme of Arrangement for Demerger (the "Scheme") of Real Estate (RE) Undertaking of Nila Infrastructures Ltd (the "Demerged Company") into Nila Spaces Ltd (the "Resultant Company") under section 230 to 232 and other applicable provisions of the Companies Act, 2013 with Appointed Date of 1 April 2017; GRUH Finance Ltd (GRUH) had to reassess the total/combined (i.e. Nila Infrastructures Ltd + Nila Spaces Ltd) sanctioned limit of ₹ 9,500.00 lakhs, wherein the total/combined outstanding at 31 March 2018 is ₹ 6,871.65 lakhs. As per the letter received from GRUH dated 19 March 2018, the said total/combined exposure is to be bifurcated amongst Nila Infrastructures Limited and Nila Spaces Limited as ₹ 3,000 lakhs and ₹ 6,500 lakhs respectively Accordingly, the corresponding outstanding of ₹ 4,758.41 lakhs was considered for Nila Spaces Ltd and the rest for Nila Infrastructures Ltd

Note-15

Other financial liabilities

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Security deposits	32.25	2.16
Current maturities of long term borrowings	17.28	-
Total	**49.53**	**2.16**

Note-16

Trade payables

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Dues to Micro & Small Enterprises (as per the intimation received from vendors)		
A. Principal and interest amount remaining unpaid	-	-
B. Interest due thereon remaining unpaid	-	-
C. Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to supplier beyond the appointed day	-	-
D. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
E. Interest accrued and remaining unpaid	-	-
F. Interest remaining due and payable even in the suceeding years, until such date when the interest dues as above are actually paid to the small enterprises.	-	-
Dues to others[1]	74.86	47.61
Total	**74.86**	**47.61**

(1) Includes retention money payable amounting to ₹ 22.76 lakhs (31 March 2018: ₹ 20.92 lakhs)

Note-17

Other current liabilities

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Advance from customer	1,562.76	1,470.89
Other dues payable	(87.60)	-
Other statutory obligations	38.64	6.50
Total	**1,513.80**	**1,477.39**

Note-18

Current tax liabilities

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Current tax liabilities	-	85.15
Total	**-**	**85.15**

Note-19

Revenue from operations

(₹ in lakhs)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue		
Development of projects - with construction	761.33	849.40
Development of projects - without construction	186.56	1,128.40
	947.89	**1,977.80**
Other operating revenue		
Share of profit from LLP	16.53	-
	16.53	**-**
Total	**964.42**	**1,977.80**

Note-20

Other income

(₹ in lakhs)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest from others	739.87	901.71
Other non-operating income	-	0.35
Total	**739.87**	**902.06**

Note-21

Cost of material consumed and project expenses

(₹ in lakhs)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Consumption of Materials	85.30	1,782.07
Consumption of Land	256.53	-
Consumption of Flat	27.51	-
Repair and maintenance expense	0.55	-
Civil, electrical, contracting, labour work etc.	647.72	0.30
Electricity expenses	10.04	0.01
Insurance expenses	3.10	0.10
Sales , promotion and marketing expense	-	20.67
Stamp duty charges	39.39	-
Other direct expense	38.74	-
	1108.88	**1803.15**
Less: Transferred to work-in-progress	(512.75)	-
Total	**596.13**	**1,803.15**

Note-22

Employee benefits expense

(₹ in lakhs)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Salaries, allowances and bonus	70.21	69.93
Contribution to provident and other fund (refer note 27)	1.77	0.55
Remuneration and perquisites to directors (refer note 26)	27.00	5.13
Staff welfare expenses	1.73	0.05
	100.71	**75.66**
Less: Transferred to work-in-progress	(53.27)	-
Total	**47.44**	**75.66**

Note-23

Finance costs

(₹ in lakhs)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest on Borrowings		
- Financial institution	778.35	826.59
	778.35	**826.59**
Less:- Transferred to work-in-progress	(240.25)	(194.65)
	538.10	**631.94**
Other Borrowing Costs		
- Processing fees	3.31	6.25
Total	**541.41**	**638.19**

During the year ended 31 March 2019, the company has inventorised borrowing cost of ₹ 240.25 lakhs (31 March 2018 ₹ 194.65 lakhs)

Note-24

Other expenses

(₹ in lakhs)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Legal and professional charges	73.16	39.45
Listing Expenses & Demerger Expenses	117.23	-
Office rent	-	1.22
Repairs and maintenance expenses	0.16	1.20
Insurance	-	1.57
Power and fuel expenses	0.14	4.10
Travelling and conveyance	-	3.80
Printing and stationery	0.98	0.62
Municipal tax	0.05	-
Payment to auditors (exclusive of GST)		
- Audit fees	1.05	1.00
Loss on sale of shares	-	2.28

(₹ in lakhs)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Advertisement and business promotion expenses	40.39	1.95
Director's Sitting Fees	-	0.07
Miscellaneous expenses	3.04	3.11
Postage and courier expenses	-	0.03
Telephone expense	0.18	0.39
Demate charges	-	0.01
	236.38	**60.80**
Less: Transferred to work-in-progress	(30.82)	-
Total	**205.56**	**60.80**

Note-25

Earnings per share

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Profit attributable to equity share holders :		
Basic earnings (₹ in lakhs)	278.10	216.89
Adjusted for the effect of dilution (₹ in lakhs)	278.10	216.89
Weighted average number of equity shares for:		
Basic	393,889,200	393,889,200
Adjusted for the effect of dilution	393,889,200	393,889,200
Earning per share		
Basic	0.07	0.06
Diluted	0.07	0.06

Note-26

Related party transactions

(A) Joint ventures :	Nila Projects LLP
	Nilsan Realty LLP
(B) Associate	Megacity Cinemall Pvt Ltd
(C) Enterprise in which Key Managerial Personnel have significant influence	Nila Infrastructures Limited
	Sambhaav Media Limited
	Romanovia Industrial Park Pvt Ltd
(D) Key Managerial Personnel	Anand B Patel - Whole Time Director
	Rajesh M Shah - Chief Financial Officer
	Gopi V Dave - Company Secretary

Disclosure of transactions between the Company and Related Parties (Other than Key - managerial personnel) balances as at 31 March 2019

(₹ in lakhs)

Particulars	Transaction Value	
	31 March 2019	31 March 2018
Loans given		
Nila Projects LLP	1,421.55	241.20
Nilsan Realty LLP	729.00	77.00
Sambhaav Media Limited	255.00	-
Nila Infrastructures Limited	3,510.77	-
Romanovia Industrial Park Pvt Ltd	125.00	-
Interest received		
Megacity Cinemall Pvt Ltd	-	44.82
Nila Projects LLP (capital)	265.81	237.33
Nilsan realty LLP	31.59	-
Nila Projects LLP (loan)	5.17	3.86
Sambhaav Media Limited	0.10	-
Romanovia Industrial Park Pvt Ltd	125.61	-
Loans Taken		
Romanovia Industrial Park Pvt Ltd	250.00	-
Interest Income		
Nila Infrastructures Limited	23.31	-
Romanovia Industrial Park Pvt Ltd	61.05	
Consultancy Income		
Nilsan realty LLP	157.50	-
Construction contract work		
Nila Infrastructures Limited	642.11	-
Share of profit		
Nilsan realty LLP	16.53	-
Re-payment of loans given		
Nila Projects LLP	2,128.00	-
Nilsan Realty LLP	1,412.00	487.97
Megacity Cinemall Pvt Ltd	-	952.86
Nila Infrastructures Limited	3,908.61	-

Disclosure of the status of outstanding balances between the Company and Related Parties (Other than Key - managerial personnel) as at year end

(₹ in lakhs)

Particulars	Transaction Value	
	31 March 2019	31 March 2018
Loans (taken from)/given to associate and joint venture		
Nila Projects LLP	(457.12)	244.68
Nilsan Realty LLP	(166.13)	487.97
Loans (taken from)/given to enterprise in which key managerial personnel have significant influence		
Nila Infrastructures Limited	609.84	-
Sambhaav Media Limited	255.09	-
Romanovia Industrial Park Pvt Ltd	(195.05)	-

Disclosure of transactions between the Company, Key - managerial personnel , Directors and the status of outstanding balances as at 31 March 2019

(₹ in lakhs)

Particulars	Transaction Value	
	31 March 2019	31 March 2018
Remuneration		
- Directors	27.00	-
- other than directors	4.37	-
Director's sitting fees	-	0.07

Note-27
Employee benefits

A. **Defined benefit plans:**

Gratuity

The Company operates a defined benefit plan (the gratuity plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employees salary and tenure of employment. The liability in respect of gratuity being defined benefit schemes, payable in future, are determined by actuarial valuation as on balance sheet date.

In activity of valuation for gratuity following assumptions were used: (₹ in lakhs)

Particulars	31 March 2019	31 March 2018
Mortality rate	100.00%	-
Withdrawal rate	"For attained age upto 20 years: 15%For attained age above 20 upto 30 years: 10%,For attained age above 30 upto 35 years: 8%, For attained age above 35 upto 45 years: 5%,For attained age above 45 upto 50 years: 3%, For attained age above 50 years: 2%"	
Retirement age	58 Years	-
Discount rate	7.65%	-
Salary escalation	6.00%	-

* Pursuant to the demerger order received from Honourable NCLT vide dated 09 May 2018 Nila Spaces Limited has become a seperate legal entity with reference from 09 May 2018, demerged from Nila Infrastructure Limited and therefore the employees have been taken on payroll of Nila Spaces Limited in current year in lieu of this there was no consequent employees liabilities in Nila Spaces Limited in corresponding preceding year.

The following tables set out the funded status of the gratuity plans and the amounts recognised in the Company's standalone financial statements as at 31 March 2019, 31 March 2018 The following tables set out status of gratuity plan under Indian Accounting Standard 19 on "Employee benefit".

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
Changes in present value of defined benefit obligation		
Present value of defined benefit obligation as at the beginning of the year	-	-
Interest cost	-	-
Past service cost	8.00	-
Current service cost	1.08	-
Actuarial loss due to change in financial assumptions	(2.09)	-
Actuarial (gain) due to change in demographic assumptions	0.28	-
Actuarial loss/(gain) due to experience adjustments	5.53	-
Benifits paid	(3.72)	-
Present value of defined benefit obligation as at the end of the year	**9.08**	**-**
Amount recognised in the balance sheet		
Fair value of plan assets as at the end of the year	-	-
Present value of defined benefit obligaiton as at the end of the year	9.08	-
Net obligation as at end of year	**9.08**	**-**
Non current	**8.94**	**-**
Current	**0.14**	**-**
Expenses recognised in the statement of profit and loss under the head Employee benefit expenses		
Service cost	1.08	-
Past service cost	8.00	-
Interest cost	-	-
Net expense recognised in employee benifit expenses	**9.08**	**-**
Expenses recognised in other comprehensive income for the year		
Remeasurment due to:		
Acturial loss on obligations - due to change in financial assumptions	(2.09)	-
Acturial (gain) on obligations - due to change in demographic assumptions	0.28	-
Acturial loss/(gain) on obligations - due to experience adjustments	5.54	-
Net expense/(income) recognised in other comprehensive income	**3.73**	**-**

Sensitivity analysis

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018	31 March 2019	31 March 2018
	Increase	Increase	Decrease	Decrease
Discount rate (1% movement)	7.95	-	10.42	-
Salary growth rate (1% movement)	10.47	-	7.90	-
Withdrawal rate (1% movement)	9.26	-	8.86	-

The sensitivity analyses presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

The obligations are measured at the present value of estimated future cash flows by using a discount rate that is determined with reference to the market yields at the Balance Sheet date on Government Bonds which is consistent with the estimated terms of the obligation.

The estimate of future salary increase, considered in the actuarial valuation, takes account of inflation, security, promotion and other relevant factors such as supply and demand in the employment market.

Expected future cash flows:

The expected future cash flows in respect of gratuity as at balance sheet date will be as follows:

Projected benefits payable in future years from the date of reporting	31 March 2019	31 March 2018
1st following year	0.14	-
2nd following year	0.15	-
3rd following year	0.16	-
4th following year	0.60	-
5th following year	0.18	-
Sum of years 6 to 10	4.37	-

B. Other long term employee benefits

Compensated absences

The accrual for unutilised leave is determined for the entire available leave balance standing to the credit of the edmployees at the year end. The value of such leave balances that are eligible for carry forward is determined by an acturial valuation as at the end of the year and acturial gains and losses are charged to the statement of profit and loss. Amount of ₹ 4.75 lakhs (31 March 2018 : ₹ Nil) towards leave benefits is recognised as an expense and included in the Statement of Profit and Loss.

Acturial assumptions

Particulars	31 March 2019	31 March 2018
Discount rate	7.65%	7.86%
Salary growth rate	6.00%	9.00%
Withdrawal rates	"For attained age upto 20 years: 15% For attained age above 20 upto 30 years: 10%, For attained age above 30 upto 35 years: 8%, For attained age above 35 upto 45 years: 5%, For attained age above 45 upto 50 years: 3%, For attained age above 50 years: 2%"	-

C. Defined contribution

Contribution to provident fund and employee state insurance contribution

Amount of ₹ 1.73 lakhs (31 March 2018: ₹ 0.55 lakhs) paid towards contribution to provident funds (including administration charges) and Employee state insurance contribution is recognised as an expense and included in "Salaries, wages and bonus" under "Employee benefits expense" in the Statement of Profit and Loss.

Note-28

Tax expense

A. Income tax expense recognised in the Statement of Profit and Loss

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
Current tax		
Current tax on profit for the year	57.50	85.17
Adjustments of tax for earlier years	(38.11)	-
Deferred tax		
Attributable to–		
Origination and reversal of temporary differences (refer note E)	1.08	-
	20.47	**85.17**

B. Income tax expense / (income) recognised in other comprehensive income

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
Deferred tax : (refer note E)		
Deferred tax (benefit) on remeasurements of defined benefit liability	1.08	-
	1.08	**-**

C. Reconciliation of effective tax rate

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
Profit before tax	**298.57**	**302.06**
Tax using the Company's statutory tax rate at 20.39% (31 March 2018: 27.55%)	60.88	83.23
Effect of :		
Effect of tax rate change		
Non deductible expenses	3.10	0.73
Adjustments of tax for earlier years	(38.11)	-
Income exempt from tax	(6.37)	-
Others	0.97	1.21
Tax expense	**20.47**	**85.16**

D. Recognised deferred tax assets and liabilities
Movement in temporary differences

(₹ in lakhs)

Particulars	Deferred tax (assets)		Deferred tax liabilities		Net deferred tax (assets) / liabilities	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Expenditure allowed on payment basis	(4.83)	-	-	-	(4.83)	-
Provision for stampduty expense	(9.06)	-	-	-	(9.06)	-
Demerger expense	(19.49)	-	-	-	(19.49)	-
Provision for loss allowance	(1.09)	-	-	-	(1.09)	-
Excess depreciation under tax laws over book depreciation	-	-	34.47	-	34.47	-
Net deferred tax (assets) / liabilities	**(34.47)**	**-**	**34.47**	**-**	**-**	**-**

E. Recognised deferred tax (assets) and liabilities
Movement in temporary differences

(₹ in lakhs)

Particulars	Balance as at 1 April 2018	Recognised in profit or loss during 2018-19	Recognised in OCI during 2018-19	Balance as at 31 March 2019
Expenditure allowed on payment basis/ doubtful debts	-	(4.83)	-	(4.83)
Provision for stampduty expense	-	(9.06)	-	(9.06)
Demerger expense		(19.49)	-	(19.49)
Provision for loss allowance	-	(1.09)	-	(1.09)
Depreciation	-	34.47	-	34.47
Net deferred tax (assets) / liabilities	**-**	**-**	**-**	**-**

Note-29
Operating Segment

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Chairman to make decisions about resources to be allocated to the segments and assess their performance. The Company's operations fall under single segment namely "Real Estate Business", taking into account the risks and returns, the organization structure and the internal reporting systems. Board of Directors are Chief Operating Decision Maker (CODM) of the Company. Further, there are no export sales and hence there is no reportable secondary segment. All assets are located in the company's country of domicile.

Note-30
Contingent Liability

The Company is in the process of evaluating the impact of the Supreme Court ("SC") judgement dated February 28, 2019 in the case of Regional Provident Fund Commissioner (II) West Bengal v/s Vivekananda Vidyamandir and Others, in relation to non-inclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to Provident Fund ("PF") under the Employees' Provident Fund & Miscellaneous Provisions Act, 1952. Based on legal advice received by the management, there are interpretation issues relating to the said SC judgement and review petitions are pending before the SC in this matter. In the assessment of the management, the aforesaid matter is not likely to have a significant impact and accordingly, no provision has been made in the standalone financial statements.

Note-31
Financial Instruments - Fair Value And Risk Measurements

A. **Accounting classification and fair values**

The carrying amounts and fair values of financial instruments by class are as follows:- **(₹ in lakhs)**

As at 31 March 2019	Carrying amount				Fair value			Total
	Fair Value Through Profit and Loss	Fair Value through Other Comprehensive Income	Amortized Cost*	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	
Financial asset								
Loan								
- Non-current	-	-	3.08	3.08	-	-	-	-
- Current	-	-	2,123.27	2,123.27	-	-	-	-
Investment	-	-	3,076.36	3,076.36	-	-	-	-
Trade receivables	-	-	510.00	510.00	-	-	-	-
Cash and cash equivalent	-	-	262.85	262.85	-	-	-	-
Other bank balance	-	-	-	-	-	-	-	-
Other financial assets				-				
- Non-current	-	-	-	-	-	-	-	-
- Current	-	-	-	-	-	-	-	-
	-	**-**	**5,975.56**	**5.975.56**	**-**	**-**	**-**	**-**
Financial liabilities								
Borrowings								
- Non-current	-	-	7,645.90	7,645.90	-	-	-	-
- Current	-	-	-	-	-	-	-	-
Trade payable	-	-	74.86	74.86	-	-	-	-
Other financial liability								
- Non-current	-	-	32.25	32.25	-	-	-	-
- Current	-	-	17.28	17.28	-	-	-	-
	-	**-**	**7,770.29**	**7,770.29**	**-**	**-**	**-**	**-**

(₹ in lakhs)

As at 31 March 2018	Carrying amount				Fair value			Total
	Fair Value Through Profit and Loss	Fair Value through Other Comprehensive Income	Amortized Cost*	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	
Financial asset								
Loan								
- Non-current	-	-	247.63	247.63	-	-	-	-
- Current	-	-	2,563.05	2,563.05	-	-	-	-
Investment	-	-	2,794.02	2,794.02	-	-	-	
Trade receivables	-	-	39.36	39.36	-	-	-	-
Cash and cash equivalent	-	-	0.65	0.65	-	-	-	-
Other bank balance	-	-	-	-	-	-	-	-
Other financial assets				-				
- Non-current	-	-	-	-	-	-	-	-
- Current	-	-	-	-	-	-	-	-
	-	**-**	**5,644.71**	**5,644.71**	**-**	**-**	**-**	
Financial liabilities								
Borrowings								
- Non-current	-	-	5,742.79	5,742.79	-	-	-	-
- Current	-	-	-	-	-	-	-	-
Trade payable	-	-	47.61	47.61	-	-	-	-
Other financial liability								
- Non-current	-	-	2.16	2.16	-	-	-	-
- Current	-	-	-	-	-	-	-	-
	-	**-**	**5,792.56**	**5,792.56**	**-**	**-**	**-**	**-**

'* Fair value of financial assets and liabilities measured at amortised cost is not materially different from the amortised cost. Further, impact of time value of money is not significant for the financial instruments classified as current. Accordingly, the fair value has not been disclosed separately.

Fair value hierarchy

The fair value of financial instruments as referred above have been classified into three categories depending on the inputs used in valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level I measurements) and lowest priority to unobservable inputs (Level III measurments).

The categories used are as follows:-

Input Level I (Directly Observable) : which includes quoted prices in active markets for identical assets such as quoted price for an equity security on Security Exchanges.

Input Level II (Indirectly Observable) : which includes prices in active markets for similar assets such as quoted price for similar assets in active markets, valuation multiple derived from prices in observed transactions involving similar businesses, etc.

Input Level III (Unobservable): which includes management's own assumptions for arriving at a fair value such as projected cash flows used to value a business, etc.

B. Measurement of fair values

i) Valuation techniques and significant unobservable inputs

The fair value of the investment in quoted investment in equity shares is based on the current bid price of investment at balance sheet date

ii) Transfers between Levels I and II

There has been no transfer in between Level I and Level II

iii) Level III fair values

There are no items in Level III fair values.

C. Financial risk management

The Company has a well-defined risk management framework. The Board of Directors of the Company has adopted a Risk Management Policy. The Company has exposure to the following risks arising from financial instruments:

Credit risk ;

Liquidity risk ; and

Market risk

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors evaluate and exercise independent control over the entire process of risk management. The board also recommends risk management objectives and policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(i) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk primarily trade receivables and other financial assets including deposits with banks. The Company's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties.

Other Financial Assets

This comprises mainly of deposits with banks and retention money receivables. Credit risk arising from deposits with banks is limited as the counterparties are banks . Banks have high credit ratings assigned by the credit rating agencies. Credit risk arising from retention money is included in trade receivables.

Trade and other receivable

Customer credit risk is managed by each business unit subject to the Company's established policy and procedures. Credit limits are established for all customers based on flat booking terms. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit. The Company has no concentration of credit risk as the customer base is widely distributed economically.

An impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. For the purposes of this analysis, the receivables are categorised into groups based on types of receivables. Each group is then assessed for impairment using the Expected Credit Loss (ECL) model as per the provisions of Ind AS 109 -Financial instruments. The calculation is based provision matrix which considers actual historical data adjusted appropriately for the future expectations and probabilities. Receivables from group companies and secured receivables are excluded for the purposes of this analysis since no credit risk is perceived on them. Proportionof expected credit loss provided for across the ageing buckets is summarised below:

Impairment

As at the end of the reporting periods, the ageing of trade and other receivables that were not impaired was as follows:

Age of receivables (₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Not Due	476.80	-
0-3 Months	-	-
3-6 Months	-	-
6-12 Months	-	-
1-3 years	33.20	39.36
→ 3 years	-	-

Cash and cash equivalents

The Company is also exposed to credit risks arising on cash and cash equivalents and term deposits with banks. The Company believes that its credit risk in respect to cash and cash equivalents and term deposits is insignificant as funds are invested in term deposits at pre-determined interest rates for specified period of time. For cash and cash equivalents and other bank balances, only high rated banks are accepted.

Other financial assets

Other financial assets includes loan to employees and related parties, security deposits, etc. Credit risk arising from these financial assets is limited and there is no collateral held against these because the counterparties are group companies, banks. Banks have high credit ratings assigned by the international credit rating agencies.

(ii) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are proposed to be settled by delivering cash or other financial asset. The Company's financial planning has ensured, as far as possible, that there is sufficient liquidity to meet the liabilities whenever due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. In addition to the Company's own liquidity, it enjoys credit facilities with the reputed bank and financial institutions.

Management monitors the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company's liquidity management policy involves periodic reviews of cash flow projections and considering the level of liquid assets necessary, monitoring balance sheet, liquidity ratios against internal and external regulatory requirements.

31 March 2019	Carrying	Contractual maturities				
	amount	Not Due	Less than 12 months	1-2 years	2-5 years	More than 5 years
Borrowings						
- Non-current	7,645.90	-		3,058.36	4,587.54	-
- Current	-	-	-	-	-	-
Trade payable	74.86	-	61.78	12.70	0.38	-
Other financial liability						
- Non-current	32.25	-	-	32.25	-	-
- Current	17.28	-	17.28	-	-	-

31 March 2018	Carrying	Contractual maturities				
	amount	Not Due	Less than 12 months	1-2 years	2-5 years	More than 5 years
Borrowings						
- Non-current	5,742.79	-	-	1,435.70	4,307.09	-
- Current	-	-	-	-	-	-
Trade payable	47.61	-	24.67	22.14	0.42	0.38
Other financial liability						
- Non-current	2.16	-	-	2.16	-	-
- Current	-	-	-	-	-	-

(iii) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates and interest rates – will affect the Company's income. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and debt. The company does not have any transactions in foreign currency. And accordingly, company does not have currency risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's liquidity and borrowing are managed by professional at senior management level.

The interest rate exposure of the Company is reduced by matching the duration of investments and borrowings. The interest rate profile of the Company's interest - bearing financial instrument as reported to management is as follows:

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Fixed-rate instrument		
Financial asset	609.84	732.65
Financial liability		-
Floating-rate instrument		
Financial asset		-
Financial liability	6,827.58	4,758.42

Interest rate sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. The following table demonstrates the sensitivity of floating rate financial instruments to a reasonably possible change in interest rates. The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

(₹ in lakhs)

Particulars	Increase on profit/(loss) after tax
31-Mar-19	
Increase in 100 basis point	(76.47)
Decrease in 100 basis point	76.45
31-Mar-18	
Increase in 100 basis point	(57.44)
Decrease in 100 basis point	57.42

Note-32

Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The Company monitors capital using a ratio of 'Debt' to 'Equity'. For this purpose, 'Debt' is meant to include long-term borrowings, short-term borrowings and current maturities of long-term borrowings. 'Equity' comprises all components of equity. The Company's debt to equity ratio as at the end of the reporting periods are as follows:

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Total debt	7,663.18	5,742.78
Less : Cash and bank balances	262.85	0.65
Adjusted net debt	**7,400.33**	**5,742.14**
Total equity	**12,041.57**	**11,766.11**
Debt to equity (net)	**0.61**	**0.49**

Note-33

Disclosure as per Ind AS 115

(a) Disaggreagtion of revenue from contracts with customers

(₹ in lakhs)

Particulars	31 March 2019
Revenue	
Development of projects - with construction	761.33
Development of projects - without construction	186.56
Total	**947.89**

Company has applied IND AS 115 using the modified retrospective method according to which the comparitive information is not required to be re-stated

(b) Contract assets

The contract assets represents amount due from customers which premarily relate to the company's right to consideration for work executed but not billed at the reporting date. The contract asset are transferred to receivable when the roights become unconditional i.e. when invoice is raised on achievment of contractual milestones. This usually occurs when the company issues an invoice to the customer. The contract liabilities primarily represent advance received from customer for which invoice are yet to be raised on customers pending achievement of milestone.

The following table provides information about trade receivables and contract assets:

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Contract Assets	476.80	-
Contract Liabilities	1,562.76	-

Changes in contract asset during the year are as follows:

(₹ in lakhs)

Particulars	31 March 2019
Balance as at 1st April 2018	-
Add: Unbilled revenue for the year	761.33
Less: Contract Asset reclassified to trade receivables	284.53
Balance as at 31 March 2019	**476.80**

Changes in contract liabilities during the year are as follows:

(₹ in lakhs)

Particulars	31 March 2019
Balance as at 1st April 2018	-
Less: Amount adjusted agains billings made during the year	-
Add: Advances received during the year	1,562.76
Balance as at 31 March 2019	**1,562.76**

Company has applied IND AS 115 using the modified retrospective method according to which the comparitive information is not required to be re-stated

(c) Transaction price allocated to remaining perfomrance obligations

The transaction price allocated to remaining performance obligations (unsatisfies or partially satisfied) is as follows:

(₹ in lakhs)

Particulars	Within One Year	More Than One Year	Total
Revenue from Construction and Development of projects	4,761.33	5,238.67	10,000.00

Note-34

Pursuant to the approval of the Honorable National Company Law Tribunal ('NCLT') vide order dated 9 May 2018 to the Scheme of Arrangement ("the Scheme") under section 230-233 and other provisions of the Companies Act, 2013, the assets and liabilities pertaining to real estate undertaking of the Company, were transferred to and vested in the Nila Spaces Limited ('wholly owned subsidiary of the Company') with effect from the appointed date viz., 1 April 2017 in accordance with the Scheme so sanctioned. The Scheme has been filed with Registrar of the Companies ('ROC') on 17 May 2018 and has, accordingly, been given effect in financials statements of FY 2018.

Note-35

Disclosure under Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Regulations, 2015 and Section 18(4) of the Companies Act, 2013).

Particulars	As at 31 March 2019	Maximum balance outstanding during the year 2018-19 "	As at 31 March 2018	Maximum balance outstanding during the year 2017-18
Details of loans given :				
Nila Projects LLP	-	302.73	244.68	244.68
Nilsan Realty LLP	-	539.97	487.97	487.97
Sambhaav Media Limited	255.09	255.09	-	-
Nila Infrastructures Limited	609.84	617.02	-	-

Details of Investments made by the company are given in Note 7 .
All loans are given for the purposes of the business.

Note-36

Previous year figures have been regrouped/reclassified wherever necessary to confirm to current year presentation

For J. S. Shah & Co.
Chartered Accountants
Firm's Registration No: 132059W

Jaimin Shah
Partner
Membership No. 138488

Place : Ahmedabad
Date : 25 May 2019

For and on behalf of the Board of Directors of
Nila Spaces Limited **(Formerly known as Parmananday Superstructure Ltd.)**
CIN No.: L45100GJ2000PLC083204

Jasvinder S Rana
Chairman
DIN : 01749361

Anand B Patel
Whole Time Director
DIN : 07272892

Deep S Vadodaria
Director
DIN : 01284293

Rajesh M Shah
Chief Financial Officer

Gopi V Dave
Company Secretary
Membership No. A46865

Independent Auditors' Report

To the Members of Nila Spaces Limited

I. Report on the Audit of the Consolidated Financial Statements

1. Opinion

A We have audited the accompanying Consolidated Financial Statements of NILA SPACES LIMITED ('the Holding Company'), its subsidiary company (the Holding Company and its subsidiary company are together referred to as the 'Group'), its associate and its joint ventures, as listed in annexure I, which comprise the consolidated balance sheet as at 31 March 2019, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of cash flows and the consolidated statement of changes in equity for the year then ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated Ind AS financial statements').

B In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiary, associate, and joint ventures as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associate and joint ventures as at 31 March 2019, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained and evidence obtained by the other auditors in terms of their reports referred to in the 'Other Matters' paragraph below is sufficient and appropriate to provide a basis for our opinion

3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

The key audit matter	How the matter was addressed in our audit
Adoption of Ind AS 115 - Revenue from Contract with Customers The group has adopted Ind AS 115 – 'Revenue from Contracts with Customers', mandatory for reporting periods beginning on or after April 1, 2018. Revenue from real-estate contracts is recognized over a period of time in accordance with the requirements of the said Standard using the percentage of completion method. This determination is based on the proportion that contract costs actually incurred, bear to the estimated total contract costs, and requires significant judgments, including identification of contractual obligations, the Group's rights to receive payments for performance completed till date, changes in scope and consequential revised contract price. Revenue recognition is significant to the financial statements based on the quantitative materiality. The adoption of Ind. AS 115, including the impact to retained earnings as at the transition date as per the modified retrospective method requires significant judgment in determining when 'control' of the asset underlying the performance obligation is transferred to the customer. Further, the application of percentage of completion method involves significant judgment as explained above. Accordingly, we regard these as key audit matter	As part of our audit procedures: • We read the accounting policy for revenue recognition of the Group and assessed compliance with the requirements of Ind AS 115. • We assessed the management evaluation of recognizing revenue from real estate contracts over a period of time in accordance with the requirements under Ind AS 115. • We tested controls over revenue recognition with specific focus on determination of progress of completion, recording of costs incurred and estimation of costs to complete the remaining contract obligations. • We inspected a sample of underlying customer contracts, performed retrospective assessment of costs incurred with estimated costs to identify significant variations and assess whether those variations have been considered in estimating the remaining costs-to-complete and consequential determination of stage of completion. • We tested controls and management processes pertaining to transfer of control in case of real estate projects. • We performed test of details, on a sample basis, and inspected the underlying customer contracts/ agreements

The key audit matter	How the matter was addressed in our audit
Refer Note 3(h) to the consolidated financial statements on accounting policy for revenue recognition	evidencing the transfer of control of the asset to the customer based on which revenue is recognized over a period of time. • We assessed the adequacy of disclosures included in financial statements, as specified in Ind AS 115.
Assessing the carrying value of inventory and advances paid towards land procurement As at 31 March 2019, the carrying value of the inventory of ongoing and completed real-estate projects is 12,439.40 lakhs. The inventories are held at the lower of the cost and net realisable value ("NRV"). The determination of NRV involves estimates based on prevailing market conditions and taking into account the stage of completion of the inventory, the estimated future selling price, cost to complete projects and selling costs. Advances paid by the group for acquisition of land is recognised as Inventories. With respect to these advances, the net recoverable value is based on the management's estimates and internal documentation, which include, among other things, the likelihood when the land acquisition would be completed, the expected date of plan approvals for commencement of project and the estimation of sale prices and construction costs. We identified the assessment of the carrying value of inventory and land advances as a key audit matter due to the significance of the balance to the financial statements as a whole and the involvement of estimates and judgment in the assessment	As part of our audit procedures, • We evaluated the design and internal controls related to testing recoverable amounts with carrying amount of inventory and advances, including evaluating management processes for estimating future costs to complete projects. • As regards NRV compared costs incurred and estimates of future cost to complete the project with costs of similar projects and compared NRV to recent sales or to the estimated selling price. For Advance for land, as a part of audit procedures we, • Read the documentation relating to the advance paid and obtained managements the status of the advance. • Obtained and assessed management's assumptions relating to the proposed projects, estimated time frame, and forecast sales.

4. Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

A The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon

B In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

5. Management's Responsibility for the Consolidated Financial Statements

A The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associate and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company. and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

B In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group and of its associate and joint ventures are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate and joint ventures is responsible for overseeing the financial reporting process of each company.

6. Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

A The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon

B In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

7. Management's Responsibility for the Consolidated Financial Statements

A The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associate and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company. and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

B In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group and of its associate and joint ventures are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate and joint ventures is responsible for overseeing the financial reporting process of each company

8. Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

i) Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

ii) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(I) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls

iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management

iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern

v) Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation

vi) Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its associate and joint ventures to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

Other Matters

We did not audit the financial statements of one associate and two joint venture, included in the consolidated annual financial result, group's share of net profit (and other comprehensive income) of 27.36 lakhs for the year ended 31 march 2019 in respect of one associate and two joint venture. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary, associate and joint ventures and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, associate and joint ventures is based solely on the audit reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

II. Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

A We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

B In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors

C The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

D In our opinion, the aforesaid Consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

E. On the basis of the written representations received from the directors of holding company as on March 31, 2019 taken on record by the Board of Directors of holding company and the reports of the statutory auditors of its subsidiary company, associate and joint ventures incorporated in India, none of the directors of the Group companies, its associate, and joint ventures incorporated in India is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act

F. With respect to the adequacy of the internal financial controls with reference to financial statements of the holding Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.

G With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

H With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiary, associate and joint ventures, as noted in the 'Other Matters' paragraph:

i. The group does not have any pending litigations as at 31 March 2019

ii. The Group, its associate and joint ventures did not have any material foreseeable losses on long term contracts including derivative contracts during the year ended 31 March 2019.

iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies, associate and joint ventures during the year ended 31 March 2019.

iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the financial statements since they do not pertain to the financial year ended 31 March 2019.

With respect to the matter to be included in the Auditor's report under section 197(16):

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies, associate and joint ventures incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company, its subsidiary company, associate and joint ventures to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company, its subsidiary company, its associate and joint ventures is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For J. S. SHAH & CO.
Chartered Accountants
Firm Registration Number: 132059W

JAIMIN SHAH
Partner
Membership Number: 138488

Place: Ahmedabad
Date: 25 May 2019

Annexure - I

Sr. no.	Name of entity	Relationship
1	Nila Projects LLP	Joint venture
2	Nilsan Reality LLP	Joint venture
3	Mega City Cinemall Pvt. Ltd.	Associate

Annexure A

To the Consolidated financial statements – 31 March 2019

Report on the internal financial controls with reference to the aforesaid Consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (Referred to in paragraph l(A)(t) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2019, we have audited the internal financial controls with reference to consolidated financial statements of Nila Spaces Limited (hereinafter referred to as ''the Holding Company") and one joint venture company to which requirements of the Act are applicable, as of that date.

In our opinion, the Holding Company to which requirements of the Act are applicable, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of lndia (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as ''the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the joint venture company, to which requirements of the Act are applicable, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial controls with Reference to a Consolidated Financial Statements

A company's internal financial controls with reference to Consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to Consolidated financial statements include those policies and procedures that (l) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial controls with Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to Consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For J. S. SHAH & CO.
Chartered Accountants
Firm Registration Number: 132059W

JAIMIN SHAH
Partner
Membership Number: 138488

Place: Ahmedabad
Date: 25 May 2019

Consolidated Balance Sheet
as at 31 March 2019

(₹ in lakhs)

Particulars	Note	As at 31 March 2019	As at 31 March 2018
ASSETS			
Non-current assets			
(a) Property, Plant & Equipment	4	21.49	-
(b) Investments Properties	5	1,287.36	-
(c) Financial assets			
(i) Investments	6	2,900.23	2,607.07
(ii) Loans	7	3.08	247.63
Total non current assets		**4,212.16**	**2,854.70**
Current assets			
(a) Inventories	9	12,439.40	11,846.57
(b) Financial assets			
(i) Trade receivables	10	510.00	39.36
(ii) Cash and cash equivalents	11	262.85	0.65
(iii) Loans	7	2,123.27	2,563.05
(c) Other current assets	8	1,601.84	1,629.93
Total current assets		**16,937.36**	**16,079.56**
Total assets		**21,149.52**	**18,934.26**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	12	3,938.89	3,938.89
(b) Other Equity	13	7,926.57	7,640.28
Total equity		**11,865.46**	**11,579.17**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	14	7,645.90	5,742.78
(ii) Other financial liabilities	15	49.53	2.16
Total non current liabilities		**7,695.43**	**5,744.94**
Current liabilities			
(a) Financial liabilities			
(i) Trade payables			
(ia) Due to micro & small enterprise	16	-	-
(ib) Due to others	16	74.85	47.61
(b) Other current liabilities	17	1,513.78	1,477.39
(c) Current tax liability	18	-	85.15
Total current liabilities		**1,588.63**	**1,610.15**
Total liabilities		**9,284.06**	**7,355.09**
Total Equity and Liabilities		**21,149.52**	**18,934.26**

The accompanying notes 1 to 38 form an integral part of these consolidated financial statements.
As per our report of even date attached

For J. S. Shah & Co.
Chartered Accountants
Firm's Registration No: 132059W

Jaimin Shah
Partner
Membership No. 138488

Place : Ahmedabad
Date : 25 May 2019

For and on behalf of the Board of Directors of
Nila Spaces Limited (Formerly known as Parmananday Superstructure Ltd.)
CIN No.: L45100GJ2000PLC083204

Jasvinder S Rana
Chairman
DIN : 01749361

Anand B Patel
Whole Time Director
DIN : 07272892

Deep S Vadodaria
Director
DIN : 01284293

Rajesh M Shah
Chief Financial Officer

Gopi V Dave
Company Secretary
Membership No. A46865

NILA SPACES LIMITED

Consolidated Statement of Profit and Loss
for the year ended 31 March 2019

(₹ in lakhs)

Particulars	Note	For the year ended 31 March 2019	For the year ended 31 March 2018
Income			
Revenue from operations	19	947.89	1,977.80
Other income	20	739.87	902.06
Total income		**1,687.76**	**2,879.86**
Expenses			
Cost of material consumed and project expenses	21	595.09	1,803.15
Employee benefits expense	22	47.43	75.66
Finance costs	23	541.41	638.19
Other expenses	24	206.61	60.80
Depreciation	4	15.18	-
Total expenses		**1,405.72**	**2,577.80**
Profit before share of (loss) from joint ventures and associate and tax		**282.04**	**302.06**
Share of (loss) from joint ventures and associate		27.36	(76.83)
Profit before tax		**309.40**	**225.23**
Tax expense		20.47	85.17
Profit for the year		**288.93**	**140.06**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of post-employment benefit obligation		(3.73)	-
Income tax relating to these items		1.08	-
Other comprehensive income for the year, net of tax		**(2.65)**	**-**
Total comprehensive income for the year		**286.28**	**140.06**
Earnings per equity share (Face value ₹ 1 per share)	**25**		
Basic		0.07	0.04
Diluted		0.07	0.04

The accompanying notes 1 to 38 form an integral part of these consolidated financial statements.

As per our report of even date attached

For J. S. Shah & Co.
Chartered Accountants
Firm's Registration No: 132059W

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Membership No. A46865

Consolidated Statement of Changes in Equity
for the year ended 31 March 2019

Equity Share Capital

(₹ in lakhs)

Particulars	Note	Amount
Balance as at 1 April 2017		**7.90**
Shares cancel during the year		(7.90)
Changes during the year		3,938.89
Balance as at 31 March 2018	**12**	**3,938.89**
Shares cancel during the year		-
Changes during the year		-
Balance as at 31 March 2019	**12**	**3,938.89**

Other Equity

(₹ in lakhs)

Particulars	Note	Reserves and Surplus				Total
		Retained earnings	Capital reserve	Securities premium account	General reserve	
Balance as at 1 April 2017		**(61.03)**	**14,394.53**	**5.80**	**-**	**14,339.30**
Profit for the year		140.06				140.06
Issue of equity shares			(3,938.89)		7.90	(3,930.99)
Changes on account of scheme of arrangement			(2,908.09)			(2,908.09)
Balance as at 31 March 2018		**79.03**	**7,547.55**	**5.80**	**7.90**	**7,640.28**
Total comprehensive income for the year						
Profit for the year		288.95	-	-	-	288.95
Items of other comprehensive income						
Remeasurement of post-employment benefit obligation (net of tax)	13	(2.65)	-	-	-	(2.65)
Balance as at 31 March 2019		**365.33**	**7,547.55**	**5.80**	**7.90**	**7,926.58**

Nature and purpose of reserves:

General Reserve - The General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General Reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve is not reclassified subsequently to the Statement of Profit and Loss.

Equity Security Premium - Securities premium reserve is used to record the premium on issue of equity shares. The reserve is utilised in accordance with the provisions of the Act.

The accompanying notes 1 to 38 form an integral part of these consolidated financial statements.
As per our report of even date attached

For J. S. Shah & Co.
Chartered Accountants
Firm's Registration No: 132059W

Jaimin Shah
Partner
Membership No. 138488

Place : Ahmedabad
Date : 25 May 2019

For and on behalf of the Board of Directors of
Nila Spaces Limited **(Formerly known as Parmananday Superstructure Ltd.)**
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NILA SPACES LIMITED

Consolidated Statement of Cash Flow
for the year ended 31 March 2019

(₹ in lakhs)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Cash flow from operating activities		
Profit before tax	309.40	225.23
Adjustments for:		
Depreciation	15.18	-
Finance cost	541.41	638.19
Stamp duty expense	39.39	-
Interest income	(739.87)	(901.71)
Share of profit from LLP	(27.36)	-
Operating profit before working capital changes	**138.15**	**(38.39)**
Changes in working capital adjustments		
Decrease in loans & advances	561.52	3,024.55
Decrease/(Increase) in trade receivables	(470.64)	195.70
Decrease in other assets (current and non-current)	70.42	223.74
(Increase) in inventories	(592.83)	(3,626.20)
(Decrease) in trade payables	(12.14)	(258.23)
(Decrease)/Increase in other financial liabilities	47.37	(128.51)
(Decrease) in other current liabilities	32.68	2,327.42
Cash generated from operations	**(225.47)**	**1,720.18**
Less: Income taxes paid (net)	**(146.89)**	**(0.02)**
Net cash flow from operating activities [A]	**(372.36)**	**1,720.16**
Cash flow from investing activities		
Purchase of property, plant and equipment	(1,324.03)	-
Purchase / sale of investments	-	(157.55)
Re-payment of loans given to related parties (net)	732.65	-
Loans (given to) related parties (net)	(609.84)	-
Interest income	474.07	901.71
Net cash flow (used in) investing activities [B]	**(727.15)**	**744.16**
Cash flow from financing activities		
Proceeds from issue of equity shares	-	-
Proceeds from / (repayment) of long term borrowings (net)	2,069.17	(1,825.61)
Proceeds from loans from others	818.32	-
(Repayment) of loans from others	(984.37)	-
Finance costs paid	(541.41)	(638.19)
Net cash flow (used in) financing activities [C]	**1,361.71**	**(2,463.80)**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	**262.20**	**0.52**
Cash and cash equivalents at beginning of the year	0.65	0.13
Cash and cash equivalents at end of the year (see note 2)	**262.85**	**0.65**

Consolidated Statement of Cash Flow
for the year ended 31 March 2019

Notes:

1 The above statement of Cash Flows has been prepared under "Indirect method" as set out in the Indian Accounting Standard (Ind AS 7) "Statement of Cash Flows".

2 Reconciliation of cash and cash equivalents as per the Consolidated Statement of Cash Flows.

(₹ in lakhs)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Cash on hand	1.56	0.65
Balance with banks	261.29	-
	262.85	**0.65**

3 Changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes:

Reconciliation of liabilities arising from financing activities

(₹ in lakhs)

Particulars	As at 1 April 2018	Changes as per Consolidated Statement of Cash Flows	Non cash changes Acquisition	Changes from losing control of subsidiaries	Fair value changes	As at 31 March 2019
Long term borrowings	5,742.78	1,903.12	-	-	-	7,645.90

As per our report of even date attached

For J. S. Shah & Co.
Chartered Accountants
Firm's Registration No: 132059W

Jaimin Shah
Partner
Membership No. 138488

Place : Ahmedabad
Date : 25 May 2019

For and on behalf of the Board of Directors of
Nila Spaces Limited (Formerly known as Parmananday Superstructure Ltd.)
CIN No.: L45100GJ2000PLC083204

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Director
DIN : 01284293

Rajesh M Shah
Chief Financial Officer

Gopi V Dave
Company Secretary
Membership No. A46865

Notes to Consolidated Financial Statements
for the year ended 31 March 2019

1. **Corporate Information**

Nila Spaces Limited is a Company based in Ahmedabad, Gujarat with its Registered Office situated at 1st Floor, Sambhaav House, Opp. Chief Justice Bungalow, Bodakdev, Ahmedabad - 380015. Nila Spaces Limited is a public company incorporated on 03rd May 2000 and listed on BSE (Bombay Stock Exchange of India Limited) and NSE (National Stock Exchange of India Limited). The Company is involved in real estate development. The Company, together with its subsidiaries, joint ventures and associate, collectively referred to as ('the Group') is involved in the construction as well as development of projects for sale. These consolidated financial statements comprise the financial statements of the Company, its subsidiary, joint ventures and the associate.

2. **Basis of preparation and measurement**

2.1. Statement of compliance

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

The consolidated financial statements for the year ended 31 March 2019 have been reviewed by audit committee and subsequently approved by Board of Directors at its meetings held on 20 May 2019.

Details of the Group's significant accounting policies are included in note 3.

2.2. Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (₹), which is also the Group's functional currency. All the amounts have been rounded-off to the nearest lakhs, unless otherwise stated.

2.3. Basis of Measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Net defined benefit plans	Fair value of plan assets less present value of defined benefit obligation using key actuarial assumptions
Share based payments	Fair value

2.4. Use of estimates and judgments

In preparing this consolidated financial statements, management has made judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized prospectively.

Information about critical judgements in applying accounting policies, as well as estimates and the assumptions that have most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

Note 3(h) – Evaluation of percentage completion for the purpose of revenue recognition

Note 3(d) - Identification of the building as an investment property

Note 3(b) – Useful life used for the purpose of depreciation on property, plant and equipment and investment properties and amortisation of intangible assets

Note 3 (e), (k) – Impairment of financial and non-financial assets

Note 3 (s) - Lease classification

Note 3 (g) – Recognition and measurement of defined benefit obligations, key actuarial assumptions

Note 3 (e) – Fair value measurement of financial instruments

Note 3 (l) – Current / deferred tax expense and recognition and evaluation of recoverability of deferred tax assets

Note 3 (n)– Provisions and contingencies

2.5. Measurement of fair values

The Company's accounting policies and disclosures requires the measurement of fair values for financial instruments.

The Company has established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entity in the same level of fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between the levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

Note 5 - Investment property

Note 31 – Financial instruments

3. Significant Accounting Policies

a) Operating Cycle

The Company's normal operating cycle in respect of operations relating to the construction and development of projects may vary from project to project depending upon the size of the project, type pf development, project complexities and related approvals. Operating cycle for all completed projects is based on 12 months period. Assets and liabilities have been classified into current and non-current based on their respective operating cycle.

b) Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in Statement of Profit and Loss.

Subsequent measurement

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation

Depreciation is being provided on a pro-rata basis on the 'Straight Line Method' over the estimated useful lives of the assets as prescribed under Part C of Schedule II to the Companies Act, 2013. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Advances given towards acquisition of property, plant and equipment outstanding at each Balance Sheet date are disclosed as other non-current assets.

Derecognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use of disposal. The consequential gain or loss is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss.

c) Intangible assets and amortisation

Intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The cost of an intangible asset comprises of its purchase price, including any import duties and other taxes (other than tho se subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use.

Subsequent Expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits associated with the expenditure will flow to the Company. All other expenditure is recognized in the Statement of Profit and Loss as incurred

Amortisation

Intangible assets are amortized on a straight - line basis (pro-rata from the date of additions) over estimated useful life of four years.

Derecognition

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of intangible assets and is recognized in the Statement of Profit and Loss.

d) Investment Property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Recognition and measurement

Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation

Depreciation is being provided on a pro-rata basis on the 'Straight Line Method' over the estimated useful lives of the assets as prescribed under Part C of Schedule II to the Companies Act, 2013. The residual values, useful lives and methods of depreciation of investment properties equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Fair value disclosure

The fair values of investment property is disclosed in the notes. Fair value is determined by an independent valuer who holds a recognized and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

Any gain or loss on disposal of an investment property is recognized in Statement of Profit and Loss.

e) Impairment of non-financial assets

Non-financial assets of the Company, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the Statement of Profit and Loss. Impairment loss recognized in respect of a CGU is allocated to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

f) Business Combination

The acquisition method of accounting is used to account for all the business combinations, regardless of whether equity instruments or other assets are acquired. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at the fair values at the acquisition date. The Company recognizes any non – controlling interest in the acquired entity on an acquisition by acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Common control business combinations

Business combinations involving entities that are controlled by the Company are accounted for using the pooling of interest method as follows:

a. The assets and liabilities transferred are derecognized at their book value

b. No adjustments are made to reflect the fair value

c. The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

g) Employee benefits

Short term employee benefits

Short term employee benefit obligations are measured on an undiscounted expenses and are expensed as the related services are provided. A liability is recognized for the amount expected to be paid, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards government administered schemes. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in the Statement of Profit and Loss in the periods during which the services are rendered by the employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed periodically by an independent qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company , the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset). Net interest expense and other expenses related to defined benefit plans are recognized in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in Statement of Profit and Loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefits that employees have earned in return for their service in the current and prior periods; that benefits is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method.

Remeasurement gains or losses are recognized in the Statement of Profit and Loss in the period in which they arise.

Share-based payments

Employees of the Company receive remuneration in the form of share based payments in consideration of the services rendered.

Under the equity settled share based payment, the fair value on the grant date of the awards given to employees is recognized as 'employee benefit expenses' with a corresponding increase in equity over the vesting period. The fair value of the options at the grant date is calculated by an independent valuer on the basis Black Scholes model. At the end of each reporting period, apart from the non-market vesting condition, the expense is reviewed and adjusted to reflect changes to the level of options expected to vest. When the options are exercised, the Company issues fresh equity shares.

Cancellation of Share based payment is accounted as an acceleration of vesting, and therefore recognize immediately the amount that otherwise would have been recognized for services received over the remainder vesting period. The amount that would have been recognized is based on an estimate on the date of cancellation – i.e. estimating how many instruments are expected to vest at the original vesting date.

h) Revenue recognition

(i) Recognition of Revenue from Real Estate Developent:

Effective 1 April 2018, the Company has applied Ind AS 115 – "Revenue from contracts with customers", which outlines single comprehensive model for accounting of revenue arising from contracts with customers and supersedes Ind AS 11 "Construction Contracts". It focuses on performance obligations in a contract with customers, allocation of transaction price to the performance obligations and recognition of revenue as the performance obligations are satisfied either at a point in time or over a period of time. While recognizing revenue, the cost of land has been allocated in proportion to the percentage of work completed. If the outcome of a construction contract can be estimated reliably, contract revenue is recognized in the Statement of Profit and Loss in proportion to the stage of completion of the contract. The stage of completion is assessed by reference to surveys of work performed. Otherwise, contract revenue is recognized only to the extent of contract costs incurred that are likely to be recoverable. Contract costs are recognized as expenses as incurred unless they create an asset is related to future contract activity. An expected loss on a contract is recognized immediately in the Statement of Profit and Loss.

Revenue is recognised in the income statement to the extent that it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably

(ii) Land and transferrable development rights

Revenue from contracts for sale of land and transferrable development rights is recognised at a point in time when control is transferred to the customer and it is probable that consideration will be collected. This is usually deemed to be legal completion as this is the point at which the Company has an enforceable right to payment. Revenue from sale of land and transferrable development rights is measured at the transaction price specified in the contract with the customer.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer e.g. unbilled revenue. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset i.e. unbilled revenue is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional i.e. only the passage of time is required before payment of consideration is due.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognised as revenue when the Company performs under the contract.

(iii) Lease rental income

Lease income from operating leases shall be recognised in income on a straight line basis over the lease term, unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished. Income from leasing of commercial complex is recognised on an accrual basis in accordance with lease agreements. Refer note 3 (r) for accounting policy on leases.

i) Other income

Interest income from financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition.

Dividend income and share of profit in LLP is recognized when the right to receive the same is established, it is probable that the economic benefits associated with the dividend will flow to the Company and amount can be measured reliably.

j) Financial instrument

Financial assets

Classification

The Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit and loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Initial recognition and measurement

On initial recognition, a financial asset is recognized at fair value, in case of financial assets which are recognized at fair value through the Statement of Profit and Loss (FVTPL), its transaction cost are recognized in the Statement of Profit and Loss. In other case, the transaction costs are attributed to the acquisition value of the financial asset.

Subsequent measurement and gains and losses

Financial assets are subsequently classified as measured at

- Financial assets at amortized cost: These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment is recognized in the Statement of Profit and Loss. Any gain or loss on derecognition is recognized in the Statement of Profit and Loss.
- Fair value through profit and loss (FVTPL): These assets are subsequently measured at fair value. Net

gains and losses, including any interest or dividend income, are recognized in the Statement of Profit and Loss.

- Fair value through other comprehensive income (FVOCI): These assets are subsequently measured at fair value. Dividends are recognized as income in the Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains or losses are recognized in OCI and are not reclassified to the Statement of Profit and Loss.

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

Trade receivables and loans

Trade receivables and loans are initially recognized at fair value when they are originated. Subsequently, these assets are held at amortized cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

Equity instrument

All investments in equity instruments classified under financial assets are initially measured at fair value, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognized as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value Changes excluding dividends, on an equity instrument measured at FVOCI are recognized in OCI. Amounts recognized in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognized as 'other income' in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of the financial asset) is primarily derecognized when:

a) The right to receive cash flows from the asset have expired; or

b) The Company has transferred substantially all the risks and rewards of the asset; or

c) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financials assets in FVTPL category. For financial assets other than trade receivables, as per Ind AS 109, the Company recognizes 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall. The impairment losses and reversals are recognized in Statement of Profit and Loss.

Financial liabilities

Initial recognition and measurement

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortized cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognized at fair value and subsequently, these liabilities are held at amortized cost, using the effective interest method.

Subsequent measurement

Financial liabilities are subsequently measured at amortized cost using the EIR method. Financial liabilities carried at fair value through Statement of Profit and Loss are measured at fair value with all changes in fair value recognized in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet date if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle them on net basis or to realize the assets and settle the liabilities simultaneously.

k) Income taxes

Income tax comprises of current and deferred tax. It is recognized in the Statement of Profit and Loss except to the extent that it is relates to an item recognized directly in equity or in OCI.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes.

It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date. Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available.

Minimum Alternate Tax (MAT) eligible for set off in subsequent years (as per tax laws), is recognized as an asset by way of credit to the restated consolidated summary Statement of Profit and Loss only if there is convincing evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilized by the Company. At each balance sheet date, the carrying amount of deferred tax in relation to MAT credit entitlement receivable is reviewed to reassure realization.

l) Inventories

Inventory comprises of land and land development rights. Land and land development rights are valued at lower of cost or net realizable value. Cost includes cost of land, land development rights, acquisition of tenancy rights, materials, services, borrowing cost and other related overhead as the case may be. In the case of acquisition of land for development and construction, the rights are acquired from the owners of the land and the conveyance and registration thereof will be executed between the original owners and the ultimate purchasers as per trade practice. As a result, in the immediate period, generally, the land is not registered in the name of the company.

Project inventories

Inventories of project materials are valued at cost or net realizable value whichever is less. Cost is arrived at on weighted average method (WAM) basis.

Work-in-progress

Construction and development of real estate project:

Cost incurred for the contract that relate to future activity of the contract, such contract cost are recognized as an asset provided it is probable that they will be recovered. Such costs represent an amount due from the customer and are often classified as Contract work in progress which is valued at cost or net realizable value whichever is less.

m) Provisions and contingencies

A provision is recognized if, as a result of past events, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax that reflects current market assessments of the time value of money and the risks specific to the liability.

The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for.

Contingent liabilities are disclosed in the Notes to the Consolidated Financial Statements. Contingent liabilities are disclosed for:

i. possible obligations which will be confirmed only by future events not wholly within the control of the Company, or

ii. Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

n) Borrowing Cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings to the extent they are regarded as an adjustment to the interest cost.

Investment income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

o) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company. For the disclosure on reportable segments see Note 35.

p) Cash and cash equivalents

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid.

q) Investments in subsidiaries, joint venture and associates

The Company has elected to recognise its investments in subsidiary and associate and joint venture companies at cost in accordance with the option available in Ind AS 27, Separate Financial Statements.

r) Leases

Asset given under lease

In respect of assets provided on finance leases, amount due from lessees are recorded as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases. In respect of assets given on operating lease, lease rentals are accounted on accrual basis in accordance with the respective lease agreements.

Asset held under lease

Leases of property, plant and equipment that transfer substantially all the risks and rewards of ownership ae classified as finance leases. All the other leases are classified as operating leases. For finance lease, the leased assets are measured initially at an amount equal to the lower of their fair value and the present value of minimum lease payments. Subsequent to the initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

Assets held under operating leases are neither recognized in (in case the Company is lessee) nor derecognized (in case the Company is lessor) from the Company's balance sheet.

Lease payments

Payments made under operating leases are generally recognized in the Statement of Profit and Loss on a straight line basis over the term of lease unless such payments are structured to increase in line with the expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognized as an integral part of the total lease expense over the term of lease.

s) Earnings per share

Basic earnings per share is computed by dividing the net profit for the year attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events such as bonus shares, other than conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

In a capitalization or bonus issue or share split, ordinary shares are issued to equity shareholders for no additional consideration. The number of ordinary shares outstanding before the event is adjusted for the proportionate change in the number of ordinary shares outstanding as if the event had occurred at the beginning of the earliest period presented.

t) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of the Company at the exchange rates as at the date of transaction or at an average rate if the average rate approximates the actual rate at the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of transaction. Exchange differences are recognized in the Statement of Profit and Loss.

u) Recent accounting pronouncement

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 And Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind ASs which the Company has not applied as they are effective from April 1, 2019:

Ind AS 116 – Leases

Ind AS 116, Leases replaces existing lease accounting guidance i.e. Ind AS 17, Leases. It sets out principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases, except short-term leases and leases for low-value items, under a single on-balance sheet lease accounting model. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. Lessor accounting largely unchanged from the existing standard – i.e. lessors continue to classify leases as finance or operating leases.

Based on the preliminary assessment, the Company does not expect any significant impacts on transition to Ind AS 116. This assessment is based on currently available information and may be subject to changes arising from further reasonable and supportable information when the standard will be adopted. The quantitative impacts would be finalised based on a detailed assessment which has been initiated to identify the key impacts along with evaluation of appropriate transition options.

Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Company does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company does not expect any significant impact of the amendment on its financial statements.

Ind AS 19 – Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company does not expect this amendment to have any significant impact on its financial statements.

Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The company does not expect any impact from this amendment.

Ind AS 28 – Long-term Interests in Associates and Joint Ventures

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The company accounts for long term interest in associate and joint venture as per equity method and hence the company does not expect any impact from this amendment.

Ind AS 103 – Business Combinations and Ind AS 111 – Joint Arrangements

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. The Company will apply the pronouncement if and when it obtains control / joint control of a business that is a joint operation.

Note-4
Property, plant and equipment

(₹ in lakhs)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1 April 2018	Additions	Sales	As at 31 March 2019	As at 1 April 2018	Additions	Sales	As at 31 March 2019	As at 31 March 2019	As at 31 March 2018
Computer Equipment	-	0.49	-	0.49	-	0.03	-	0.03	0.46	-
Office Equipments	-	23.38	-	23.38	-	2.50	-	2.50	20.88	-
Plant & Machinery	-	0.16	-	0.16	-	0.01	-	0.01	0.15	-
Total	**-**	**24.03**	**-**	**24.03**	**-**	**2.54**	**-**	**2.54**	**21.49**	**-**

Note-5
Investments Properties

(₹ in lakhs)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1 April 2018	Additions	Sales	As at 31 March 2019	As at 1 April 2018	Additions	Sales	As at 31 March 2019	As at 31 March 2019	As at 31 March 2018
Building & Office Premises	-	1,300.00	-	1,300.00	-	12.64	-	12.64	1,287.36	-
Total	**-**	**1,300.00**	**-**	**1,300.00**	**-**	**12.64**	**-**	**12.64**	**1,287.36**	**-**

Note-6
Investments

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Investment in associate and joint venture		
Investments in joint venture (at cost)		
Nilsan Realty LLP	168.34	102.87
Nila Projects LLP	2,472.13	2,212.61
Fangdi Land Developers LLP	-	204.48
	2,640.47	**2,519.96**
Investments in equity shares of asociate (at cost)		
2,33,750 (31 March 2018 : 2,33,750) equity shares of Mega City Cinemall Pvt. Ltd. of ₹. 10/- each	55.28	87.11
	55.28	**87.11**
Total investments in joint venture and associate	**2,695.75**	**2,607.07**
Investment in others (At cost)		
Fangdi Land Developers LLP	204.48	-
Total investments in others	**204.48**	**-**
Total	**2,900.23**	**2,607.07**

Note-7
Loans

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Non-current loans		
Loans to related party (refer note 26)		
- Unsecured, considered good	-	244.68
Security and other deposits	3.08	2.95
	3.08	**247.63**
Current loans		
Loans to related party (refer note 26)		
- Unsecured, considered good	609.84	487.97
Loans to others		
- Unsecured, considered good	1513.43	2,075.08
	2,123.27	**2,563.05**
Total	**2,126.35**	**2,810.68**

Refer note 31 - Financial instruments, fair values and risk measurement

Note-8
Other current assets

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Advance to vendors	1,551.84	1,629.90
Prepaid expenses	2.00	0.03
Advance to Employees	5.64	-
Advance Income Tax	42.34	-
Balances with government authorities	0.02	-
Total	**1,601.84**	**1,629.93**

Refer note 31 - Financial instruments, fair values and risk measurement

Note-9
Inventories

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Construction material on hand	-	14.53
Work in progress	1,805.34	968.24
Land and land development rights	10,634.06	10,863.80
Total	**12,439.40**	**11,846.57**

Refer note 3 (l) for accounting policy on inventories.

During the year ended 31 March 2019, the company has inventorised borrowing cost of ₹ 240.25 lakhs (31 March 2018: ₹ 194.65 lakhs).

Note-10
Trade receivables

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Other than related parties		
Unsecured, considered good	510.00	39.36
Total	**510.00**	**39.36**

Refer note 31 - Financial instruments, fair values and risk measurement.

Note-11
Cash and cash equivalents

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Balance in current account	261.29	-
Cash on hand	1.56	0.65
Total	**262.85**	**0.65**

Refer note 31 - Financial instruments, fair values and risk measurement

Note-12

Equity share capital

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Authorised share capital		
450,000,000 (31 March 2018 : 450,000,000) Equity shares of ₹ 1/- each	4,500.00	4,500.00
Issued, Subscribed and Paid-up Capital		
393,889,200 Equity Shares of ₹. 1/- each (31 March 2018 : 393,889,200) equity shares of ₹ 1/- each fully paid)	3,938.89	3,938.89*
Total	**3,938.89**	**3,938.89**

"*During the year 2018-19 pursuant to scheme of Demerger, allotment dated 29 June 2018, of 393889200 shares of ₹1 each was madeto the shareholders of Nila Infrastructures Limited whose name appeared in as on record date of 15 June 2018."

(₹ in lakhs)

Particulars	As at 31 March 2019		As at 31 March 2018	
	Numbers	₹ in lakhs	Numbers	₹ in lakhs
Balance as at the beginning of the year	393,889,200	3,938.89	79,000	7.90
Less Cancelation during the year	-	-	(79,000)	(7.90)
Addition during the year	-	-	393,889,200	3,938.89
Balance as at the end of the year	393,889,200	3,938.89	393,889,200	3,938.89

Terms / rights attached to Equity shares

The company has single class of equity shares having a par value of ₹1 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Details of shareholders holding more than 5% shares in the company

For the year ending on 31 March 2018, shareholders holding more than 5% shares of the Company comprises of only Nila Infrastrucutres Limited which otherwise shall be sharholders of Nila Spaces Limited holding more than 5% shares as on the record date pursuant to the scheme of de-merger.

Particulars	As at 31 March 2019	
	Nos. Shares	% holding
Mr Manoj B Vadodaria	53,154,712	13.49%
Mrs Nila M Vadodaria	43,955,267	11.16%
Mr Kiran B Vadodaria	38,608,100	9.80%
Mrs Alpa K Vadodaria	36,800,000	9.34%
Mr Deep S Vadodaria	31,752,108	8.06%

Note-13

Other Equity

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Reserves & Surplus		
(i) Retained earnings	365.33	79.03
(ii) Equity security premium	5.80	5.80
(iii) Capital reserve	7,547.55	7,547.55
(iv) General reserve	7.90	7.90
Total	**7,926.58**	**7,640.28**

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
(i) Retained earnings		
Profit & loss opening balance	79.03	(61.03)
Profit during the year	288.93	140.06
	367.96	**79.03**
Items of other comprehensive income		
Remeasurement of post-employment benefit obligation (net of tax)	(2.65)	-
Total	**365.31**	**79.03**
(ii) Equity security premium		
Opening balance	5.80	5.80
Addition during the year	-	-
Total	**5.80**	**5.80**
(iii) Capital reserve	**7,547.55**	**7,547.55**
(iv) General reserve	**7.90**	**7.90**
Total reserves and surplus	**7,926.57**	**7,640.28**

Note-14
Borrowings

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Non current borrowings		
Secured loans		
Indian rupee loan from		
Financial institution*	6,827.58	4,758.41
Unsecured Loans#		
Loan from others	818.32	984.37
Total	**7,645.90**	**5,742.78**

* Current maturities of long term borrowings is reported under 'Other financial liabilities'
# Unsecured loan from related party carrries interest rate of 15% and the same is repayable on demand
Refer note 31 - Financial instruments, fair values and risk measurement

Borrowing from Financial institution is secured by way of:

a) Equitable Mortgage of Vejalpur land owned by Company

b) Personal Guarantee of promoter family members

c) Escrow of revenue of certain infrastructure projects of Nila Spaces Limited"

"Durinng previous year, to implement the Scheme of Arrangement for Demerger (the "Scheme") of Real Estate (RE) Undertaking of Nila Infrastructures Ltd (the "Demerged Company") into Nila Spaces Ltd (the "Resultant Company") under section 230 to 232 and other applicable provisions of the Companies Act, 2013 with Appointed Date of 1 April 2017; GRUH Finance Ltd (GRUH) had to reassess the total/combined (i.e. Nila Infrastructures Ltd + Nila Spaces Ltd) sanctioned limit of ₹ 9,500.00 lakhs, wherein the total/combined outstanding at 31 March 2018 is ₹ 6,871.65 lakhs. As per the letter received from GRUH dated 19 March 2018, the said total/combined exposure is to be bifurcated aamogst Nila Infrastructures Limited and Nila Spaces Limited as ₹ 3,000 lakhs and ₹ 6,500 lakhs respectively Accordingly, the corresponding outstanding of ₹ 4,758.41 lakhs was considered for Nila Spaces Ltd and the rest for Nila Infrastructures Ltd "

Note-15
Other financial liabilities

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Security deposits	32.25	2.16
Current maturities of long term borrowings	17.28	-
Total	**49.53**	**2.16**

Note-16
Trade payables

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Dues to Micro & Small Enterprises (as per the intimation received from vendors)		
A. Principal and interest amount remaining unpaid	-	-
B. Interest due thereon remaining unpaid	-	-
C. Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to supplier beyond the appointed day	-	-
D. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
E. Interest accrued and remaining unpaid	-	-
F. Interest remaining due and payable even in the suceeding years, until such date when the interest dues as above are actually paid to the small enterprises.	-	-
Dues to others[(1)]	74.85	47.61
Total	**74.85**	**47.61**

(1) Includes retention money payable amounting to ₹ 22.76 lakhs (31 March 2018: ₹ 20.92 lakhs)

Note-17
Other current liabilities

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Advance from customer	1,562.75	1,470.89
Other dues payable	(87.60)	-
Other statutory obligations	38.63	6.50
Total	**1,513.78**	**1,477.39**

Note-18
Current tax liabilities

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Current tax liabilities	-	85.15
Total	**-**	**85.15**

Note-19
Revenue from operations

(₹ in lakhs)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue		
Development of projects - with construction	761.33	849.40
Development of projects - without construction	186.56	1,128.40
Total	**947.89**	**1,977.80**

Note-20

Other income

(₹ in lakhs)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest from others	739.87	901.71
Other non-operating income	-	0.35
Total	**739.87**	**902.06**

Note-21

Cost of material consumed and project expenses

(₹ in lakhs)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Consumption of Materials	85.30	1,782.07
Consumption of Land	256.53	-
Consumption of Flat	27.51	-
Repair and maintenance expense	0.55	-
Civil, electrical, contracting, labour work etc.	647.72	0.30
Electricity expenses	10.04	0.01
Insurance expenses	3.10	0.10
Sales , promotion and marketing expense	-	20.67
Stamp duty charges	39.39	-
Other direct expense	37.69	-
	1,107.83	**1,803.15**
Less: Transferred to WIP	(512.75)	-
Total	**595.08**	**1,803.15**

Note-22

Employee benefits expense

(₹ in lakhs)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Salaries, allowances and bonus	70.21	69.93
Contribution to provident and other fund	1.77	0.55
Remuneration and perquisites to directors	27.00	5.13
Staff welfare expenses	1.73	0.05
	100.71	**75.66**
Less: Transferred to WIP Salary	(53.28)	-
Total	**47.43**	**75.66**

Note-23

Finance costs

(₹ in lakhs)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest on Borrowings		
- Financial institution	778.35	826.59
	778.35	**826.59**
Less:- Transferred to work-in-progress	(240.25)	(194.65)
	538.10	**631.94**
Other Borrowing Costs		
- Processing fees	3.31	6.25
Total	**541.41**	**638.19**

During the year ended 31 March 2019, the company has inventorised borrowing cost of ₹ 240.25 lakhs (31 March 2018 ₹ 194.65 lakhs)

Note-24

Other expenses

(₹ in lakhs)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Legal and professional charges	74.21	39.45
Listing Expenses & Demerger Expenses	117.23	
Office rent	-	1.22
Repairs and maintenance expenses	0.16	1.20
Insurance	-	1.57
Power and fuel expenses	0.14	4.10
Travelling and conveyance	-	3.80
Printing and stationery	0.98	0.62
Municipal tax	0.05	-
Payment to auditors (exclusive of GST)		
- Audit fees	1.05	1.00
Loss on sale of shares	-	2.28
Advertisement and business promotion expenses	40.39	1.95
Provision for doubtful debt	-	0.00
Director's Sitting Fees	-	0.07
Miscellaneous expenses	3.04	3.11
Donation expense	-	-
Postage and courier expenses	-	0.03
Telephone expense	0.18	0.39
Demate charges	-	0.01
	237.43	**60.80**
Less: Transferred to WIP	(30.82)	-
Total	**206.61**	**60.80**

Note-25

Earnings per share

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Profit attributable to equity share holders :		
Basic earnings (₹ in lakhs)	288.93	140.06
Adjusted for the effect of dilution (₹ in lakhs)	288.93	140.06
Weighted average number of equity shares for:		
Basic	393,889,200	393,889,200
Adjusted for the effect of dilution	393,889,200	393,889,200
Earning per share		
Basic	0.07	0.04
Diluted	0.07	0.04

Note-26

Related party transactions

(A) Joint ventures :	Nila Projects LLP
	Nilsan Realty LLP
(B) Associate	Megacity Cinemall Pvt Ltd
(C) Enterprise in which Key Managerial Personnel have significant influence	Nila Infrastructures Limited
	Sambhaav Media Limited
	Romanovia Industrial Park Pvt Ltd
(D) Key Managerial Personnel	Anand B Patel - Whole Time Director
	Rajesh M Shah - Chief Financial Officer
	Gopi V Dave - Company Secretary

Disclosure of transactions between the Company and Related Parties (Other than Key - managerial personnel) balances as at 31 March 2019

(₹ in lakhs)

Particulars	Transaction Value	
	31 March 2019	31 March 2018
Loans given		
Nila Projects LLP	1,421.55	241.20
Nilsan Realty LLP	729.00	77.00
Sambhaav Media Limited	255.00	-
Nila Infrastructures Limited	3,510.77	-
Romanovia Industrial Park Pvt Ltd	125.00	-
Interest received		
Megacity Cinemall Pvt Ltd	-	44.82
Nila Projects LLP (capital)	265.81	237.33
Nilsan realty LLP	31.59	-
Nila Projects LLP (loan)	5.17	3.86
Sambhaav Media Limited	0.10	-
Romanovia Industrial Park Pvt Ltd	125.61	-
Loans Taken		
Romanovia Industrial Park Pvt Ltd	250.00	-
Interest Income		
Nila Infrastructures Limited	23.31	-
Romanovia Industrial Park Pvt Ltd	61.05	
Consultancy Income		
Nilsan realty LLP	157.50	-
Construction contract work		
Nila Infrastructures Limited	642.11	-
Share of profit		
Nilsan realty LLP	16.53	-
Re-payment of loans given		
Nila Projects LLP	2,128.00	-
Nilsan Realty LLP	1,412.00	487.97
Megacity Cinemall Pvt Ltd	-	952.86
Nila Infrastructures Limited	3,908.61	-

Disclosure of the status of outstanding balances between the Company and Related Parties (Other than Key - managerial personnel) as at year end

(₹ in lakhs)

Particulars	Closing Balance	
	31 March 2019	31 March 2018
Loans (taken from)/given to associate and joint venture		
Nila Projects LLP	(457.12)	244.68
Nilsan Realty LLP	(166.13)	487.97
Loans (taken from)/given to enterprise in which key managerial personnel have significant influence		
Nila Infrastructures Limited	609.84	-
Sambhaav Media Limited	255.09	-
Romanovia Industrial Park Pvt Ltd	(195.05)	-

Disclosure of transactions between the Company, Key - managerial personnel, Directors and the status of outstanding balances as at 31 March 2019

(₹ in lakhs)

Particulars	Transaction Value		Closing Balance	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Remuneration				
- Director	27.00	-	-	-
- Other than directors	4.34	-	-	-
Director's sitting fees	-	0.07	-	-

Note-27

Employee benefits

A. **Defined benefit plans:**

Gratuity

The Company operates a defined benefit plan (the gratuity plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employees salary and tenure of employment. The liability in respect of gratuity being defined benefit schemes, payable in future, are determined by actuarial valuation as on balance sheet date.

In activity of valuation for gratuity following assumptions were used:

Particulars	31 March 2019	31 March 2018
Mortality rate	100.00%	-
Withdrawal rate	"For attained age upto 20 years: 15%For attained age above 20 upto 30 years: 10%,For attained age above 30 upto 35 years: 8%, For attained age above 35 upto 45 years: 5%,For attained age above 45 upto 50 years: 3%, For attained age above 50 years: 2%"	
Retirement age	58 Years	-
Discount rate	7.65%	-
Salary escalation	6.00%	-

* Pursuant to the demerger order received from Honourable NCLT vide dated 09 May 2018 Nila Spaces Limited has become a seprate legal entity with reference from 09 May 2018, demerged from Nila Infrastructure Limted and therefore the employees have been taken on payroll of Nila Spaces Limted in current year in lieu of this there was no consequent employees liabilities in Nila Spaces Limited in corresponding preeceding year.

The following tables set out the funded status of the gratuity plans and the amounts recognised in the Company's consolidated financial statements as at 31 March 2019, 31 March 2018 The following tables set out status of gratuity plan under Indian Accounting Standard 19 on "Employee benefit".

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
Changes in present value of defined benefit obligation		
Present value of defined benefit obligation as at the beginning of the year	-	-
Interest cost	-	-
Past service cost	8.00	-
Current service cost	1.08	-
Actuarial loss due to change in financial assumptions	(2.09)	-
Actuarial (gain) due to change in demographic assumptions	0.28	-
Actuarial loss/(gain) due to experience adjustments	5.54	-
Benifits paid	(3.73)	-
Present value of defined benefit obligation as at the end of the year	**9.08**	**-**
Amount recognised in the balance sheet		
Fair value of plan assets as at the end of the year	-	-
Present value of defined benefit obligaiton as at the end of the year	9.08	-
Net obligation as at end of year	**9.08**	**-**
Non current	**8.94**	**-**
Current	**0.14**	**-**
Expenses recognised in the statement of profit and loss under the head Employee benefit expenses		
Service cost	1.08	-
Past service cost	8.00	-
Interest cost	-	-
Net expense recognised in employee benifit expenses	**9.08**	**-**
Expenses recognised in other comprehensive income for the year		
Remeasurment due to:		
Acturial loss on obligations - due to change in financial assumptions	(2.09)	-
Acturial (gain) on obligations - due to change in demographic assumptions	0.28	-
Acturial loss/(gain) on obligations - due to experience adjustments	5.54	-
Net expense/(income) recognised in other comprehensive income	**3.73**	**-**

Sensitivity analysis

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018	31 March 2019	31 March 2018
	Increase	Increase	Decrease	Decrease
Discount rate (1% movement)	7.95	-	10.42	-
Salary growth rate (1% movement)	10.47	-	7.90	-
Withdrawal rate (1% movement)	9.26	-	8.86	-

The sensitivity analyses presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

The obligations are measured at the present value of estimated future cash flows by using a discount rate that is determined with reference to the market yields at the Balance Sheet date on Government Bonds which is consistent with the estimated terms of the obligation.

The estimate of future salary increase, considered in the actuarial valuation, takes account of inflation, security, promotion and other relevant factors such as supply and demand in the employment market.

Expected future cash flows:

The expected future cash flows in respect of gratuity as at balance sheet date will be as follows:

(₹ in lakhs)

Projected benefits payable in future years from the date of reporting	31 March 2019	31 March 2018
1st following year	0.14	-
2nd following year	0.15	-
3rd following year	0.16	-
4th following year	0.60	-
5th following year	0.18	-
Sum of years 6 to 10	4.37	-

B. Other long term employee benefits

Compensated absences

The accrual for unutilised leave is determined for the entire available leave balance standing to the credit of the edmployees at the year end. The value of such leave balances that are eligible for carry forward is determined by an acturial valuation as at the end of the year and acturial gains and losses are charged to the statement of profit and loss. Amount of `4.75 lakhs (31 March 20187: ` Nil) towards leave benefits is recognised as an expense and included in the Statement of Profit and Loss.

Acturial assumptions

Particulars	31 March 2019	31 March 2018
Discount rate	7.65%	7.86%
Salary growth rate	6.00%	9.00%
Withdrawal rates	"For attained age upto 20 years: 15% For attained age above 20 upto 30 years: 10%, For attained age above 30 upto 35 years: 8%, For attained age above 35 upto 45 years: 5%, For attained age above 45 upto 50 years: 3%, For attained age above 50 years: 2%"	-

C. Defined contribution

Contribution to provident fund and employee state insurance contribution

Amount of ₹ 1.73 lakhs (31 March 2018: ₹ 0.55 lakhs) paid towards contribution to provident funds (including administration charges) and Employee state insurance contribution is recognised as an expense and included in "Salaries, wages and bonus" under "Employee benefits expense" in the Statement of Profit and Loss.

Note-28

Tax expense

A. Income tax expense recognised in the Statement of Profit and Loss

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
Current tax		
Current tax on profit for the year	57.50	85.17
Adjustments of tax for earlier years	(38.11)	.
Deferred tax		
Attributable to–		
Origination and reversal of temporary differences (refer note E)	1.08	.
	20.47	**85.17**

B. Income tax expense / (income) recognised in other comprehensive income

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
Deferred tax : (refer note E)		
Deferred tax (benefit) on remeasurements of defined benefit liability	1.07	-
	1.07	**-**

C. Reconciliation of effective tax rate

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
Profit before tax	**298.57**	**302.06**
Tax using the Company's statutory tax rate at 20.39% (31 March 2018: 27.55%)	60.88	83.23
Effect of :		
Effect of tax rate change		
Non deductible expenses	3.10	0.73
Adjustments of tax for earlier years	(38.11)	-
Income exempt from tax	(6.37)	-
Others	0.97	1.21
Tax expense	**20.47**	**85.17**

D. Recognised deferred tax assets and liabilities
Movement in temporary differences

(₹ in lakhs)

Particulars	Deferred tax (assets)		Deferred tax liabilities		Net deferred tax (assets) / liabilities	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Expenditure allowed on payment basis	(4.83)	-	-	-	(4.83)	-
Provision for stampduty expense	(9.06)	-	-	-	(9.06)	-
Demerger expense	(19.49)	-	-	-	(19.49)	-
Provision for loss allowance	(1.09)	-	-	-	(1.09)	-
Excess depreciation under tax laws over book depreciation	-	-	**34.47**	-	34.47	
Net deferred tax (assets) / liabilities	**(34.47)**	**-**	**34.47**	**-**	**-**	**-**

E. Recognised deferred tax (assets) and liabilities
Movement in temporary differences

(₹ in lakhs)

Particulars	Balance as at 1 April 2018	Recognised in profit or loss during 2018-19	Recognised in OCI during 2018-19	Balance as at 31 March 2019
Expenditure allowed on payment basis/ doubtful debts	0.00	(4.83)	-	(4.83)
Provision for stampduty expense	0.00	(9.06)	-	(9.06)
Demerger expense		(19.49)	-	(19.49)
Provision for loss allowance	0.00	(1.09)	-	(1.09)
Depreciation	-	34.47	-	34.47
Net deferred tax (assets) / liabilities	**-**	**-**	**-**	**-**

Note-29
Operating Segment

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Group's Chairman to make decisions about resources to be allocated to the segments and assess their performance. The Company's operations fall under single segment namely "Real Estate Business", taking into account the risks and returns, the organization structure and the internal reporting systems. Board of Directors are Chief Operating Decision Maker (CODM) of the Company. Further, there are no export sales and hence there is no reportable secondary segment. All assets are located in the group's country of domicile.

Note-30
Contingent Liability

The Company is in the process of evaluating the impact of the Supreme Court ("SC") judgement dated February 28, 2019 in the case of Regional Provident Fund Commissioner (II) West Bengal v/s Vivekananda Vidyamandir and Others, in relation to non-inclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to Provident Fund ("PF") under the Employees' Provident Fund & Miscellaneous Provisions Act, 1952. Based on legal advice received by the management, there are interpretation issues relating to the said SC judgement and review petitions are pending before the SC in this matter. In the assessment of the management, the aforesaid matter is not likely to have a significant impact and accordingly, no provision has been made in the consolidated financial statements.

Note-31
Financial Instruments - Fair Value And Risk Measurements

A. Accounting classification and fair values

The carrying amounts and fair values of financial instruments by class are as follows:- **(₹ in lakhs)**

As at 31 March 2019	Carrying amount				Fair value			Total
	Fair Value Through Profit and Loss	Fair Value through Other Comprehensive Income	Amortized Cost*	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	
Financial asset								
Loan								
- Non-current	-	-	3.08	3.08	-	-	-	-
- Current	-	-	2,123.27	2,123.27	-	-	-	-
Investment	-	-	2,900.23	2,900.23	-	-	-	-
Trade receivables	-	-	510.00	510.00	-	-	-	-
Cash and cash equivalent	-	-	262.85	262.85	-	-	-	-
Other bank balance	-	-	-	-	-	-	-	-
Other financial assets				-				
- Non-current	-	-	-	-	-	-	-	-
- Current	-	-	-	-	-	-	-	-
	-	**-**	**5,799.43**	**5,799.43**	**-**	**-**	**-**	**-**
Financial liabilities								
Borrowings								
- Non-current	-	-	7,645.90	7,645.90	-	-	-	-
- Current	-	-	-	-	-	-	-	-
Trade payable	-	-	74.85	74.85	-	-	-	-
Other financial liability								
- Non-current	-	-	49.53	49.53	-	-	-	-
- Current	-	-	-	-	-	-	-	-
	-	**-**	**7770.28**	**7770.28**	**-**	**-**	**-**	**-**

(₹ in lakhs)

As at 31 March 2018	Carrying amount				Fair value			Total
	Fair Value Through Profit and Loss	Fair Value through Other Comprehensive Income	Amortized Cost*	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	
Financial asset								
Loan								
- Non-current	-	-	247.63	247.63	-	-	-	-
- Current	-	-	2,563.05	2,563.05	-	-	-	-
Investment	-	-	2,607.07	2,607.07	-	-	-	-
Trade receivables	-	-	39.36	39.36	-	-	-	-
Cash and cash equivalent	-	-	0.65	0.65	-	-	-	-
Other bank balance	-	-	-	-	-	-	-	-
Other financial assets				-				
- Non-current	-	-		-	-	-	-	-
- Current	-	-		-	-	-	-	-
	-	**-**	**5,457.76**	**5,457.76**	**-**	**-**	**-**	**-**
Financial liabilities								
Borrowings								
- Non-current	-	-	5,742.79	5,742.79	-	-	-	-
- Current	-	-	-	-	-	-	-	-
Trade payable	-	-	47.61	47.61	-	-	-	-
Other financial liability								
- Non-current	-	-	2.16	2.16	-	-	-	-
- Current	-	-	-	-	-	-	-	-
	-	**-**	**5,792.56**	**5,792.56**	**-**	**-**	**-**	**-**

'* Fair value of financial assets and liabilities measured at amortised cost is not materially different from the amortised cost. Further, impact of time value of money is not significant for the financial instruments classified as current. Accordingly, the fair value has not been disclosed separately.

Fair value hierarchy

The fair value of financial instruments as referred above have been classified into three categories depending on the inputs used in valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level I measurements) and lowest priority to unobservable inputs (Level III measurments).

The categories used are as follows:-

Input Level I (Directly Observable) : which includes quoted prices in active markets for identical assets such as quoted price for an equity security on Security Exchanges.

Input Level II (Indirectly Observable) : which includes prices in active markets for similar assets such as quoted price for similar assets in active markets, valuation multiple derived from prices in observed transactions involving similar businesses, etc.

Input Level III (Unobservable): which includes management's own assumptions for arriving at a fair value such as projected cash flows used to value a business, etc.

B. Measurement of fair values

i) Valuation techniques and significant unobservable inputs

The fair value of the investment in quoted investment in equity shares is based on the current bid price of investment at balance sheet date

ii) Transfers between Levels I and II

There has been no transfer in between Level I and Level II

iii) Level III fair values

There are no items in Level III fair values.

C. Financial risk management

The group has a well-defined risk management framework. The Board of Directors of the group has adopted a Risk Management Policy. The group has exposure to the following risks arising from financial instruments:

Credit risk

Liquidity risk; and

Market risk

Risk management framework

'The group's board of directors has overall responsibility for the establishment and oversight of the group's risk management framework. The board of directors evaluate and exercise independent control over the entire process of risk management. The board also recommends risk management objectives and policies.

'The group's risk management policies are established to identify and analyse the risks faced by the group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the group's activities. The group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

'The audit committee oversees how management monitors compliance with the group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the group. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(i) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The group is exposed to credit risk primarily trade receivables and other financial assets including deposits with banks. The group's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties.

Other Financial Assets

This comprises mainly of deposits with banks and retention money receivables. Credit risk arising from deposits with banks is limited as the counterparties are banks . Banks have high credit ratings assigned by the credit rating agencies. Credit risk arising from retention money is included in trade receivables.

Trade and other receivable

Customer credit risk is managed by each business unit subject to the group's established policy and procedures. Credit limits are established for all customers based on flat booking terms. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit. The group has no concentration of credit risk as the customer base is widely distributed economically.

An impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. For the purposes of this analysis, the receivables are categorised into groups based on types of receivables. Each group is then assessed for impairment using the Expected Credit Loss (ECL) model as per the provisions of Ind AS 109 -Financial instruments. The calculation is based provision matrix which considers actual historical data adjusted appropriately for the future expectations and probabilities. Receivables from group companies and secured receivables are excluded for the purposes of this analysis since no credit risk is perceived on them. Proportionof expected credit loss provided for across the ageing buckets is summarised below:

Impairment

As at the end of the reporting periods, the ageing of trade and other receivables that were not impaired was as follows:

Age of receivables **(₹ in lakhs)**

Particulars	As at 31 March 2019	As at 31 March 2018
Not Due	476.80	-
0-3 Months	-	-
3-6 Months	-	-
6-12 Months	-	-
1-3 years	33.20	39.366
→ 3 years	-	-

Cash and cash equivalent

The group is also exposed to credit risks arising on cash and cash equivalents and term deposits with banks. The group believes that its credit risk in respect to cash and cash equivalents and term deposits is insignificant as funds are invested in term deposits at pre-determined interest rates for specified period of time. For cash and cash equivalents and other bank balances, only high rated banks are accepted.

Other financial assets

Other financial assets includes loan to employees and related parties, security deposits, etc. Credit risk arising from these financial assets is limited and there is no collateral held against these because the counterparties are group companies, banks. Banks have high credit ratings assigned by the international credit rating agencies.

(ii) Liquidity Risk

Liquidity risk is the risk that the group will encounter difficulty in meeting the obligations associated with its financial liabilities that are proposed to be settled by delivering cash or other financial asset. The group's financial planning has ensured, as far as possible, that there is sufficient liquidity to meet the liabilities whenever due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation. In addition to the group's own liquidity, it enjoys credit facilities with the reputed bank and financial institutions.

Management monitors the group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The group's liquidity management policy involves periodic reviews of cash flow projections and considering the level of liquid assets necessary, monitoring balance sheet, liquidity ratios against internal and external regulatory requirements.

Exposure to liquidity risk (₹ in lakhs)

31 March 2019	Carrying amount	Contractual maturities				
		Not Due	Less than 12 months	1-2 years	2-5 years	More than 5 years
Borrowings						
- Non-current	7,645.90	-	-	3,058.36	4,587.54	-
- Current	-	-	-	-	-	-
Trade payable	74.85	-	61.77	12.70	0.38	-
Other financial liability						
- Non-current	49.53	-	-	49.53	-	-
- Current	-	-	-	-	-	-

31 March 2018	Carrying amount	Contractual maturities				
		Not Due	Less than 12 months	1-2 years	2-5 years	More than 5 years
Borrowings						
- Non-current	5,742.79	-	-	1,435.70	4,307.09	-
- Current	-	-	-	-	-	-
Trade payable	47.61	-	24.67	22.14	0.42	0.38
Other financial liability						
- Non-current	2.16	-	-	2.16	-	-
- Current	-	-	-		-	-

(iii) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates and interest rates – will affect the group's income. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and debt. The group does not have any transactions in foreign currency. And accordingly, group does not have currency risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The group's liquidity and borrowing are managed by professional at senior management level. The interest rate exposure of the group is reduced by matching the duration of investments and borrowings. The interest rate profile of the group's interest - bearing financial instrument as reported to management is as follows:

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Fixed-rate instrument		
Financial asset	609.84	732.65
Financial liability	-	
Floating-rate instrument		
Financial asset	-	
Financial liability	6,827.58	4,758.42

Interest rate sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. The following table demonstrates the sensitivity of floating rate financial instruments to a reasonably possible change in interest rates. The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

(₹ in lakhs)

Particulars	Increase on profit/(loss) after tax
31-Mar-19	
Increase in 100 basis point	(68.29)
Decrease in 100 basis point	68.27
31-Mar-18	
Increase in 100 basis point	(47.59)
Decrease in 100 basis point	47.57

Note-32

Capital management

The group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The group monitors capital using a ratio of 'Debt' to 'Equity'. For this purpose, 'Debt' is meant to include long-term borrowings, short-term borrowings and current maturities of long-term borrowings. 'Equity' comprises all components of equity. The group's debt to equity ratio as at the end of the reporting periods are as follows:

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Total debt	6,827.58	4,758.42
Less : Cash and bank balances	262.85	0.65
Adjusted net debt	6,564.73	4,757.77
Total equity	**11,865.46**	**11,579.17**
Debt to equity (net)	**0.55**	**0.41**

Note-33

Pursuant to the approval of the Honorable National Company Law Tribunal ('NCLT') vide order dated 9 May 2018 to the Scheme of Arrangement ("the Scheme") under section 230-233 and other provisions of the Companies Act, 2013, the assets and liabilities pertaining to real estate undertaking of the Company, were transferred to and vested in the Nila Spaces Limited ('wholly owned subsidiary of the Company') with effect from the appointed date viz., 1 April 2017 in accordance with the Scheme so sanctioned. The Scheme has been filed with Registrar of the Companies ('ROC') on 17 May 2018 and has, accordingly, been given effect in financials statements of FY 2018.

Note-34

Disclosure under Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Regulations, 2015 and Section 18(4) of the Companies Act, 2013).

(₹ in lakhs)

Particulars	As at 31 March 2019	Maximum balance outstanding during the year 2018-19 "	As at 31 March 2018	Maximum balance outstanding during the year 2017-18
Nila Projects LLP	-	302.73	244.68	244.68
Nilsan Realty LLP	-	539.97	487.97	487.97
Sambhaav Media Limited	255.09	255.09	-	
Nila Infrastructures Limited	609.84	617.02	-	

Details of Investments made by the company are given in Note 7 .
All loans are given for the purposes of the business.

Note-35

Disclosure as per Ind AS 115

(a) Disaggreagtion of revenue from contracts with customers

(₹ in lakhs)

Activity	As at 31st March 2019
Revenue	
Development of projects - with construction	761.33
Development of projects - without construction	186.56
Total	**947.89**

Company has applied IND AS 115 using the modified retrospective method according to which the comparitive information is not required to be re-stated.

(b) Contract assets

The contract assets represents amount due from customers which premarily relate to the company's right to consideration for work executed but not billed at the reporting date. The contract asset are transferred to receivable when the roights become unconditional i.e. when invoice is raised on achievment of contractual milestones. This usually occurs when the company issues an invoice to the customer. The contract liabilities primarily represent advance received from customer for which invoice are yet to be raised on customers pending achievement of milestone.

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Contract Assets	476.80	-
Contract Liabilities	1,562.75	-

Changes in contract asset during the year are as follows:

(₹ in lakhs)

Particulars	31 March 2019
Balance as at 1st April 2018	-
Add: Unbilled revenue for the year	761.33
Less: Contract Asset reclassified to trade receivables	284.53
Balance as at 31 March 2019	**476.80**

Changes in contract liabilities during the year are as follows:

(₹ in lakhs)

Particulars	31 March 2019
Balance as at 1st April 2018	-
Less: Amount adjusted agains billings made during the year	-
Add: Advances received during the year	1,562.75
Balance as at 31 March 2019	**1,562.75**

Company has applied IND AS 115 using the modified retrospective method according to which the comparitive information is not required to be re-stated.

(c) Transaction price allocated to remaining perfomrance obligations

The transaction price allocated to remaining performance obligations (unsatisfies or partially satisfied) is as follows:

(₹ in lakhs)

Particulars	Within One Year	More Than One Year	Total
Revenue from Construction and Development of projects	4,761.33	5,238.67	10,000.00

Note-36

Interest in other entities

Interest in associate & joint ventures

Below is the list of associate and joint ventures as at 31 March 2019. Their Share capital compriese solely of equity shares and/or as partners capital held by the group and proportion of ownership interest held equals the voting rights held by the group.

(₹ in lakhs)

Name of entity	% of ownership interest	Relationship	Method of Accounting	Quoted Fair value		Carrying Amount	
				31 March 2019	31 March 2018	31 March 2019	31 March 2018
Nilsan Realty LLP	99.99%	Joint Venture	Equity method	-	-	168.34	102.87
Nila Projects LLP	99.97%	Joint Venture	Equity method	-	-	2,472.13	2,212.62
Megacity Cinemall Pvt Ltd	42.50%	Associate	Equity method	-	-	55.28	87.11

(a) Summarised financial statements of Joint ventures and Associate

1 The table below shows summarised financial statements for both joint ventures which are material to the group.

(₹ in lakhs)

Summarised balance sheet Particulars	Nilsan Realty LLP		Nila Projects LLP		Megacity Cinemall Pvt Ltd	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Total Non-current assets	166.64	320.26	2,550.25	2,452.70	1,193.39	1,210.15
Current assets other than cash and cash equivalents	-	572.87	-	-	3.75	1.55
Cash and cash equivalents	2.77	3.25	0.47	8.06	8.40	11.65
(A)	**169.41**	**896.38**	**2,550.72**	**2,460.76**	**1,205.54**	**1,223.35**
Non-current financial liabilities	-	780.97	75.00	244.68	-	-
Current financial liabities (excluding trade payable and provisions)	0.52	-	0.69	0.66	1,650.62	1,617.50
Current liabilities other than current financial liabilities (including trade payables and provisions)	-	11.99	-	-	36.00	13.46
(B)	**0.52**	**792.96**	**75.69**	**245.34**	**1,686.62**	**1,630.96**
Net assets (A-B)	**168.89**	**103.42**	**2,475.03**	**2,215.42**	**(481.08)**	**(407.61)**
Group's share in %	99.99%	50.00%	99.97%	99.97%	42.50%	42.50%
Group's share in INR	168.87	51.71	2,474.29	2,214.76	(204.46)	(173.23)

Reconciliation to Carrying Amount

(₹ in lakhs)

Particulars	Nilsan Realty LLP		Nila Projects LLP		Megacity Cinemall Pvt Ltd	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Group share in opening net assets	102.87	151.81	2,216.54	1,971.78	87.11	114.57
Profit for the year - share of group	65.47	(48.94)	(6.29)	240.83	(31.81)	(27.46)
Opening net assets	168.34	102.87	2,210.25	2,212.61	55.28	87.11
Add:- Ind AS adjustment			261.88			
Less:- Unrealised gain & losses eliminated against the investement accounted for using equity method			-	-		
Closing net assets	**168.34**	**102.87**	**2,472.13**	**2,212.61**	**55.28**	**87.11**

Summarised statement of profit and loss of material joint ventures and Associate

(₹ in lakhs)

Summarised profit and loss	Nilsan Realty LLP		Nila Projects LLP		Megacity Cinemall Pvt Ltd	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Revenue						
Other income	1,050.00	-	2.57	118.16	12.00	17.04
Total income	**1,050.00**	**-**	**2.57**	**118.16**	**12.00**	**17.04**
Employee benefit expense	-	-	4.90	4.80	2.57	1.77
Finance cost	31.59	48.47	3.70	112.89	-	45.54
Depreciation	-	-	-	-	30.10	34.36
Project exp	715.14	-	-	-	-	-
Other expense	187.79	0.46	0.26	0.26	54.19	9.06
Total expense	**934.52**	**48.93**	**8.86**	**117.95**	**86.86**	**90.73**
Profit before tax	**115.48**	**(48.93)**	**(6.29)**	**0.21**	**(74.86)**	**(73.68)**
Tax expense	(50.00)	-	-	(0.57)	-	(9.08)
Profit after tax	**65.48**	**(48.93)**	**(6.29)**	**0.36**	**(74.86)**	**(64.60)**

NILA SPACES LIMITED

Note-37

Additional Information as per Schedule III

Interest in associate & joint ventures

Below is the list of associate and joint ventures as at 31 March 2019. Their Share capital compriese solely of equity shares and/or as partners capital held by the group and proportion of ownership interest held equals the voting rights held by the group.

(₹ in lakhs)

Name of Entity in the group	Net Assets (Total assets minus Total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated share in profit or (loss)	Amount	As % of consolidated share in comprehensive income	Amount	As % of consolidated share in total comprehensive income	Amount
Parent								
Nila Spaces Limited								
31 March 2019	77.20%	9,160.99	101.71%	293.54	100.00%	(2.65)	101.73%	291.23
31 March 2018	77.48%	8,972.00	169.16%	236.91	0.00%	-	169.16%	236.91
Joint Ventures								
Fangadi Land Developers LLP								
31 March 2019	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
31 March 2018	1.77%	204.57	(0.01%)	(0.08)	-	-	(0.06%)	(0.08)
Nilsan Realites LLP								
31 March 2019	1.42%	168.34	9.08%	26.24	-	-	9.32%	26.24
31 March 2018	0.89%	102.87	(34.94%)	(48.94)	-	-	(34.94%)	(48.94)
Nila Projects LLP								
31 March 2019	20.91%	2,480.85	0.21%	0.62	-	-	0.22%	0.62
31 March 2018	19.11%	2,212.62	(0.26%)	(0.36)	-	-	(0.26%)	(0.36)
Associate								
Megacity Cinemall Pvt Ltd								
31 March 2019	0.47%	55.28	(11.01%)	(31.81)	-	-	(11.11%)	(31.81)
31 March 2018	0.75%	87.12	(33.89%)	(47.47)	-	-	(33.89%)	(47.47)
Total								
31 March 2019	**100.00%**	**11,865.47**	**100.00%**	**288.93**	**100.00%**	**(2.65)**	**100.00%**	**286.28**
31 March 2018	**100.00%**	**11,579.17**	**100.00%**	**140.06**	**-**	**-**	**100.00%**	**140.06**

Note: The above figures are after eliminating intra group transactions and intra group balances as at 31 March 2019 and 31 March 2018.

Note-38

Previous year figures have been regrouped/reclassified wherever necessary to confirm to current year presentation.

For J. S. Shah & Co.
Chartered Accountants
Firm's Registration No: 132059W

Jaimin Shah
Partner
Membership No. 138488

Place : Ahmedabad
Date : 25 May 2019

For and on behalf of the Board of Directors of
Nila Spaces Limited (Formerly known as Parmananday Superstructure Ltd.)
CIN No.: L45100GJ2000PLC083204

Jasvinder S Rana
Chairman
DIN : 01749361

Anand B Patel
Whole Time Director
DIN : 07272892

Deep S Vadodaria
Director
DIN : 01284293

Rajesh M Shah
Chief Financial Officer

Gopi V Dave
Company Secretary
Membership No. A46865

Company Details

BOARD OF DIRECTORS
Mr. Jasvinder S Rana
Chairman

Mr. Deep S Vadodaria
Director

Mr. Prashant H Sarkhedi
Director

Mr. Anand B Patel
Director

Ms. Rajal B Mehta
Director

CHIEF FINANCIAL OFFICER
Mr. Rajesh M Shah

COMPANY SECRETARY
Ms. Gopi V Dave

CORPORATE IDENTIFICATION NUMBER
L45100GJ2000PLC083204

REGISTERED OFFICE AND CONTACT DETAILS
First Floor, Sambhaav House,
Opp. Chief Justice's Bunglow,
Bodakdev, Ahmedabad – 380 015
Tel: +91 79 40036817 / 26870258
Website: www.nilaspaces.com

BANKER
Axis Bank Limited
State Bank of India

FINANCIAL INSTITUTIONS
Gruh Finance Limited

STATUTORY AUDITOR
M/s. J S Shah & Co.
Chartered Accountants
Ahmedabad

SECRETARIAL AUDITOR
M/s. Umesh Ved & Associates
Practicing Company Secretary
Ahmedabad

INTERNAL AUDITOR
M/s. M P Doshi & Associates
Chartered Accountants
Ahmedabad

REGISTRAR & SHARE TRANSFER AGENT
M/s. MCS Share Transfer Agent Limited
201, Second Floor, Shatdal Complex, Opp. Bata
Showroom, Ashram Road, Ahmedabad- 380009
Phone : +91 79-26580461/62

Note: The Former name of the Company was Pramananday Superstructure Limited and therefore in terms of Section 12 of the Companies Act, 2013, wherever the name of your Company Nila Spaces Ltd. is printed; the same may be read along with the words "Formerly known as Parmananday Superstructure Ltd".

Notes

Notes

NILA
SPACES
LIMITED

Formerly known as
Parmananday Superstructure Limited

CIN:L45100GJ2000PLC083204

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