

GROWTH

*seizing
opportunities*



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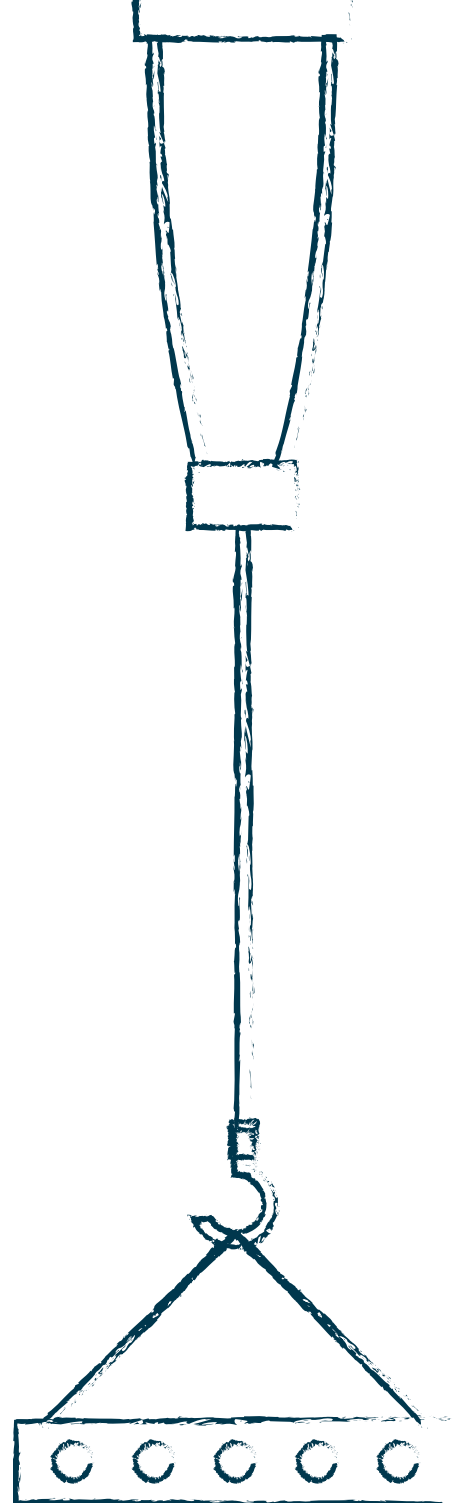
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Disclaimer

This document contains statements about expected future events and financial and operating results of Nila Infrastructures Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of the Nila Infrastructures Limited Annual Report 2015-16.

Desire. Determination. Dedication.

When we started envisioning our future, we could foresee a transformed image, the one which literally went beyond our original form.

And yes...we created a transformed identity!

We consciously synchronised and directed all our efforts towards strengthening our core. And, in doing so, we gradually evolved from being a mere real estate developer to a key player in the infrastructure segment.

Besides developing strengths and credibility in executing mix of Government and Semi-Government projects across our home state of Gujarat, we made impressive in-roads into the sunrise state of Rajasthan.

Because....we sensed opportunities!

The endeavouring efforts and proactive actions have been reflected in our phenomenal financial and operational performance in 2015-16. Our strong presence in the affordable housing and urban infrastructure segment further makes us a perfect proxy to address the demand from the Government's ambitious plans for India's infrastructural growth.



We created and executed our plans with perfection, giving us an edge over every single opportunity.

Growth is directly proportional to *skill, scale and speed* - all added together.

20.0 million

Housing Shortage proposed to be addressed under Government's mission 'Housing for All by Year 2022'

25-30 persons per minute

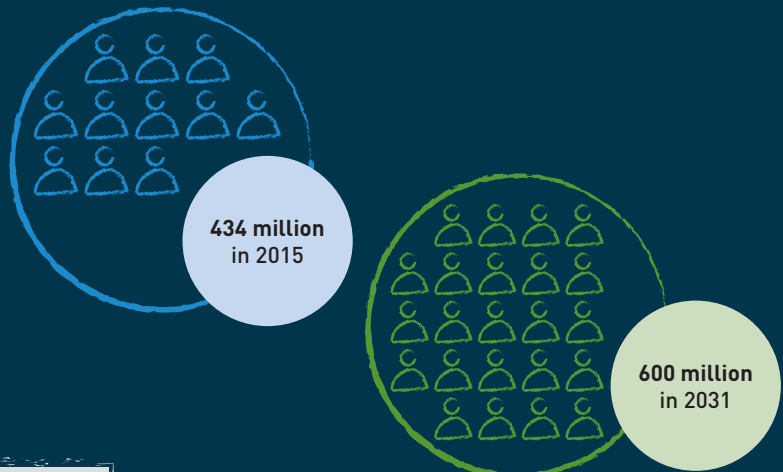
Migrate from rural India to major Indian cities in search of a better livelihood and lifestyle



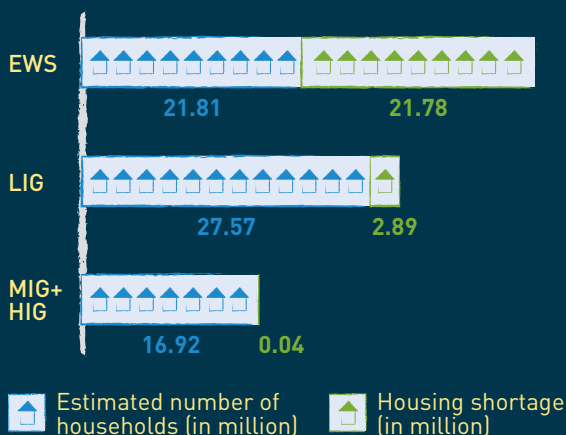
2.1% CAGR

The number of Indians living in urban areas will increase from the 434 million in 2015 to about 600 million by 2031 - leading to higher pressure on infrastructure and housing

Very few urban centres in India promise better prospects as compared to other cities and towns - resulting in disordered urbanisation and creating a huge demand-supply gap for infrastructure and housing.



Demand Supply Analysis 2015



EWS- Economically Weaker Sections, LIG- Low Income Group
MIG- Middle Income Group, HIG- High Income Group

Source: Report of the Technical Group (Planning Commission)

Everyone wants to be on top of the mountain. But what matters more than the destination is your journey. Development and growth actually happen while you are still on your road to success. And this growth can only accelerate when you add the right amount of skills and scale it up with appropriate speed to achieve your target.

We, at Nila Infrastructures Limited, moved into the next orbit of growth. With successful execution of BRTS Bus Stations project, the Company bagged important bids for construction of ongoing affordable housing projects for AMC.

The Company stands a good opportunity to bag several high quality projects owing to Government's ambitious 'Housing for all by 2022' scheme which has thrown upon construction openings of more than **twenty million houses** across the length and breadth of the nation by 2022.

Interestingly, Gujarat has taken the lead in affordable housing projects through the PPP route. It has bagged 10 out of 21 approved projects under the Affordable Housing Partnership scheme.

We are taking this as a boulevard of new beginnings that will only lead us closer to our goal. Our registration as an approved contractor in Special Category - I Building class with Government of Gujarat, Roads and Building Department, further adds to our advantage for bidding high quality projects.

This opportunity of executing projects of greater complexity and larger volumes is a perfect medium for attaining stronger credibility and better visibility for us.

Smart City and Prime Minister's Awas Yojana

Prime Minister Narendra Modi launched Smart City Mission and Prime Minister's Awas Yojana (PMAY) in 2015 with a call to promote 'bottom up' planning in the country and a mission of '**Housing for all by 2022**'

Prime Minister's Awas Yojana

The scheme aims at constructing more than two crore houses across the nation within next seven years. The target beneficiaries would be the country's poor and people living under EWS and LIG categories in urban establishments.

The scheme comes with the following components:

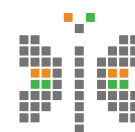
- Slum rehabilitation of Slum Dwellers with participation of private developers using land as a resource
- Promotion of affordable housing for weaker section through credit linked subsidy
- Affordable housing in partnership with Public & Private sectors and
- Subsidy for beneficiary-led individual house construction or enhancement

500+

Slums in Ahmedabad – potential opportunity to undertake Slum Rehabilitation and Redevelopments on PPP basis

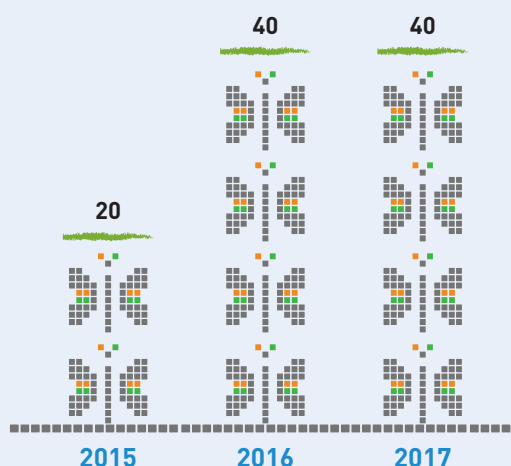
Smart City

The Smart Cities Mission will focus on developing 100 select Smart cities by optimising efficiencies in urban services and infrastructure management, with proactive use of technology and people participation. It will also look at optimizing basic core infrastructure services like clean drinking water supply, optimized power distribution, introducing efficient solid waste management, affordable housing to cater to various sections, efficient and intelligent public transportation systems and active use of IT infrastructure to improve service delivery and management.



Smart City
MISSION TRANSFORM-NATION

Identification of smart cities every year



The thing about growing big is not really about growing in size.

It is about *growing right!*

We grow up with our set of standards, outlooks and plans and wait for these to take their due course in life. Growth, then, is looked upon as a natural by-product. This is more like fishes living in a pond where growing is defined by mere numbers.

But the big question here: is this really growth?
Our answer: yes, it most definitely is.

But what it *isn't*, is the right kind of growth! Unless the fishes explore the ocean or the sea, how would they ever know what awaits them - a plethora of opportunities.

We, at Nila Infrastructures Limited, have constantly pressed on growing not just big but growing right. We firmly believe in challenging our comfort zones. Here is how we channelized our growth in the right direction:

After our home-ground success, we forayed into the Sunrise state of Rajasthan.



We recognized the huge potential the state offered in affordable housing and civil urban infra space.

We signed an MoU under the 'Resurgent Rajasthan Partnership Summit - 2015' for development of civic urban infrastructure worth

₹4,000 mn

This has opened up avenues of opportunities in the civic urban infrastructure space under mega housing sector which is our core competence. We have currently put in our bids for various affordable housing projects planned by Government of Rajasthan and expect to receive meaningful projects which will strengthen our presence in Rajasthan.





#BUILDTOTRANSFORM



6
properties
under construction

– 1 at Bhilwara and
Jodhpur each and
4 at Udaipur

₹1,178 million
Total order value

3,116
No of units to be constructed

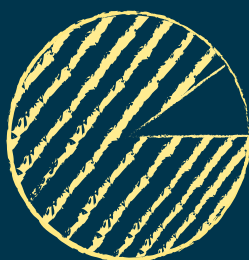
1.35 million sq ft
Total construction area

Growing *bigger* for better,
every single day!

₹2,026mn

Order book as on 31st March, 2016

90%
Affordable housing



10%
Civic urban infra

3,60,000+

million sq ft Land Bank

3.7 million sq ft

Area Under Construction

10 million sq ft
Total Area Built

104
BRTS Stations
at Ahmedabad
(72% share)

26
Years of
Experience

8,000+ units

Affordable Housing Projects under development

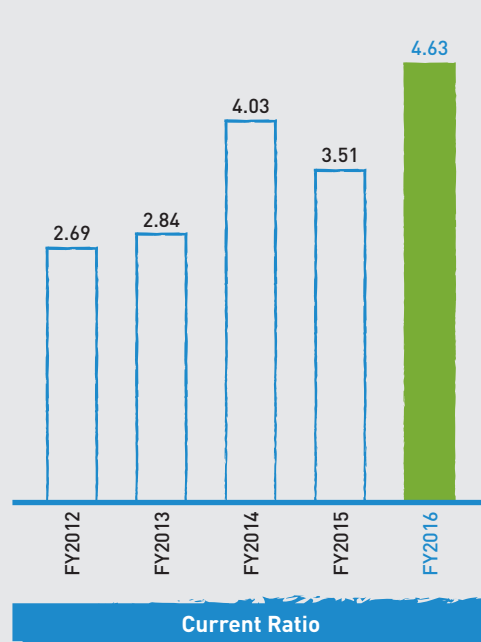
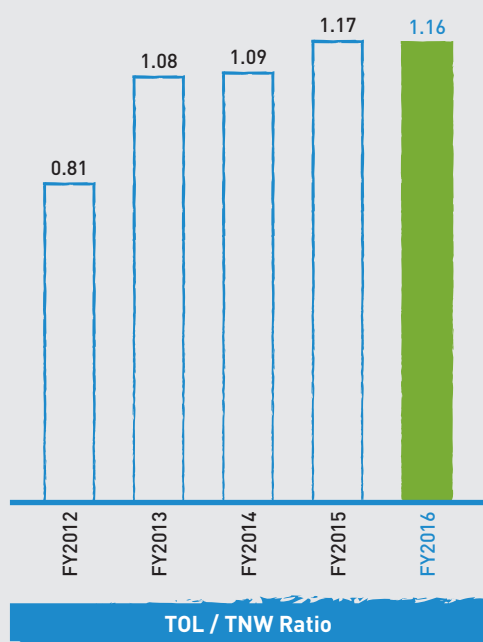
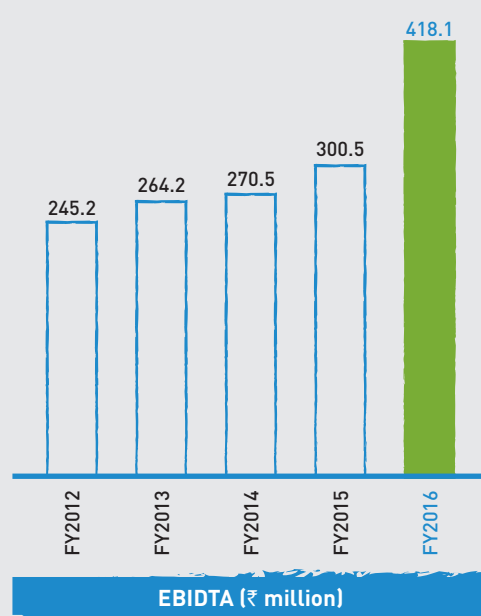
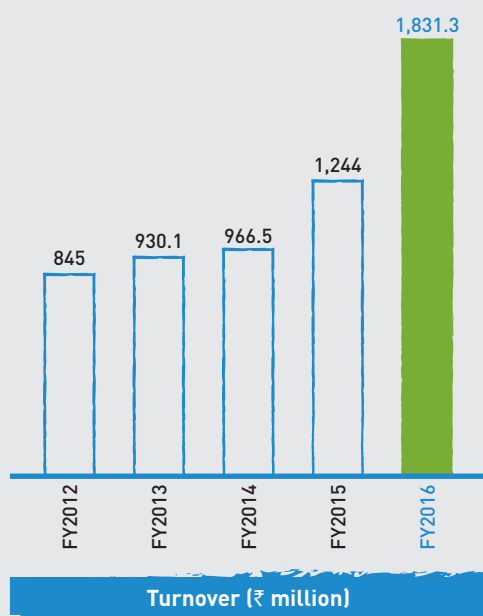


*1,000

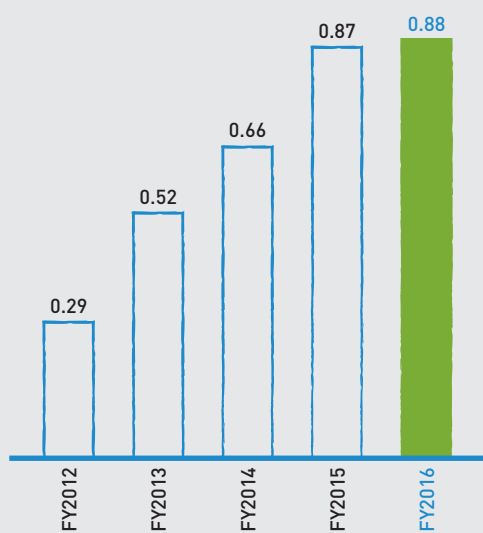


... and more
to come

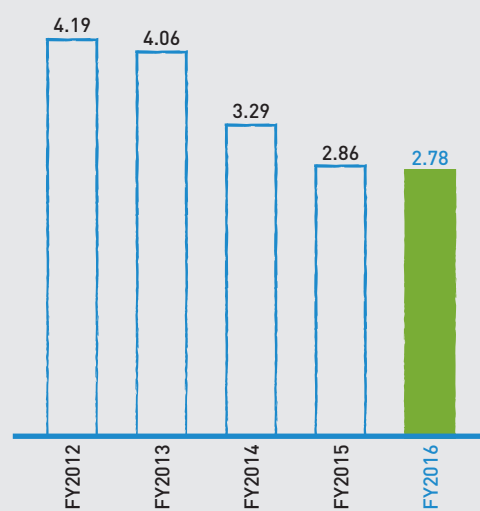
6 Years of Uninterrupted Dividend + 7th Year proposed with increment



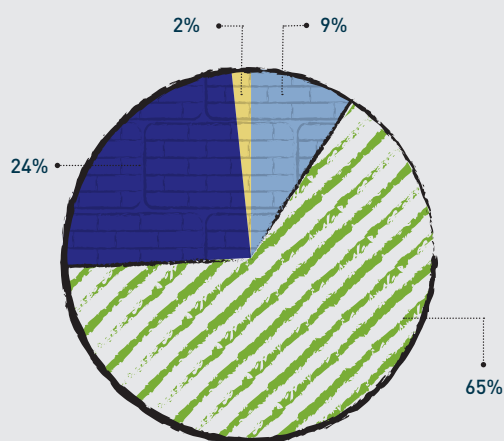
59.78%
Promoter's
shareholding
(0% Pledged)



Debt Equity Ratio

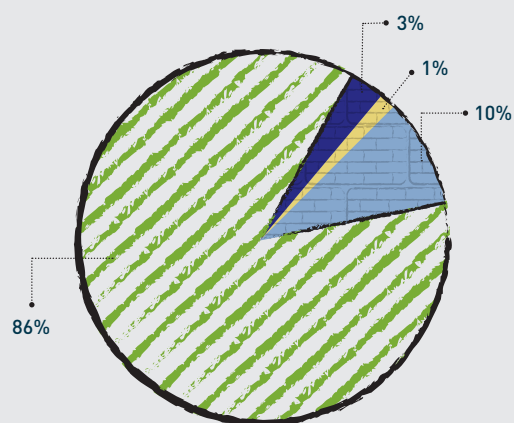


Interest Coverage Ratio



Infrastructure Real Estate
 Trading Leasing

Activity FY2015



Infrastructure Real Estate
 Trading Leasing

Activity FY2016

Chairman's Message



To stay ahead of your game, always have your next big idea waiting in the wings. Because when opportunity comes knocking, one hardly has time to build a door.

For years, we have believed in shaping our frontiers ourselves. We have proactively channelized our expertise and experience into a direction where our flexi-business model presents us with ample growth opportunities.

We have come a long way and evolved from being a city-based real estate developer to a meaningful player in the civic-urban infrastructure segment today. At Nila, we know that our customers' projects demonstrate progress. They bring opportunity for individuals and territories. It is our responsibility to help our customers deliver on the promise of these projects and more. We are not only motivated to be a meaningful company in the industry; we are determined to be the best. We do that by anticipating trends, aligning our expertise with customers' needs, transforming delivery, building progress and breaking new grounds in what we do. The diversity of the projects we have executed, has reinforced our expertise, experience and foresightedness to create meaningful opportunities in civic urban infrastructure segment and acts as a catalyst to our growth. After strengthening our EPS business we are now focussing on the PPP segment. This is sure to bring about yet another wave of transformation.

Affordable housing

We have always looked at creating opportunities with a fresh perspective and not just the way they appear.

The next challenges: Global megatrends - from the expected population surge to the scarcity of resources - are changing the way we design, construct and operate critical structures and systems that will benefit society for the long term. Where the world sees challenges, we see solutions. This has helped us map our paths and grow diversely.

The rapid increase in the worldwide population and the rise of urbanization are driving demand for resilient and reliable infrastructure. The world's population is projected to increase from some 7.4 billion today to 9.6 billion by 2050. Meeting this growth requires the equivalent of a new city of 1.5 million people to be built every week for the next 35 years!

Our capability profile is convergent with the needs of the nation. The Government's recent emphasis on developing civic urban infrastructure, creating "Smart Cities" and the Pradhan Mantri Awas Yojana - "Housing for All by 2022" thrust opens up an exciting canvas of opportunities for us. Hence, the Company being already active in affordable housing space, the focus of central and various state governments on creating more affordable houses presents us a huge opportunity for growth in our core area of strength. We are a private player working in the public interest and capable of creating value for all the stakeholders. Our aim is to design and implement the most efficient environmental and social solutions against the backdrop of the increasing scarcity of natural resources. Our engagement with key projects gives a topical resonance to the Company's idea, **'BuildToTransFORM'**.

As per the Census 2011 data, a total of 13.65 million slum households have been reported in 4,041 statutory towns i.e. a decadal increase of 34%. Considering the same decadal rate, the slum households are projected to go upto 18.00 million. Furthermore, there will also be 2.00 million non-slum urban poor households. Hence, total housing shortage envisaged to be addressed through these missions is 20.00 million. The mission will mainly cater to the needs of the

EWS (Economically Weaker Sections) and LIG (Lower Income Group), which currently account for 95.6% of urban housing shortage. This has spurred the demand for development of affordable housing across the country.

We are very enthusiastic about this opportunity as it aims to construct more than 20.00 million houses across the length and breadth of the nation within a short span i.e. by 2022. We are extremely enthusiastic about it!

Gujarat became country's first state to take up PPP Projects for rehabilitation of slum dwellers. As an established local player of Gujarat with proven execution expertise, we have been actively participating in selective bids. We have secured Ahmedabad's unique Slum Rehabilitation and Redevelopment Project. This is amongst the first set of projects to be bid out on PPP basis. We shall continue to bid selectively, despite being pre-qualified across several such projects, to secure superior remuneration in the form of TDRs and the balance vacant land, ensuring steady and sustainable growth.

Venturing into Rajasthan

We believe in creating opportunities - proactively.

We believe that Rajasthan is a Sunrise-state and has bountiful potential to develop civic urban infrastructure. During the year, we signed an MoU under the "Resurgent Rajasthan Partnership Summit - 2015" for development of civic urban infrastructure - including affordable houses. As assured, the Government of Rajasthan (GoR) is actively facilitating, including "Single Window Service", for smooth implementation of the projects. This strategically works to our advantage in diversifying our geographical presence. Today, 40% of our order-book comprises our projects in Rajasthan at Jodhpur, Bhilwara and Udaipur.

Strengthening liquidity

When opportunity is backed with preparation, a strengthened identity is sure to emerge.

Affordable Housing projects on EPC/turnkey basis comprises 90% of our order book. This is a self-reliant model where government facilitates the overall proposition. A predetermined consideration is collected periodically from the interested beneficiaries. The developer is then paid by the principal, on establishing adherence to the stipulated parameters (quality, specifications, time, etc.) through independent authorities/consultants. Such funding dynamics minimise our risk and ensure smooth liquidity.

With the demand-supply gap already positive by a great extent, it is projected to sustain for a medium term. The qualitative stipulations will act further as catalyst to a paradigm shift on the perspective of Government Housing, post delivery and inhabitation by the actual beneficiary.

We have been systematically addressing our financial resources to ensure upgradation in our external credit rating. Brickwork Ratings India Pvt Ltd has upgraded the bank loan rating of the Company from "BBB" (Stable) and "A3" to "BBB+" (Stable) and "A2" on December 28, 2015.

A sign of Nila Infrastructures Limited's financial maturity is its unbroken record of dividend pay-out for the 7th year running.

While, "BBB" (Stable) and "A3" as assigned by India Ratings & Research Pvt Ltd continues. This places us very favourably with banks, enabling the Company to rationalize the overall borrowings at quite competitive terms.

Long-term sustainability

Long-term vision enables to spot opportunities and convert them into reality at the right place, right time.

During the year, we signed an MoU with the leading automobile dealer and an eminent logistics player "Kataria Group" of Ahmedabad. Under the MoU, the Company has created three (3) legal entities in the form of Joint Venture (JV) and Associate to work jointly for acquiring land and developing industrial and logistics parks, units, sheds, plots, residential colonies and allied infrastructure at various locations situated near the upcoming automobile hub at Bechraji - about 90 kms from Ahmedabad at Gujarat. The entities are actively engaged in land aggregation process. The operations are expected to commence in FY2017. Our projects serve the common good and contribute to a long-lasting transformation of territories and the ecosystems. Aware of our role, we apply a pragmatic and responsible development policy that involves all stakeholders concerned. It is perceived to be a once-in-a-life-time-growth opportunity and in long-term these entities will look for selective value monetization as and when the opportunity arises.

Our growth journey

Planting trees today will offer more shades tomorrow.

Our growth journey has only begun and we already have a strong order book offering sustainable margins. Going ahead, we will explore construction opportunities in civil urban infrastructure projects and may invest in modern, cost-effective and proven technologies. Together, these will ensure swift execution, quick turnaround with adherence to the quality stipulations.

I would like to take this opportunity to thank my fellow Board Members, Nila-ites, customers, vendors and other stakeholders who have collectively enabled a record successful year. Every new day is an opportunity to better ourselves and collectively work towards our common goal of building a better tomorrow.

Best Wishes

Manoj Vadodaria

CMD - Nila Infrastructures Limited

A progressive infrastructure company

A Gujarat-based Infrastructure Company with civil construction at its core, the Company focuses on diverse Civic Urban Infrastructure projects like **BRTS Stations, Affordable Housing projects, Multilevel Parking** on EPCs, turnkey and PPP basis. It also undertakes private white label construction projects, industrial infrastructure projects and develops its own real-estate projects.

Over the years, the Company has efficiently transformed and applied its experience gained from its real estate projects, into Civic Urban Infrastructure Projects. Today, the Company is actively changing the construction industry's paradigm by participating in quality projects. It has adopted innovative technologies, set quality benchmarks of engineering with uncompromising business ethics in all spheres of business conduct.

Unmatched project execution and proven track record has successfully enabled the Company to leverage profitable opportunities by bidding on selective government and private label construction.

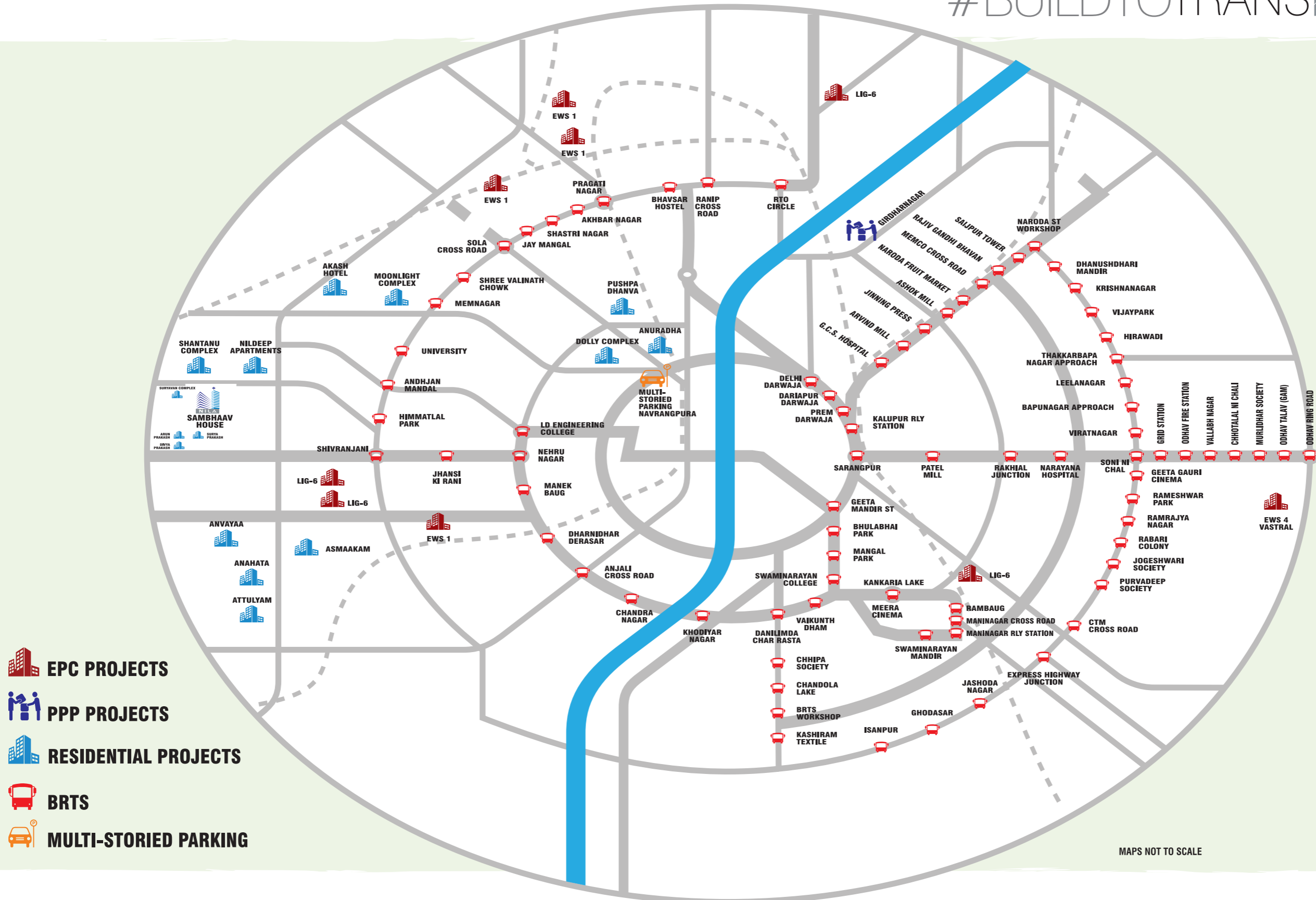


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Headquartered in Ahmedabad
Incorporated on February 26, 1990
under the Companies Act, 1956

Our Footprints *across Ahmedabad*

#BUILDTOTRANSFORM

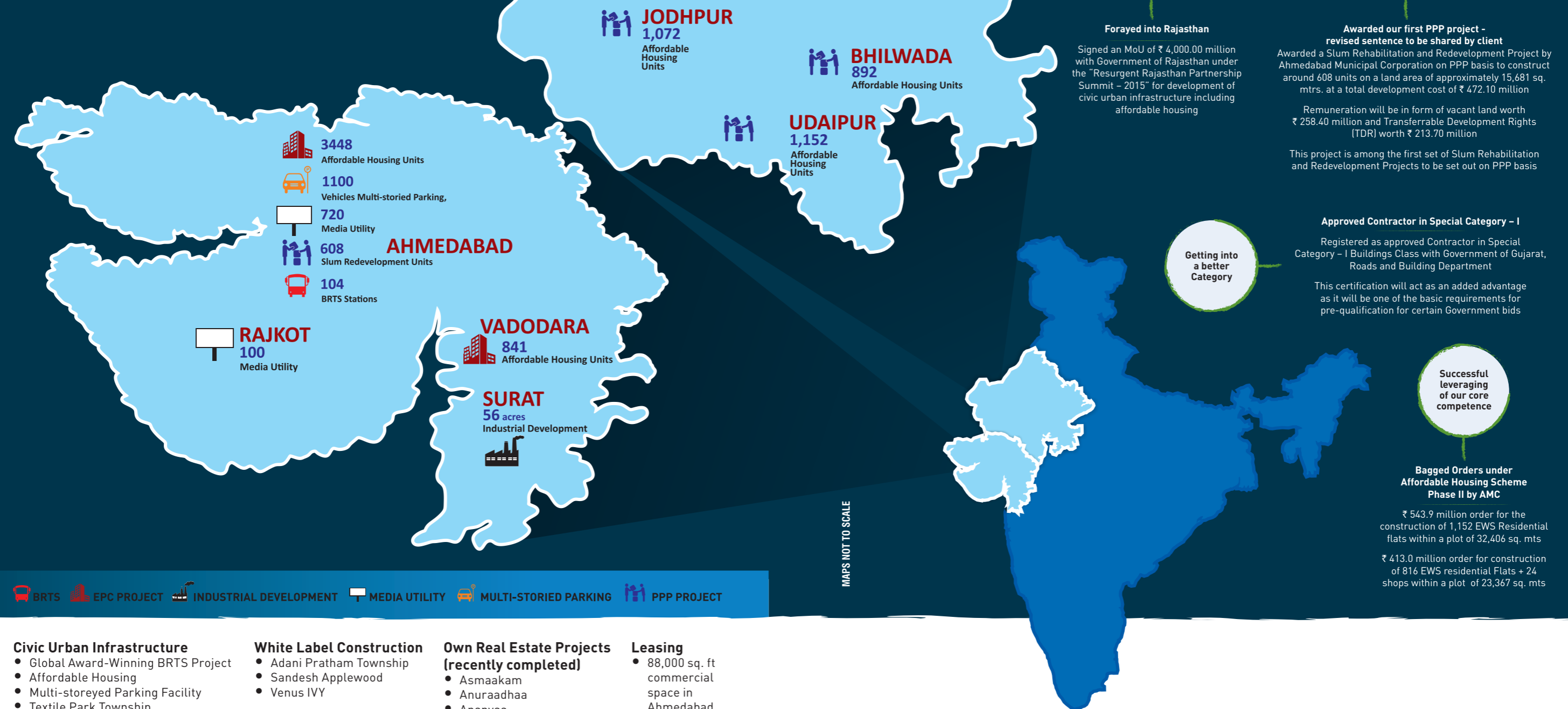


MAPS NOT TO SCALE

#BUILDTOTRANSFORM

Achievements 2015-16

Our Footprints across Gujarat & Rajasthan



Civic Urban Infrastructure

- Global Award-Winning BRTS Project
- Affordable Housing
- Multi-storeyed Parking Facility
- Textile Park Township

White Label Construction

- Adani Pratham Township
- Sandesh Applewood
- Venus IVY

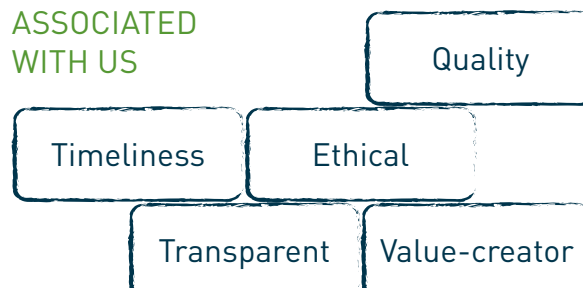
Own Real Estate Projects (recently completed)

- Asmaakam
- Anuraadhaa
- Ananyaa
- Atuulyam
- Anaahata

Leasing

- 88,000 sq. ft commercial space in Ahmedabad

5 TERMS OFTEN ASSOCIATED WITH US



VISION

- Mark our presence as a leading infrastructure and real-estate player across various geographies, perform with a high level of integrity and harness credibility
- Contribute to the economic prosperity and growth through participation in providing World-Civic Urban Infrastructure projects of national importance
- Raise our benchmark with each endeavour

MISSION

- Persistently strive for world-class civic urban infrastructure
- Provide 'housing-for-all' by participating in affordable housing projects
- Take up challenging projects and adhere to required standards
- Innovate and provide intelligent infrastructure solutions
- Transparency
- Make timely delivery an attribute

VALUES

— Passion

for ideas and innovations

— Reliability

of processes and practices

— Dedication

to goals and targets

COMMITMENT AND EXCELLENCE

Active participant in urban development in the form of EPC/turnkey projects of affordable housing schemes floated by government authorities.

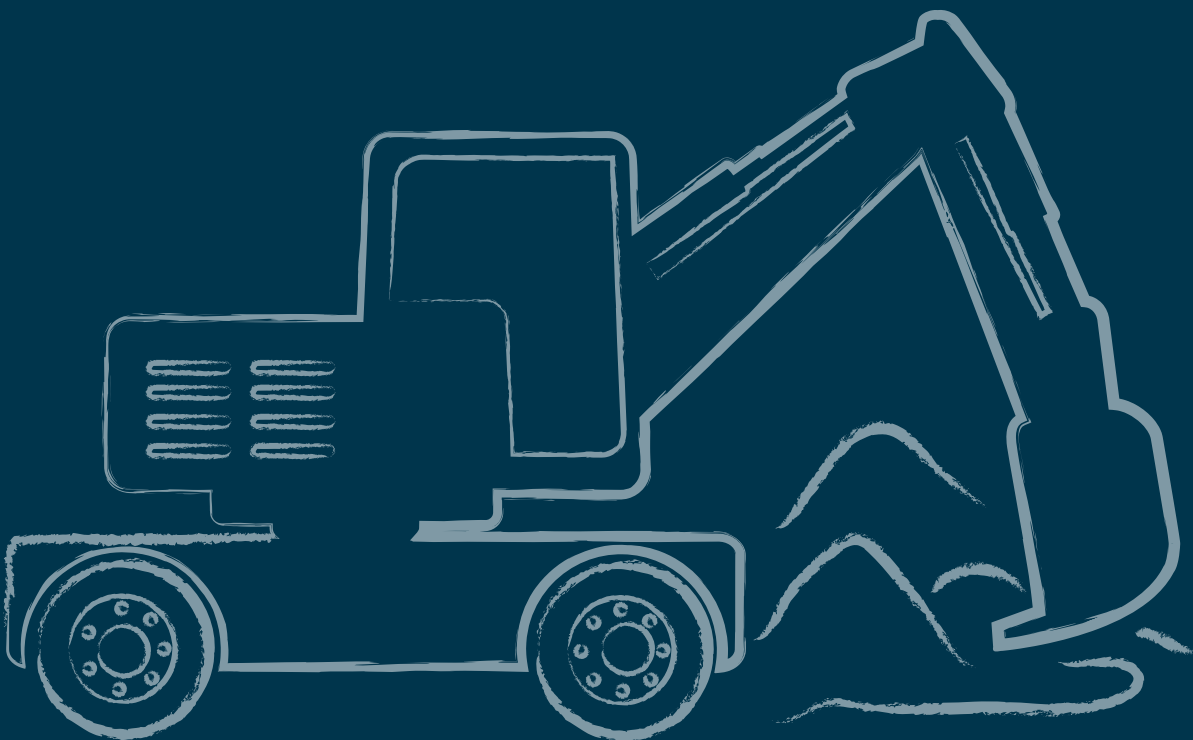
Phenomenal execution record of public infrastructure development projects such as bus stations of Ahmedabad's prestigious Bus Rapid Transit System (BRTS) and uniquely designed bus shelters for Ahmedabad Municipal Transport Service (AMTS), a textile park in Surat and media utilities in Rajkot.

Utilised extensive land bank by coming up with residential real estate schemes that range from affordable flats to premium bungalows and apartments.

Holds prime commercial property in Ahmedabad leased to reputed corporates on long-term lease basis and certain industrial land in vicinity of upcoming Auto Hub in Gujarat.

Essential ingredients for a
company's future prosperity:
Exclusive business model with
an *inclusive growth approach*!

An eagle knows long before the storm comes. It rises high at an altitude and waits for the winds to hit. When others go hiding, the eagle sets its wings and uses the same storm-causing wind to rise above the rest.



63.51%



Employees covered under ESOP
(as on March 31, 2016)

Such is the power of inclusion where every path is turned into a positive.

We, at Nila Infrastructures, took the flight and spread our wings to turn challenges into opportunities.

We emphasize the importance of ethics, integrity, accountably, transparency and strong corporate governance and our social responsibility. These are the trustful winds essential for us to rise above. Because when we charted our growth course, we dreamt of not just being exclusive but, more importantly, being inclusive.

We believe that honesty and transparency are the two vital pillars for a successful corporate. We abide by all regulatory mandates and we are committed to compliance in letter and spirit, leading to strong corporate governance. We are also amongst the first in the country to build an ERP Platform, facilitating complete transparency in line with our operations.

When employees are taken good care of, business takes care of itself. ESOP Scheme, introduced last year, has proven itself to be a good retention strategy for us and wealth-creation strategy for such eligible employees.

We were the first in our business category to introduce the scheme for all our employees and the results have been fantastic. Apart from other contributing factors, the scheme increased productivity and reduced our already-low attrition rates, proving it to be a good shift in HR policies.

Responsible growth comes when businesses touch its community in areas that need attention.



Mahatma Gandhi dreamt of a **'Clean India'** where people would work hand in hand to keep the country clean. To work seriously towards his vision, on October 2, 2014, our Prime Minister Shri Narendra Modi launched the independent India's most ambitious social movement **'Swachh Bharat Abhiyan'** and asked people from all walks of life to help in successful implementation of this mission.

"In some countries spitting on the road is a criminal offence. Those who spit after chewing betel leaves and tobacco have no consideration for the feelings of others."

Gandhiji quoted once in the newspaper Navjivan, dated November 2, 1919.

Gandhiji believed in the philosophy that 'Sanitation is more important than independence'.

Indians gained freedom under the great leadership of Gandhiji, but his dream of a clean India is still unfulfilled. Gandhiji dwelt on cleanliness and good habits and pointed out its close relationship to good health.

MY OWN STREET is one of its kind "Citizen's Self Sustainable Collaborative Programme", solely and actively committed to the cause of cleanliness and sanitation. The programme was initiated to complement the SWACHH BHARAT ABHIYAN on October 2, 2014 under the aegis of Ahmedabad Municipal Corporation and in association with well reputed organisations like Rotary Club, Plast India Foundation, Gujarat Chamber of Commerce, Young Indians, H. A. Commerce College, Let's Recycle and many more. MY OWN STREET is not just a regular CSR programme being carried out merely to satisfy the mandatory stipulations, but it is a vision. A well perceived, critically evaluated, long lasting momentum with a firm determination to complete the herculean task of making Ahmedabad a ZERO WASTE CITY. The programme is an absolutely open programme where citizens from any cast, creed, age, or education can join at will.

The overall cleanliness objective we had in our mind was segregated as:

No Littering - Ensure through proper dustbins, awareness campaigns, proper monitoring, appreciation and penalties.

No Debris - Ensure through regular services, awareness campaigns, proper monitoring, appreciation and penalties.

No Bad Spots - Ensure through proper infrastructure and removal of spot by repairing, awareness campaign, proper monitoring, appreciation and penalties.

Waste Segregation - Through proper agencies and services, awareness campaigns, proper monitoring, appreciation and penalties.

Events / Activities conducted this year:

Elocution Competition

The habits learnt at young age become a person's habit for the lifetime and ultimately becomes a part of their personality.

Keeping this belief in mind we started our activities for the year with an Elocution Competition organized in the leadership of Rotary Clubs of Prahlad Nagar. Honourable Governor of Gujarat, Shri O.P. Kohli, presided over the event. Students from 27 schools of Ahmedabad city participated in this daylong event. Thoughts and ideas about cleanliness from young minds were quite impressive. Honourable Governor gave many example from the life of great leaders to impress upon young minds that 'cleanliness is the only way to progress for any country'. The programme was culminated by 'Swachhta Shapath' by 300 plus attendees from various schools and organizations.



Cleanliness Awareness games



The Commissioner of AMC with MOS officials and other dignitaries

Swachhta Yagna

Ahmedabad's first micro managed cleanliness drive that covered 8 Km area of Bodakdev. The name 'Swachhta Yagna' was coined for our cleanliness drive, where everyone will give Aahuti (sacrifice) of unhygienic habits and adopt the good habit of cleanliness as a mark of dedication and respect to Rashtriya Sant Shri Morari Bapu.

It is not just about cleaning surroundings but also seeking the participation of people in identifying and segregation of different types of waste. It is every resident's responsibility to create a trash-free environment by removal of debris, providing sanitation facilities which create a Swachh Bharat eventually.

Shri Ram Katha by Rashtriya Sant Shri Morari Bapu

The series of activities under 'Swachhta Yagna' started in the first fortnight of December 2015 with Shri Ram Katha by Rashtriya Sant Shri Morari Bapu. The objective of this Katha was to spread awareness about cleanliness among masses through a bigger platform. The venue was visited by many dignitaries. Municipal Commissioner of Ahmedabad, Ms. D. Thara, also attended the event and assured whole hearted support to the campaign.

Under the Swachhta Yagna a particular area of Bodakdev was identified to make it Zero Waste. The area was divided into two parts and to be completed in two phases. The first phase was covered in FY 2016. With dedicated service from the volunteers from Mahila Housing (SEWA) Trust (MHT), we collected society wise data for each and every street covered under first phase (Judges Bungalow and its surrounding areas). These households were educated about identification and segregation of waste through pamphlets and rallies in the area. With the help of Ahmedabad Municipal Corporation, each and every society was provided two separate big dustbins in Green and Blue colour for dry



MOS Cycle Rally

and wet waste. Also each family was provided with two separate dustbins along with illustrative educational flyers for segregation and management of waste.

Cycle Rally and Inauguration of public comfort facilities

Cleanliness, waste management, healthy life style are inter-dependent and part of a bigger picture of healthy environment. To spread this message to masses a Cycle Rally was organized on 30th January 2016. People from all age groups fervently participated in this event and spread the messages of cleanliness and healthy life style through adopting cycling as an alternative mode of transportation.

On this occasion a Public Urinal was also erected and installed at Judges Bungalow Cross Road. One and all present at the event appreciated the facility, which was an essential requirement since long. Honourable Mayor and all civic authorities thanked **My Own Street** for supporting them

in maintaining cleanliness in the city. Many dignitaries from local authorities, respected members of CII, GCCI, Rotary Clubs, Doctors from reputed private Hospitals, Principals and faculties from various educational institutions also graced the event with their passionate participation. With great enthusiasm students from various colleges and schools, housewives, children and retired people did cycling in 10 km area of Bodakdev and spread the messages very effectively.

Mayor's Swachhta Round and Two Wheeler Rally

After splendid success of cycle rally, rounds of meetings were organised with associates to brainstorm on how to make this impact permanent and enhance more participation from the public.

Then a unique idea came from the most competent and supportive Mayor of Ahmedabad City, Shri Gautam Bhai



Mayor of AMC addressing Swachhta Round

Shah. His idea was to start 'MAYOR'S SWACHHTTA ROUND' in various wards. In this unique plan, the Mayor decided to;

- visit each and every street of a particular ward;
- gift them dustbins for the societies as well as individual use;
- personally educate them about importance of waste segregation.

My Own Street actively managed this programme starting from Motera to Bodakdev and then other wards of the city.

As **My Own Street** continuously looks for unique ways to reach out to the masses, it was decided to connect influential people with the **My Own Street** programme.

To execute this idea, there was a need to create a platform for such occasion. In the meeting of **My Own Street** associates, a unanimous decision was taken to celebrate the event on Valentine's Day, the 14th February 2016, as a 'symbol of love for cleanliness'.

To execute this, '**Mayor's Swachhta Round**' in Bodakdev was organized on Valentine's Day, February 14, 2016. Many celebrities like Gujarati movie film stars, writers and stand-up artists participated in this programme and conveyed the message of cleanliness to masses. Honourable Mayor Shri Gautam Shah, Chairman of AMC's Standing Committee, Corporators of the ward and Dignitaries from local authorities graced the event. Apart from this students and team of educators from DAV School, Students from various educational institutions, local residents, cleaning staff from AMC, team of young dedicated volunteers also participated in the event.

The programme started by interesting educating game with wholehearted participation from one and all present, graduated with message from celebrities and dignitaries present, Felicitation of Road Cleaning staff of AMC, Symbolical Cleaning by Honourable Mayor and his team.

Shri Nath Charitramrut Katha to spread message of cleanliness

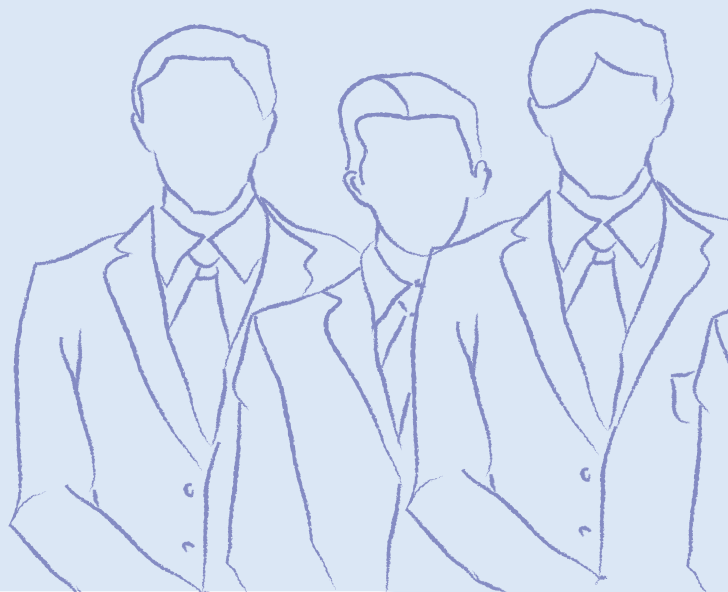
From 1st February to 9th February Shri Nath Charitramrut Katha was organized at River Front Ahmedabad, by Samast Vaishnav Vanik Parivar (SVVP). This nine day long program addressed by young Vaishnavacharya (Spiritual Leader) Shri Vrujraj Kumar and attended by millions of SVVP members. Shri Vrujraj Kumar has a very strong influence on his followers and any single piece of advice from him is followed by his followers very sincerely. **My Own Street** decided to participate and during Charitramrut katha, honourable Shri Vrujraj Kumar requested his followers to actively participate in **My Own Street** program and help in waste management. He also appealed all the Corporate Leaders present to understand their corporate social responsibility and sponsor as many streets as possible. Every day big number of pamphlets were also distributed to followers reinforce the cleanliness message.

After analysis of activities for the year, we concluded the year with a sense of achievement that we were able to reach masses and have proceeded further towards a CLEAN INDIA. With a resolve to adopt new strategy of approaching young generation school wise, we already have interesting plans for the next financial year.



Moral booster by AMC office bearers

Board of Directors



Manoj Vadodaria

Chairman & Managing Director

Mr. Manoj Vadodaria is son of the well-known journalist, editor and founder of the Sambhaav Group, Shri Bhupatbhai Vadodaria. Mr. Manoj Vadodaria is a self-made businessman with an immense entrepreneurial passion. In his entrepreneurial journey of about four decades, he has always found a way amidst the paucity of resources and market challenges. He has pinnacle knowledge, in-depth insight and thorough understanding of the dynamics of the industry. He is a visionary of future trends, and a creator of opportunities. He has efficiently transformed Nila from a city-based realtor to a meaningful civic urban infrastructure player. He is a firm believer in the best management practice, transparent governance, and long-term value investments.

Kiran Vadodaria

Joint Managing Director

Mr. Kiran Vadodaria is B.E. Mechanical from L.D. Engineering College. He possesses varied experience and exposure base, has developed unique insight and judgmental capabilities about the socio-political dynamics of the country. He is currently the Chairman and Managing Director of Sambhaav Media Ltd. He has been the Committee Member of the Indian Newspaper Society (INS) since 2003, was the President during 2015, and is the Member of INS-AAAI working group. His past experience includes being the non-executive part time Director of the United Bank of India (2011 to 2014), President of the Gujarat Daily Newspaper Association [GDNA] (2007-2011). He has also been a Member of the National Integration Council of the Government of India (2004).

Dilip Patel

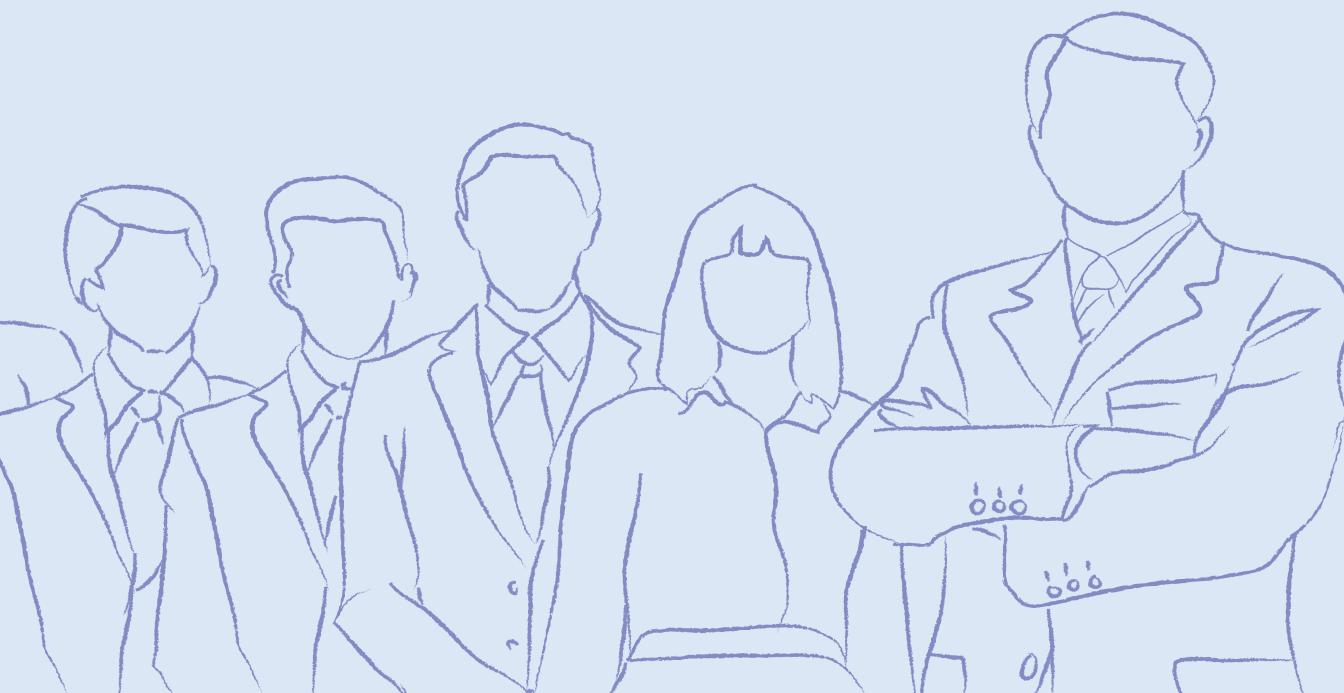
Director

Mr. Dilip Patel has a wealth of business consulting experience of more than 30 years. He is the Founder Faculty of the S.P. Jain Institute of Management & Research, which is one of the top 10 Business Schools in the country, where he was associated for more than 20 years. He has provided consultation services to a large number of Indian and multinational companies including training of senior managers. Mr. Patel possesses basic training in economics and has worked in the area of Business Policy and General Management for professional corporate as well as family managed businesses.

Hiren Pandit

Director

Mr. Hiren Pandit is a Revenue and Civil law advocate and possesses wide experience in Revenue and Land laws. He is also the Spokesman for the Human Rights Commission of Gujarat as well as a legal advisor to various corporate groups.



Shyamal Joshi

Director

Mr. Shyamal Joshi possesses more than 43 years of senior level financial management experience in manufacturing and trading corporations with US\$ 7 billion in revenues having worldwide operations. Further, he has an expansive experience in financial planning, funding, taxation and accounting and has served numerous renowned companies. He is recognized for his expertise in Corporate Funding, Restructuring, Merger, Acquisition, Local and International Financing, Private Equity and others. Mr. Joshi is a fellow member of the Institution of Chartered Accountant.

Ashok Bhandari

Director

Mr. Ashok Bhandari has more than 35 years of experience in the field of accountancy, auditing, investment banking and finance. Moreover, he possesses outstanding exposure as a practicing Chartered Accountant with various prominent Groups in diverse industries in India and abroad. Besides, his solid experience in project report, feasibility study, implementation of projects, listing of securities, amalgamation, mergers, takeovers and fund/assets management sets him apart.

Harcharansingh Jamdar

Director

Mr. Harcharansingh Jamdar is a renowned Highway Engineer and Administrator. He headed the Roads & Building Department of Gujarat as Principal Secretary to Govt. He was also the Chairman of various Govt. Boards and Corporations, including the Gujarat Maritime Board, and played a leading role in modernization of the Roads and Ports Sectors. He is the Past President of the Indian Roads Congress (IRC) and was instrumental in introducing Private Sector Participation in the Highways Sector in India. The first two State Highway Projects with Private Sector participation in India, viz. Ahmedabad- Mehsana Toll Roads Ltd. as well as Vadodara- Halol Toll Roads Ltd. were pioneered in his stewardship.

Mr. Jamdar is also the Past President of The Institute of Engineers, India (IEI), which is the apex body of the Engineering Profession in the Country. He was also the Vice President of The Federation of Engineering Institutions of South and Central Asia (FIESCA). Mr Jamdar brings with him a rich experience in the fields of Engineering and Administration. He is currently an Independent Director at IL & FS Transportation Networks Ltd. and holds a Bachelor's Degree in Civil Engineering.

Foram Mehta

Director

Ms. Foram Mehta possesses wide knowledge in the field of brand conceptualization and marketing management. She also has solid experience in the field of marketing, advertising, corporate branding, television management and modeling. She is a qualified anchor, drama artist from All India Radio, and has participated and hosted numerous events and won several awards. Currently she manages affairs of her own firm 'GOD BROTHERS' and is engaged in activities of creative branding, marketing, communication and also associated with JP Group. In the past, she has worked with Hindustan Unilever Ltd., Tata Teleservices Ltd., Atharva Telefilms Pvt. Ltd. and the Tashee Group. Ms. Mehta holds an MDP degree from IIM, Ahmedabad and a BE Chemical degree from the Nirma University, Ahmedabad.

Management Team



Anand Patel President Projects

Mr. Anand Patel had been the Additional City Engineer with the Ahmedabad Municipal Corporation. With over 35 years of hands on experience, he has put in massive efforts in looking after the construction of houses for the urban poor by engaging in Slum Relocation and in-situ Redevelopment; also the EWS/LIG houses under different schemes/programs by GoG, GOI. He has worked assiduously in zonal administrative and engineering projects related to public services. His positive steadfastness has proved to be a remarkable credential in his work area and has earned him elevated endorsements / accolades in the fields of planning, preparation of tenders, execution of capital works in water supply, drainage, SWD, public building works, bridges, roads.

Deep Vadodaria Chief Operating Officer

Mr. Deep Vadodaria is an original thinker with an immense reasoning power. With a problem-solving attitude, he addresses complex issues in his own distinctive manner. With his excellent operational and project execution skills; he is driving the Company to new horizons. His idiosyncratic leadership style is structured on a well-define moral code and provides for an excellent teamwork. He has embedded a culture of review, responsibility and shared accountability to achieve high standards for all.

Rajendra Sharma President - Business Development (Rajasthan)

Mr. Rajendra Sharma, a law graduate, is a visionary and has developed a forward-looking attitude, with his rich experience of 30+ years, in a wide variety of professional areas e.g. business development, liaisoning, land and capital market related matters, finance & accounts, law, banking, etc. A keen intellect gets to the depth of the matter - to make it work. He is a specialist at predicting the trends of customer behavior. He has a knack for taking apart the pieces of a problem and then configuring them to present an out-of-the-box solution, rather than a conventional one. A fundamentally non-conformist professional, enjoys developmental activities.

Prashant Sarkhedi Chief Finance Officer

Mr. Prashant Sarkhedi is a passionate professional with more than 23 years of experience in finance, accounting, fund raising and general management. He is a disciplinarian, has in-depth knowledge and insight on diverse subject matters and possesses excellent organizational and motivational skills.

**Jignesh Patel****Senior Vice President (Projects)**

Mr. Jignesh Patel is a civil engineer with a vast experience of more than 23 years in the field of construction, project execution and project management. He is a creative individual and has made significant contributions to the company with his innovative and analytical abilities as well as his problem-solving skills.

Ritesh Parikh**Industrial Projects Head**

Mr. Ritesh Parikh is a dedicated civil engineer with more than 20 years of experience in the field of industrial construction as well as project execution and management (Roads, Ports, etc.). His logical inputs, tenacious nature and organizational capabilities continue to benefit the Company.

Himanshu Bavishi**Senior Vice President (Finance)**

Mr. Himanshu Bavishi is a wise strategist and growth catalyst with more than 18 years of professional experience in retail and corporate finance, investment banking, debt syndication, M&A, etc. He not only has deep insight in managing huge masses of finances, but also has immense decision making abilities, is stimulated by challenges and works as a change-agent.

Dipen Parikh**Company Secretary**

Mr. Dipen Parikh is a dedicated professional with more than 9 years of experience of secretarial practice, corporate laws and general legal affairs. His exceptional enthusiasm towards his duties, wise inputs and dedication towards his responsibilities make him an asset to the Company.

Directors' Report

Dear Members,

The Directors of your Company are pleased to present the Twenty Sixth Annual Report to the Members with the Audited Financial Statements for the Financial Year ended on March 31, 2016.

STATE OF AFFAIRS OF THE COMPANY

Financial Results:

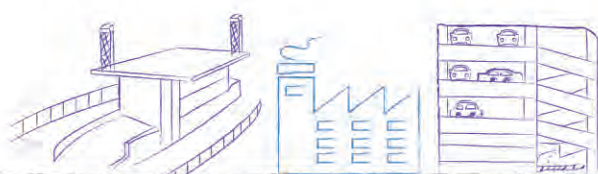
The performance of the Company for the Financial Year 2015-16 is as under:

(₹ in millions, except per equity share data)

Particulars	Standalone for the year ended		Consolidated for the year ended	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Income from Operations	1,831.3	1,244.0	1,831.3	1,244.0
Add: Other Operating Income	143.7	73.2	119.2	73.5
Total Operating Income	1,975.0	1,317.2	1,950.5	1,317.5
Less: Operating Expenses	1,556.9	1,016.7	1,562.5	1,017.8
Depreciation and Amortisation	14.2	13.0	14.2	13.1
Finance cost	145.2	100.6	145.3	100.6
Profit Before Tax	258.7	186.9	228.5	186.0
Less: Current Tax	88.9	68.5	89.1	68.5
Deferred Tax	(0.7)	(2.1)	(0.7)	(2.1)
Net Profit After Tax	170.4	120.5	140.2	119.7
Add: Balance Brought Forward from previous Financial Year	560.0	484.5	546.6	477.1
Profit available for appropriation	730.4	605.0	686.8	596.8
Less: Reserve due to consolidation	-	-	-	5.1
Less: Depreciation	-	0.7	(0.5)	0.7
Less: Transfer to General Reserve	-	-	-	-
Less: Proposed Dividend	40.7	37.0	40.7	37.0
Less: Dividend Distribution Tax	8.3	7.4	8.3	7.4
Surplus carried to Balance Sheet	681.4	560.0	638.3	546.6
Security Premium	567.8	567.8	567.8	567.8
General Reserve	52.5	52.5	52.5	52.5
Reserves	1,301.7	1,180.3	1,258.6	1,166.9
Earnings per share (EPS) before exceptional item (2)&(3)				
Basic	0.46	0.38	0.38	0.38
Diluted	0.43	0.38	0.36	0.38
EPS after exceptional item (2)&(3)				
Basic	0.46	0.38	0.38	0.38
Diluted	0.43	0.38	0.36	0.38

Notes:

- (1) The above figures are extracted from the standalone and consolidated financial statements as per Indian Generally Accepted Accounting Principles (GAAP).
- (2) Equity shares are at par value of ₹ 1 per share.
- (3) The Company has issued 22500000 warrants convertible into equivalent number of equity shares having face value of ₹ 1 each on January 03, 2015 at a premium of ₹ 4 each to the promoter and promoter group on preferential basis. These warrants are convertible within 18 months from the date of allotment i.e on or before July 02, 2016, and hence Earnings Per Share (EPS) has been adjusted in accordance with Accounting Standard (AS) 20 – Earnings Per Share.



REVIEW OF OPERATIONS:

Your Company's primary area of operations include construction and development of infrastructure and real estate projects. The majority of the projects of your Company are being executed in Gujarat and Rajasthan.

Revenue – Standalone:

Our total income on a standalone basis increased to ₹ 1,831.3 million from ₹ 1,244 million in the previous year; at a growth rate of 47%. Out of the total revenue, 86% came from Civic Urban Infrastructure i.e. ₹ 1,574.6 million and remaining from real estate, land trading and rental activities. During the year under review the operational activities of your Company has expanded on account of geographic expansion as well as higher scale of new projects.

Revenue – Consolidated:

Our total revenue on a consolidated basis increased to ₹ 1,831.3 million from ₹ 1,244 million in the previous year, at a growth rate of 47%.

Profit – Standalone:

Our EBITDA on a standalone basis amounted to ₹ 274.4 million (15% of revenue) as against ₹ 227.2 million (18% of revenue) in the previous year. Project and Operations costs are 81% of our revenue for the year ended March 31, 2016 as compared to 77% for the year ended March 31, 2015. The profit before tax is ₹ 258.7 million (14% of revenue), as against ₹ 186.9 million (15% of revenue) in the previous year. Net profit is ₹ 170.4 million (9% of revenue), as against ₹ 120.5 million (10% of revenue) in the previous year.

Profit – Consolidated:

Our EBITDA on a consolidated basis amounted to ₹ 268.9 million (15% of revenue), as against ₹ 226.2 million (18% of revenue) in the previous year. Project and Operations costs are 81% of our revenue for the year ended March 31, 2016 as compared to 77% for the year ended March 31, 2015. The profit before tax is ₹ 228.5 million (12% of revenue), as against ₹ 186.0 million (15% of revenue) in the previous year. Net profit is ₹ 140.2 million (8% of revenue), as against ₹ 119.7 million (10% of revenue) in the previous year.

Liquidity:

We continue to maintain sufficient cash to meet our operations as well as strategic objectives. We understand that liquidity in the Balance Sheet has to balance between earning adequate returns and the need to cover financial and business risks. Liquidity enables us to make a rapid shift in direction, if there is a market demand. We believe that our working capital is sufficient to meet our current requirements. As on March 31, 2016, on a standalone basis, we have liquid assets of ₹ 1,427.2 million, as against ₹ 140.2 million at the previous year-end. On a consolidated basis, we have liquid assets of ₹ 1,443.7 million at the current year-end, as against ₹ 1,564.9 million at the previous year-end. These funds

comprise deposits with banks and government. The details are disclosed under the 'non-current and current assets' section in the financial statements in this Annual Report.

The information of projects and activities are more specifically detailed in the Management Discussion and Analysis Report annexed to this Board Report.

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 terms of proviso to Section 129(3) and rule 8(1) of the Companies (Accounts) Rules, 2014.

Statement containing salient features of the Financial Statement of the Subsidiary Companies, Associate Companies and Joint Ventures in the prescribed Form AOC 1 is annexed to this report as Annexure "D". In accordance with Section 136 of the Companies Act, 2013, the Audited Financial Statements, including the Consolidated Financial Statements are available on our website at www.nilainfra.com. The Audited Financial Statements of each of the Subsidiary, Associates and Joint Ventures 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 Subsidiaries, Associates and Joint Ventures will also be made available to the investors of Nila Infrastructures Limited upon request.

DIVIDEND:

The Directors have recommended payment of dividend of ₹ 0.11 per equity share of ₹ 1 each i.e. 11% of paid up capital. The dividend payout shall absorb an amount of ₹ 40.7 million. The dividend will be paid to the members, whose name appears in the register of members as on September 02, 2016. There are 22500000 warrants issued by the Company on preferential basis and upon the conversion of the same the dividend payout shall absorb an amount of ₹ 43.2 million.

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:

During the year under review there is no change in Board of Directors and Key Managerial Personnel of the Company.



Pursuant to Section 152 of the Companies Act, 2013, Shri Dilip D Patel, (DIN: 01523277) Director of the Company retires by rotation at the ensuing Annual General Meeting of the Company and being eligible offers himself for reappointment.

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 of the Securities Exchange and Board of India (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, an annual performance evaluation of the members of the Board of its own individually and working of the various committees of the Board was carried out. The manner in which the performance evaluation was carried out has been explained in the Corporate Governance Report.

Board and Audit Committee Meetings:

During the year under review five (5) Board Meetings and five (5) Audit Committee Meetings 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; and
- e) Proper internal financial controls are in place and that the financial controls are adequate and were operating effectively.
- 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.

ALTERATION OF ARTICLE OF ASSOCIATION:

During the year under review the Board of Directors have proposed, by seeking approval of shareholders through postal ballot process, to adopt a new set of Articles of Association containing regulations in consonance with the Companies Act, 2013.

SHARE CAPITAL:

During the year under review there is no change in the share capital of the Company.

While the Company has in terms of the Special Resolution passed at the Extra Ordinary General Meeting dated December 20, 2014, allotted on January 03, 2015, 22500000 warrants convertible into equivalent number of equity shares to the Promoters and Promoter Group. These warrants are convertible into equity shares within a period of 18 months from the date of its allotment and are subject to the terms of the issue. Upon conversion of warrants the issued, subscribed and paid up equity share capital of the Company shall increase to ₹ 392,726,200 comprising of 392726200 equity shares of ₹ 1 each.

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 Securities Exchange and Board of India (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 statutory auditor regarding compliance of the conditions of corporate governance is given in annexure, which is attached hereto and forms part of the Directors' report.

Disclosure in terms of Schedule V (Part II) [Section II] (B) (iv) (IV) of the Companies Act, 2013 are mentioned in Corporate Governance Report as a part of this report.

STATUTORY AUDITORS:

M/s. O P Bhandari & Co., Chartered Accountants, Ahmedabad (FRN: 112633W), retires at the ensuing Annual General Meeting and is eligible for reappointment. The Company has received a certificate from them that their re-appointment, if approved by the shareholders, would be in accordance with the provisions of Section 141 of the Companies Act, 2013. The members are requested to appoint auditors to hold office until the conclusion of the next Annual General Meeting of the Company.

AUDITORS' REPORT:

Observations of the auditors in their report together with the notes on accounts are self explanatory and therefore, in the opinion of Directors, do not call for any further explanation.

COST AUDIT:

M/s Dalwadi & Associates, Cost Accountant (FRN:000338) has conducted the audit of the cost record of the Company for the Financial Year 2015-16.



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 Company has reappointed Mr. R S Sharma, Practicing Company Secretary [Membership No 3126], to undertake the Secretarial Audit of the Company. The report of the Secretarial Auditor is annexed herewith as "Annexure E". The report of the secretarial auditor is self explanatory and confirming compliance by the Company of all the provisions of applicable corporate laws.

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 under Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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 MECHANISM (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.nilainfra.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 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 8 of SEBI (Prevention of Insider Trading) Regulations, 2015, the Company has adopted Code of Conduct prohibiting purchase or sale of securities of the Company by Directors and Designated employees while in possession of unpublished price sensitive information in relation to the Company.

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 applicable as required under section 134 (3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014.

DISCLOSURES UNDER RULE 8(5) OF COMPANIES (ACCOUNTS) RULES, 2014:

During the year your Company has acquired 5000 equity shares of ₹ 10/- each of M/s Romanovia Industrial Park Private Limited and M/s Sarathi Industrial Park Private Limited each and consequently both these Companies have become Associate Companies of your Company. Except that there is no change in subsidiary, associate and joint venture companies during the year under review.

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

Details of loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 are given in the notes to the financial statements.

RELATED PARTY TRANSACTIONS:

In terms of Regulation 23 of Securities Exchange and Board of India (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 exceeding the limit prescribed under Section 188 (1) of the Companies Act, 2013 read with Rule 15 of Companies (Meetings of Board and its powers) Rules, 2014. 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.nilainfra.com under investor segment.

BUSINESS RISK MANAGEMENT:

In terms of the requirement of Regulation 21 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulation 2015, the Company has constituted Business Risk Management Committee. The details of the Committee and terms of reference are given in the Corporate Governance Report forming part of the Board of Directors' Report.

The Company has adopted a policy identifying and evaluating various business risks and mechanism to mitigate the risk. The policy aims to provide framework for the evaluation of various risk and entire risk management. The key business risks identified by the Company are as under.



Cyclic Nature of Business:

Your Company operates in infrastructure and real estate business which has a cyclic nature. The operations of your Company may be affected by any downturn in economy. To mitigate the impact of any slowdown in economy the management of your Company has developed the business model of diversified activities of infrastructure development, real estate and leasing of properties. Further within the infrastructure sector; your Company focuses on constructing civic urban infrastructure projects i.e affordable housing projects of Government wherein risk is considered to be less as the funding of the Project is done by the beneficiaries, and the demand - supply gap is positive. With respect to real estate activities the Company considers various parameters for selection of projects to ensure successful completion.

Competition Risk:

Competition in business is inevitable. The business in which your Company operates is highly competitive in nature with presence of regional players and new entrance of big corporate having pan India operations.

To mitigate this risk your Company focuses on providing quality products as stipulated by the Principal or Client within the agreed costs and time.

Interest Rates and Monetary Policy:

The business of your Company is highly capital intensive and considering the long gestation period of housing and infrastructure projects; the Company requires long term working capital from time to time. Further the demand of housing is also linked with the rate of housing loans. Any increase in the base rates or any decision of the Central Bank to tighten the liquidity in the economy; increases the finance cost of your Company and consequently impacts profitability. To mitigate this risk, the Company focuses on better financial management practices to obtain cheaper fund and ensures optimal utilization thereof.

Other Risk

There are other risks which may affect the smooth functioning of your Company i.e. shortage of labour, delay in clearances from government bodies etc. may delay the execution of projects.

INTERNAL FINANCIAL CONTROL:

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 continually upgrades these systems. The internal control system is supplemented by extensive internal audits, conducted by independent firms of chartered accountants.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

In terms of the provisions of Section 135 of the Companies Act, 2013, your Company has constituted CSR Committee. As a part of

its initiatives under CSR, the Company has spent funds for the projects involving promotion of sanitation and preventive healthcare. As a part of Clean India Campaign, your Company has initiated a project namely "My Own Street" to spread awareness of environmental protection and cleanliness by encouraging people to participate and make habit to keep the society clean.

The Annual Report on CSR activities for the Financial Year 2015-16 is annexed herewith as: Annexure A.

NOMINATION AND REMUNERATION COMMITTEE:

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of Securities Exchange and Board of India (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 and policy on appointment and remuneration of Directors and KMPs are given in the Corporate Governance Report as a part to the Boards' Report.

MATERIAL CHANGES:

No material changes have taken place since the closure of the financial accounts up to the date of the report, which may substantially affect the financial performance, or the statement of the Company.

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.

EMPLOYEE STOCK OPTION SCHEME:

The stock options granted to the eligible employees operate under the "Nila Infrastructures Ltd. ESOP- 2014". The disclosures as required under the law have been made in the "Annexure B" to this report.

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

In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered office of the Company during business hours on working days of the company up to the date of ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write to the Company Secretary in advance.

EXTRACT OF THE ANNUAL RETURN:

The extract of annual return in the prescribed form MGT-9 for the Financial Year March 31, 2016 is attached with the Directors' Report as "Annexure C".



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 civic urban infrastructure industry. Your Directors would also like to place on record its appreciation for the support and co-operation 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 Joint Venture partners / Associates. 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

Manoj B. Vadodaria
Chairman & Managing Director
DIN: 00092053

Date: May 26, 2016
Place: Ahmedabad



Annexure A:

Annual Report on Corporate Social Responsibility Activities

- i. A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web link to the CSR policy and projects or programs:

Brief outline of the CSR Policy is stated herein below:

CSR Policy

(Approved by the Board of Directors on May 29, 2014)

The object of the CSR policy is to frame road map for the CSR activities to be undertaken by the Company and establish a monitoring mechanism for effective implantation as per regulatory requirement.

Thrust area of activities enumerated under the policy are as under:

Community healthcare, sanitation and hygiene, including, but not limited to:

- Establishment and/or management of infrastructure ensuring cleanliness, waste removal, and sanitation.
- Establish and manage medical healthcare units and allied infrastructure.
- Providing financial and/or other assistance to the agencies involved exclusive in waste management, sanitation, medical healthcare, therapeutic clinics, research, public health, nursing etc.
- Activities concerning or promoting:
 - General health care including preventive health care
 - Safe motherhood
 - Child survival support programs
 - Health / medical camps

- Better hygiene and sanitation
- Adequate and potable water supply, etc.

Social care and concern, including, but not limited to:

- Creating Public awareness for cleanliness and to undertake campaign thereof;
- Protection and up gradation of environment including ensuring ecological balance and related activities and undertaking public campaign thereof.

Web Link: The CSR Policy may be referred at the website of the Company at www.nilainfra.com under investor segment

2. Composition of the CSR Committee:

Name of the Members	Category	Designation
Shyamal S. Joshi	Non Executive Independent Director	Chairman
Kiran B. Vadodaria	Non Executive Director	Member
Manoj B. Vadodaria	Executive Director	Member

- Average Net Profit of the Company for last three financial years: ₹ 187.2 million.
- Prescribed CSR Expenditure (2% of the amount as in Item No 3.): ₹ 3.7 million
- Details of CSR spent during the financial year:
 - Total Amount spent during the financial year: ₹ 3.8 million
 - Amount unspent, if any: NA
 - Manner in which the amount spent during the financial year is detailed below:

1	2	3	4	5	6	7	8
SN	CSR Projects or activities identified	Sector in which the project is covered	Projects or programs (1) Local Areas or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure upto to the reporting period	Amount spent : Direct or through implementing agency
1	Promotion of sanitation activity	Promoting healthcare including preventive healthcare and sanitation	Local Area, Ahmedabad, Gujarat	₹ 3.9 million	₹ 3.8 million	₹ 3.8 million	Direct by the Company
	Total			₹ 3.9 million	₹ 3.8 million	₹ 3.8 million	

- Details of the implementing agency: Not Applicable
- Reasons for not spending the prescribed amount during the year: Not Applicable
- A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company.
The implementation and monitoring of Corporate Social Responsibility (CSR) Policy is in compliance with CSR objectives and policy of the Company.

Manoj B. Vadodaria
Chairman & Managing Director

Shyamal S. Joshi
CSR Chairman



Annexure B:

Disclosure Pursuant to the Provisions of SEBI (Share Based Employee Benefits) Regulations, 2014

Particulars		Details
A	Options Granted	During the year under review, the Company granted 2580000 stock options on February 15, 2016 to the eligible employees at an exercise price of ₹ 11.85 per share.
B	The Pricing Formula	The closing price on February 14, 2016 on the National Stock Exchange of India Ltd. was taken as exercise price. This was the latest available closing price on the stock exchange having higher trading volume.
C	Options Vested during the year	586500
D	Options Exercised	NIL
E	The Total number of shares arising as a result of exercise of option	NIL
F	Options Lapsed	NIL
G	Variation of terms of Options	Not Applicable
H	Money realized by Exercise of Options	Not Applicable
I	Total Number of Options in force	13580000
J	Employee wise details of Options Granted to:	
i)	Key Managerial Personnel	
a)	Prashant H. Sarkhedi, Chief Finance Officer	500000
b)	Dipen Y. Parikh, Company Secretary	350000
ii)	any other employee who receives a Grant in any one year of Option amounting to 5% or more of Option Granted during that year	Not Applicable
iii)	Identified employees who were Granted Option, during any one year, equal to or exceeding 1% of the Issued Capital (excluding Outstanding Warrants and Conversions) of the Company at the time of Grant	Not Applicable
J	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of Options, calculated in accordance with Accounting Standard (AS) 20 'Earnings Per Share'	Not Applicable as no option has been exercised.
K	Disclosure of difference between the employee compensation cost using intrinsic value of stock option instead of fair value of the options and the impact of difference on profits and on EPS of the Company.	Not applicable as no options has been exercised.
L	Weighted average exercise price of Options whose	
(a)	Exercise price equals market price;	₹ 6.64 per share
(b)	Exercise price is greater than market price	No such Grant
(c)	Exercise price is less than market price	No such Grant
	Weighted average Fair Value of Options whose	
(a)	Exercise price equals market price;	No such Grant
(b)	Exercise price is greater than market price	No such Grant
(c)	Exercise price is less than market price	No such Grant
M	A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted-average information:	
(a)	In Tranche I: The Company had calculated fair value of options for options granted on November 28, 2014 using the Black Scholes method as option-pricing model.	
(i)	risk-free interest rate	8.00%
(ii)	expected life	12 to 60 Months
(iii)	expected volatility	68%
(iv)	expected dividends, and	1.50%
(v)	the price of the underlying share in market at the time of option grant	₹ 6.64 per share



(b) In Tranche II: The Company had calculated fair value of options for options granted on February 15, 2016 using the Black Scholes method as option-pricing model.	
(i) risk-free interest rate	7.50%
(ii) expected life	36 Months
(iii) expected volatility	30%
(iv) expected dividends, and	10%
(v) the price of the underlying share in market at the time of option grant	₹ 11.85 per share

Note: In compliance with Regulation 13 of SEBI (Share Based Employee Benefits), Regulations 2014, the Company has obtained certificate of compliance from the statutory auditor of the Company and the same shall be placed before shareholders at the ensuing Annual General Meeting.

Annexure C:

Form No MGT 9: Extract of Annual Return as on financial year ended on March 31, 2016

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:

CIN	L45201GJ1990PLC013417
Registration Date	February 26, 1990
Name of the Company	Nila Infrastructures 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 Bungalow, Bodakdev, Ahmedabad - 380015. Tel. +91 79 4003 6817/18 Fax: +91 79 2687 3922; Email: secretarial@nilainfra.com Website: www.nilainfra.com

Whether listed company	Yes
Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s MCS Share Transfer Agent Ltd. 201, Third Floor, Shatdal Complex, Opp: Bata Show Room, Ashram Road, Ahmedabad - 380009. Tel no. (079) 2658 0461 / 62 / 63; Fax no. (079) 2658 1296 Email: mcsahmd@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)

Sr.No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Construction and Construction Services	99531	95.70%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

SN	Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Mega City Cinemall Pvt. Ltd. Address: City Pulse Building, Near Samrat Hotel, Vishalla Sarkhej Road, Ahmedabad - 382210.	U92412GJ2006PTC048195	Associate Company	42.50%	Section 2(6) of the Companies Act, 2013
2	Romanovia Industrial Park Pvt. Ltd. Address: First Floor, Sambhaav House, Opp Chief Justice's Bungalow, Bodakdev, Ahmedabad - 380015.	U45200GJ2013PTC077822	Associate Company	50%	Section 2(6) of the Companies Act, 2013
3	Sarathi Industrial Park Pvt. Ltd. Address: 202, S/F Kataria Arcade, B/s Adani School, SR No 195 to 212, TPS -84/B, DAB School, Makarba, Ahmedabad - 380051.	U45200GJ2013PTC076919	Associate Company	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 Ventures in the prescribed Form AOC 1 is annexed to this report as Annexure "D".



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									
(1)	Indian									
a)	Individual/ HUF	221325187	0.00	221325187	59.78	221325187	0.00	221325187	59.78	0.00
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	0.00	0.00	0.00	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
	Total shareholding of Promoter (A)	221325187	0.00	221325187	59.78	221325187	0.00	221325187	59.78	0.00
B.	Public Shareholding									
(1)	Institutions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
a)	Mutual Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b)	Banks / FI	9430	0.00	9430	0.00	9430	0.00	9430	0.00	0.00
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)	FIs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
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):	9430	0.00	9430	0.00	9430	0.00	9430	0.00	0.00
(2)	Non-Institutions									
a)	Bodies Corporate	10272306	2521000	12793306	3.46	8233059	582000	8815059	2.38	(1.08)
i)	Indian	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ii)	Overseas	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b)	Individuals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
i)	Individual shareholders holding nominal share capital upto ₹1 lakh	27533260	12551702	40084962	10.83	33020801	11832702	44853503	12.11	1.28
ii)	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	59502910	1315000	60817910	16.43	57768327	2501000	60269327	16.28	(0.15)
c)	Others Hindu Undivided Families	13149802	0.00	13149802	3.55	13501109	179000	13680109	3.70	0.15
d)	Non Resident Indians	20590603	1455000	22045603	5.95	21085585	188000	21273585	5.75	(0.20)



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	
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	0.00	0.00	0.00	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
	Sub-total (B)(2):	131048881	17842702	148891583	40.22	133608881	1582702	148891583	40.22	0.00
	Total Public Shareholding (B)=(B)(1)+ (B)(2)	131058311	17842702	148901013	40.22	133618311	1582702	148901013	40.22	0.00
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)	352383498	17842702	370226200	100.00	354943498	15282702	370226200	100.00	0.00

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 shareholding during the year
		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	
1	Manoj B Vadodaria	44154712	11.93	0.00	44154712	11.93	0.00	0.00
2	Nila M Vadodaria	43955267	11.87	0.00	43955267	11.87	0.00	0.00
3	Alpa K Vadodaria	36800000	9.94	0.00	36800000	9.94	0.00	0.00
4	Kiran B Vadodaria	31858100	8.61	0.00	31858100	8.61	0.00	0.00
5	Deep S Vadodaria	25002108	6.75	0.00	25002108	6.75	0.00	0.00
6	Shailesh B Vadodaria	12960000	3.50	0.00	12960000	3.50	0.00	0.00
7	Mina S Vadodaria	8695000	2.35	0.00	8695000	2.35	0.00	0.00
8	Rajesh Bhupatbhai Vadodaria	5000000	1.35	0.00	5000000	1.35	0.00	0.00
9	Chhayaben Rajeshbhai Vadodaria	4300000	1.16	0.00	4300000	1.16	0.00	0.00
10	Siddharth Rajeshbhai Vadodaria	4300000	1.16	0.00	4300000	1.16	0.00	0.00
11	Karan Rajeshbhai Vadodaria	4300000	1.16	0.00	4300000	1.16	0.00	0.00
	Total	221325187	59.78	0.00	221325187	59.78	0.00	0.00



C) Change in Promoters' Shareholding:

During the year there is no change in number of shares held by the promoters of the Company.

D) Shareholding Pattern of top ten Shareholders:

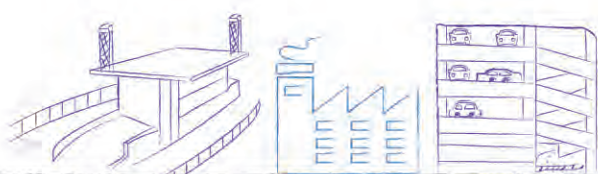
(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	Share holding for each of the Top 10 Shareholders	Shareholding at the beginning of the year		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
	At the beginning of the year				
1	Shobha Imtiaz Desai	20096436	5.43	20096436	5.43
2	Raj nibhai J Desai	10000000	2.70	10000000	2.70
3	Hemangi B Shah	6000000	1.62	6000000	1.62
4	Patel Amit Kiritbhai (HUF)	5000000	1.35	5000000	1.35
5	Rajeshbhai J Desai	5000000	1.35	5000000	1.35
6	Rameshbhai J Desai	5000000	1.35	5000000	1.35
7	Jigna S Mehta	2000000	0.54	2000000	0.54
8	Hetal D Mehta	2000000	0.54	2000000	0.54
9	Veena B Mehta	2000000	0.54	2000000	0.54
10	Kavita V Mehta	2000000	0.54	2000000	0.54
11	Vipul Y Mehta	2000000	0.54	2000000	0.54
12	Bela H. Shah	2000000	0.54	2000000	0.54
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	There is no change in Shareholding during the year			
	At the end of the year				
1	Shobha Imtiaz Desai	20096436	5.43	20096436	5.43
2	Raj nibhai J Desai	10000000	2.70	10000000	2.70
3	Hemangi B Shah	6000000	1.62	6000000	1.62
4	Patel Amit Kiritbhai (HUF)	5000000	1.35	5000000	1.35
5	Rajeshbhai J Desai	5000000	1.35	5000000	1.35
6	Rameshbhai J Desai	5000000	1.35	5000000	1.35
7	Jigna S Mehta	2000000	0.54	2000000	0.54
8	Hetal D Mehta	2000000	0.54	2000000	0.54
9	Veena B Mehta	2000000	0.54	2000000	0.54
10	Kavita V Mehta	2000000	0.54	2000000	0.54
11	Vipul Y Mehta	2000000	0.54	2000000	0.54
12	Bela H Shah	2000000	0.54	2000000	0.54



E) Shareholding of Directors and Key Managerial Personnel:

SN	Share holding of each Directors and each Key Managerial Personnel	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
	At the beginning of the year				
1	Manoj B Vadodaria	44154712	11.93	44154712	11.93
2	Kiran B Vadodaria	31858100	8.61	31858100	8.61
3	Dilip D Patel	Nil	Nil	Nil	Nil
4	Shyamal S Joshi	Nil	Nil	Nil	Nil
5	Hiren G Pandit	Nil	Nil	Nil	Nil
6	Ashok R Bhandari	Nil	Nil	Nil	Nil
7	H P Jamdar	Nil	Nil	Nil	Nil
8	Foram B Mehta	Nil	Nil	Nil	Nil
9	Dipen Y Parikh	Nil	Nil	Nil	Nil
10	Prashant H Sarkhedi	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	There is no change in Shareholding during the year			
	At the end of the year				
1	Manoj B Vadodaria	44154712	11.93	44154712	11.93
2	Kiran B Vadodaria	31858100	8.61	31858100	8.61
3	Dilip D Patel	Nil	Nil	Nil	Nil
4	Shyamal S Joshi	Nil	Nil	Nil	Nil
5	Hiren G Pandit	Nil	Nil	Nil	Nil
6	Ashok R Bhandari	Nil	Nil	Nil	Nil
7	H P Jamdar	Nil	Nil	Nil	Nil
8	Foram B Mehta	Nil	Nil	Nil	Nil
9	Dipen Y Parikh	Nil	Nil	Nil	Nil
10	Prashant H Sarkhedi	Nil	Nil	Nil	Nil



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

(Amount in ₹)

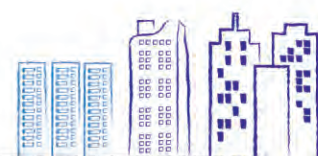
Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	974,246,914	464,823,754	Nil	1,439,070,668
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	3,224,981	3,686,580	Nil	6,911,561
Total (i+ii+iii)	977,471,895	468,510,334	Nil	1,445,982,229
Change in Indebtedness during the financial year				
* Addition	606,071,918	21,600,000	Nil	627,671,918
* Reduction	(502,838,065)	(14,523,754)	Nil	(517,361,819)
Net Change	103,233,853	7,076,246	Nil	110,310,099
Indebtedness at the end of the financial year				
i) Principal Amount	1,077,480,767	471,900,000	Nil	1,549,380,767
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	1,820,051	3,486,000	Nil	5,306,051
Total (i+ii+iii)	1,079,300,818	475,386,000	Nil	1,554,686,818

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-
A. Remuneration to Managing Director, Whole-time Directors and/or Manager

(Amount in ₹)

SN	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Manoj B. Vadodaria	Kiran B. Vadodaria	
1	Gross salary (per annum)			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,400,000	1,200,000	3,600,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission - as % of profit - other	Nil Nil	Nil Nil	Nil Nil
5	Others	Nil	Nil	Nil
	Total (A)	2,400,000	1,200,000	3,600,000
	Ceiling as per the Act as per the Schedule V of the Companies Act, 2013	24 million	12 million	36 million

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



B. Remuneration to other Directors

(Amount in ₹)

SN	Particulars of Remuneration	Name of Directors						Total
		Other NED*	Independent Directors					
			Dilip Patel	Hiren Pandit	Shyamal Joshi	Ashok Bhandari	H P Jamdar	
1	Fee for attending board, committee meetings	Nil	Nil	25,000	5,000	15,000	25,000	70,000
2	Commission	Nil	Nil	Nil	Nil	Nil	Nil	Nil
3	Others	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total Managerial Remuneration	Nil	Nil	25,000	5,000	15,000	25,000	70,000
	Overall Ceiling as per the Act	₹ 1 Lac 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/Managar/WTD

(Amount in ₹)

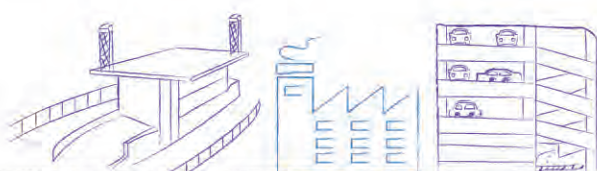
SN	Particulars of Remuneration	Key Managerial Personnel		
		*CS	**CFD	Total
1	Gross salary per annum			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	610,500	1,836,800	2,447,300
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission as % of Profit/ Others	Nil	Nil	Nil
5	Others	Nil	43,200	43,200
	Total	610,500	1,880,000	2,490,500

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

Note: There is no exercise of any vested options to the Key Managerial Personnel during the year.**VII: PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

(Amount in ₹)

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	Nil	Nil	Nil	Nil	Nil
	Punishment	Nil	Nil	Nil	Nil	Nil
	Compounding	Nil	Nil	Nil	Nil	Nil
B.	DIRECTORS					
	Penalty	Nil	Nil	Nil	Nil	Nil
	Punishment	Nil	Nil	Nil	Nil	Nil
	Compounding	Nil	Nil	Nil	Nil	Nil
C.	OTHER OFFICERS IN DEFAULT					
	Penalty	Nil	Nil	Nil	Nil	Nil
	Punishment	Nil	Nil	Nil	Nil	Nil
	Compounding	Nil	Nil	Nil	Nil	Nil



Annexure D:

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

Form AOC-1: 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: There is no subsidiary company as defined under section 2(87) of Companies Act, 2013
- (b) Statement containing salient features of the financial statements of associate companies and joint venture:

(Amount in ₹)

SN	Name of Associates and Joint Venture	Megacity Cinemall Pvt. Ltd. (Associate)	Romanovia Industrial Park Pvt Ltd, (Associate)	Sarathi Industrial Park Pvt Ltd, (Associate)
	Latest audited Balance Sheet Date	March 31, 2016	March 31, 2016	March 31, 2016
1.	Shares of associates and Joint Ventures held by company on the year end			
	i. Number of Shares	233,750	5,000	5,000
	ii. Amount of Investment	22,206,250	50,000	50,000
	iii. Extend of Holding %	42.50%	50.00%	50.00%
2.	Description of how there is significant influence	By holding more than 20% of voting power	By holding more than 20% of voting power	By holding more than 20% of voting power
3.	Reason why the associate / joint venture is not consolidated	Not Applicable	Not Applicable	Not Applicable
4.	Networth attributable to shareholding as per latest audited balance sheet	[8,516,663]	158,769	50,000
5.	Profit/Loss for the year	[11,170,410]	217,537	Nil
	i. Considered in consolidation	Not Applicable	Not Applicable	Not Applicable
	ii. Not considered in consolidation	Not Applicable	Not Applicable	Not Applicable

(Amount in ₹)

SN	Name of Associates and Joint Venture	Kent residential and Industrial Park LLP, (Joint Venture)	Nilsan Realty LLP, (Joint Venture)	Shree Matangi Projects LLP, (Joint Venture)	Nila Projects LLP, (Joint Venture)	Fangdi Land Developers LLP, (Joint Venture)
	Latest audited Balance Sheet Date	March 31, 2016	March 31, 2016	March 31, 2016	March 31, 2016	March 31, 2016
1.	Shares of associates and Joint Ventures held by company on the year end					
	i. Number of Shares	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	ii. Amount of Investment	854,779	807,069	Nil	174,104,383	510,000
	iii. Extend of Holding %	50.00%	50.00%	40.00%	99.99%	51%
2.	Description of how there is significant influence	By contractual agreement	By contractual agreement	By contractual agreement	By contractual agreement	By contractual agreement
3.	Reason why the associate / joint venture is not consolidated	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
4.	Net Worth attributable to shareholding as per latest audited balance sheet	854,779	[1,414,737]	Nil	[240,688]	[89,680]
5.	Profit/Loss for the year	653,820	[228,575]	[1,481,649]	[208,099]	[11,783]
	i. Considered in consolidation	326,910	114,288	[592,660]	[208,099]	[11,783]
	ii. Not considered in consolidation	326,910	114,287	[888,989]	NIL	NIL



Annexure E: Secretarial Audit Report

To,
The Members,
Nila Infrastructures Limited
Ahmedabad

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Nila Infrastructures Limited (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct/ statutory compliances and expressing my opinion thereon.

Based on our verification of the Nila Infrastructures Limited'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 course/ conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2016, complied with the statutory provisions of the enactments listed hereunder as applicable 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:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulations) 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.
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2015;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - 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; and

- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

(vi) Other Applicable Laws specifically applicable to the Company are as under;

- a) Transfer of Property Act, 1882
- b) Registration Act, 1882
- c) The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996
- d) The Land Acquisition Act, 1894

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- b) The Listing Agreements entered into by the Company with Bombay Stock Exchange and National Stock Exchange of India Limited.

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

I further report that

- a) The 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.
- b) 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.
- c) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I 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.

I further report that during the audit period the company has granted 2580000 stock options to the eligible employees under the "Nila Infrastructures Ltd. ESOP-2014"

For, **M/s R. S. Sharma & Associates**
Company Secretaries

R. S. Sharma
Membership No: A3126;
Certificate of Practice No: 2118

Date: May 26, 2016
Place: Ahmedabad



Management Discussion and Analysis

(MDA) Report

1. Economic Scenario:

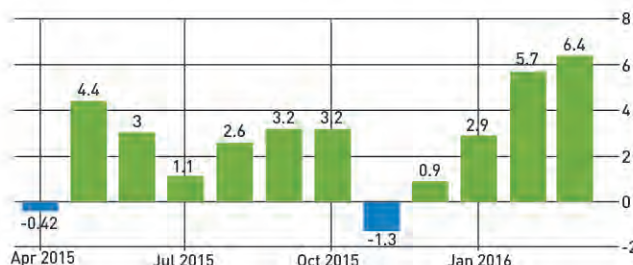
Global economy has shown few short-lived signs of recovery. Growth in the US has been slowing since Q3-CY2015. Eurozone showed a marked improvement, but uncertainty over Britain's exit from the monetary union eroded confidence. The spill-over of the debt boom that fuelled China's growth post the 2008 global financial crisis is giving the jitters. And the Bank of Japan's stimulus which includes negative interest rates is not proving enough for the economy's recovery.

Amidst this, India has emerged as the fastest growing major economy in the world as per the CSO and IMF. According to the Economic Survey 2015-16, the Indian economy will continue to grow more than 7% in FY2017. As far as the Indian economy is concerned, the sharp slide in crude oil prices has been great news since we import two-thirds of our requirement and then subsidise downstream products. Low oil prices have helped decrease the fiscal and current account deficits and curtailed inflation. For FY2016, the exports remained under pressure with 15.8% reduction compared with a 1.3% decline in FY2015, mainly owing to weak demand in major markets such as the Eurozone, the US, and OPEC. The inflation has been impacted by food, housing and clothing & footwear demand. This increase could be transitory as a normal monsoon and proactive steps by the government in food supply management will support lower food inflation. The RBI has been trying to address the liquidity by various measures. The bank credit growth remained subdued; while the borrowings have increased due to lower rates in the money-market.

Gradual recovery in FY2017 and FY2018 would be supported by higher real disposable income, assuming a normal monsoon after two years of below-average rainfall and a substantial wage increase for central government employees. Growth is expected to gradually accelerate to 7.7% in FY2017 and 7.9% in FY2018 making India at the top of the global growth ladder. The gradual implementation of the structural reform agenda is expected to contribute to higher growth, big-ticket reforms such as the Land Acquisition Amendment Bill and the Goods and Services Tax are yet to see fate of the day. Implementation of legislative reforms has so far been difficult given the government's limited support in the Rajya Sabha, but executive reforms continue to be rolled out. The latest union budget contained further announcements of reforms, including measures related to the FDI regime, the financial sector and agriculture, illustrating that the government continues to gradually broaden its reform agenda.

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. 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. Likewise, the Indian government has taken concrete steps to revive the sector at a quickened pace. The increased impetus to develop infrastructure in India is a major attraction to both domestic and international players.

Private sector has emerged as a key player across various infrastructure segments, ranging from roads and communications to power and airports. The combined output index for Infrastructure during FY2016 is depicted below.



Source: Office of the Economic Adviser to the Government of India

According to ASSOCHAM study, increase in demand of Indian construction sector can lead to an increase in overall output of the economy by 2.4 times. Significant allocation to the infrastructure sector and the government's policy to increase private sector participation has proved to be a boon for the infrastructure industry with a large number of private players entering the business through the PPP model.

2. The Industry Scenario:

2.1 Infrastructure:

Any highly-populated country needs a robust infrastructure and India is no exception to the rule. A key driver of the economy, Infrastructure is highly responsible for propelling India's overall development. The construction industry is a major contributor towards India's GDP, both directly and indirectly. The construction sectors contribution to GDP in India has stayed fairly constant at around 7-8% for the last five years.



Source: Central Statistical Organisation, India

It employs 33.00 million people, and any improvements in the construction sector affect a number of associated industries such as cement, steel, technology, skill-enhancement, etc. Low entry and technology barriers make the industry highly fragmented. While low fixed costs narrow the entry barriers, uncertainties on payments drives up working capital requirements. Entities in a contracting process of infrastructure and industrial projects include the owner (project implementer), contractors, consultants, process licensors and suppliers of raw materials and equipments.



The industry is regulated and implemented by different apex authorities of the various segments. It encompasses different types of contracts (EPC, EPCM, BOT, BOOT, etc.), depending on the nature of project. Each contract has certain features which draw interest of players and aim at enhancing overall efficiency. Some of the major government initiatives for infrastructure development include Bharat Nirman, Jawaharlal Nehru National Urban Renewal Mission, National Highways Development Programme and Pradhan Mantri Gram Sadak Yojana. Several initiatives covering water supply & irrigation, roads, housing, etc., have been integrated under Bharat Nirman over the years. Revenues in construction contract are recognised on percentage completion method based on Indian Accounting Standard (Ind AS-7). Percentage of completion method provides an accurate picture of revenues and costs during the accounting year. Investment in Infrastructure segment has been increased by 28% with roads, railways and power being the major beneficiaries.

Infrastructure output refers to a combined index that measures the performance of eight core industries: Electricity generation (weight: 10.32%), steel production (6.68%), refinery production (5.94%), crude oil production (5.22%), coal production (4.38%), cement production (2.41%), natural gas production (1.71%) and fertilizers production (1.25%). Infrastructure accounts for nearly 38% of India's industrial output. Hence, it enjoys intense focus from the Government for initiating policies that would ensure time-bound creation of world class infrastructure in the country. For the purpose, Rs. 31 trillion (USD 454.83 billion) is required over the next five years, with 70% of funds needed for power, roads and urban infrastructure segments.

India is witnessing significant interest from international investors in the infrastructure space with many MNCs keen to collaborate on infrastructure, high speed trains, renewable energy, developing smart cities, etc. FDI received in construction development sector from April 2000 to December 2015 stood at USD 24.18 billion, according to the DIPP.

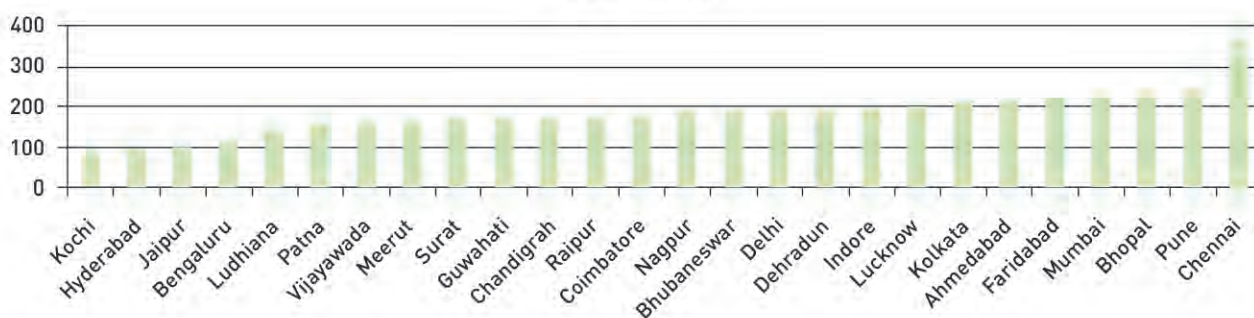
Overall construction spends in key infrastructure sectors will gather pace from FY2017, aided by a slew of recent policy reforms. Roads would drive majority construction spends while investments in urban infrastructure and railways are expected to grow at a faster pace with the government's increased focus on schemes such as AMRUT, Swachh Bharat, Clean Ganga Mission, Smart cities, HFA by 2022, etc.

2.2 Real Estate Sector:

The Indian real estate sector is the second largest employer after agriculture and is slated to grow at 30 per cent over the next decade. It ranks third among the 14 major sectors in terms of direct, indirect and induced effects in all sectors of the economy. It comprises four sub sectors - housing, retail, hospitality, and commercial. The Central and state governments play an active role in development of this industry. The extent of control the Central government has on states depends on the level authorised by the state legislature. The Centre sets policy guidelines, but their implementation is left to the state government's discretion. Each state has a set of laws that define the rules and regulations for developers, transfer of property, ownership of property and those that define the terms of relationship between tenants and landlords. The government has taken several initiatives to improve the condition of housing stock and overcome the housing shortage in the country. The central government formulates national housing policies to provide guidance to state governments to meet the growing housing shortage in the country. India's exponentially rising population is the main driver of demand for housing but increasing nuclearisation, income growth and easy access to finance are the other factors. Also, tax benefits provided by the government to promote the housing sector, are fuelling up demand. 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.

However, slowing economic growth, policy uncertainty, declining investor interest, rising inflation and high interest costs have severely strained the finances of developers. Also, as new home bookings and project launches remain muted, cash collections have stayed stagnant. NHB Residex as depicted below can be referred for the purpose.

NHB Residex



Source: National Housing Bank



The real estate industry in India continues to reel under subdued demand. In comparison to large- and small-size companies, mid-size players have performed better due to diversification across cities and significant exposure of some companies to the Southern markets. Decline in new bookings and stagnancy in new launches along with a pile-up in inventory are likely to put a strain on the industry's operating cash flows in FY2017. This is likely to severely strain the financials of the industry, prompting developers towards alternate means for raising funds like asset sale or project stake sale.

The government has taken several steps to support the industry e.g. raised FDI limits to 100% for township project and projects within SEZ, 100 Smart Cities, HFA by 2022, notification of REITs and the Real Estate (Regulation and Development) Act, 2016, etc. The Indian real estate market size is expected to touch USD 180.00 billion by 2020. The housing sector alone contributes 5-6% to the country's gross domestic product (GDP).

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 have revamped their accounting and management systems to meet due diligence standards.

3. NILA: In retrospect and prospect:

3.1 Two phases lived by the Company:

3.1.a The Company commenced its business operations from 1990 and was operating profitably, mainly as a city-based realtor. The Company executed several housing projects successfully and developed land bank at economic rate during the recessionary phase. The Company gained momentum in the year 2006-07 when the flagship company of the Group Sambhaav Media Ltd was awarded construction of decorative AMTS bus shelters in the city of Ahmedabad. NILA entered into urban infrastructure project through the development of unique bus shelters of AMTS on behalf of Sambhaav Media Ltd. In the year 2007-08 the Company launched its ambitious residential project "Asmaakam". The project received overwhelming response even during the period of global meltdown in the year 2008-09. However, with limited resources, the Company was not able to work at its full potential, while it was strategized to transform the Company into a meaningful infrastructure player. Thus, the Company

initiated amalgamation of Pearl Stockholdings Pvt. Ltd (PSPL) during 2009-10. PSPL's sound financials prepared a strong platform for the Company's growth and transformation. This strengthened the Company's eligibility on "financials" parameter for certain civic urban infrastructure construction contracts by various government bodies/agencies. With such backdrop the Company has since transformed into a specialist in civic urban infrastructure contractor.

3.1.b #Build To TransFORM: Post successful consolidation of resources, the Company concentrated on sustainable growth in civic urban infrastructure segment. Planning an effective vision at the right time and efficient implementation of the strategy has today transformed the Company. During FY2016, about 86% revenue of the Company is derived from civic urban infrastructure projects on EPC/turnkey basis e.g. BRTS Bus Stations, Multi-level Parking facility, Affordable Housing, etc. The Company has also been awarded a Slum Rehabilitation and Redevelopment Project at Ahmedabad on PPP basis.

3.2 Growth seizing opportunities:

The management has a vision to make the Company one of the leading players in the sector. To achieve this, the Company works on large scale residential and civic urban infrastructure projects by leveraging its core competency. The management is optimistic towards the growth of the economy in general and construction sector in particular. The Company has since secured meaningful EPC Construction Projects of Affordable Housing and envisage that, on back of enhanced pre-qualifications/bidding capacities, EPC business will grow sustainably. The Company is working on to build significant PPP based order book where the remuneration is superior for a long-term sustainable growth. The Company is creating avenues for growth and seizing such growth opportunities.

4. STRATEGIC FOCUS OF NILA

4.1 Pricing Policy - Value For Money:

The Company has executed outstanding quality real estate projects ranging from affordable housing to luxurious, high-end residential projects at prime locations of Ahmedabad. It has lead to high value appreciation for the buyers of houses. The Company is committed to deliver value to its customers through its real estate projects. Within civic/urban infrastructure space, your Company is favourably placed with its main principals/employers due to its timely, quality execution capabilities. It may be mentioned that your Company keeps getting repeat/multiple orders due to its overall project execution skills.

4.2 Diversified Product Mix – Unique Business Model:

The company has developed a unique business model of construction and development of infrastructure and real



estate projects and leasing. Your Company has successfully leveraged the construction expertise to grow into other associated business like construction contracts from government authorities and reputed corporates. Your Company holds commercial properties in the prime location of Ahmedabad, which has been leased-out to certain reputed corporates on long-term basis.

An integrated well balanced business model of construction and development of government and private projects provides hedging.

This diversified model of business has shown great strength and resilience in the past years of challenging business environment. Leasing ensures steady cash flow income while construction contracts of Government assure timely and confirmed recovery of dues. Your Company has developed in-house expertise in the entire gamut of construction and execution – including design, planning & estimation, project preparation, project execution, interior designing, integration of project management.

4.3 Financial Resources:

The foremost source of finance of your Company has traditionally been internal accruals and borrowings from financial institutions. Your Company has made financial arrangement with banks and financial institutions for its various long-term and working capital requirements. During the year your Company has successfully consolidated substantial debt with the State Bank of India at competitive terms. The reduction in interest cost and consequently, overall cost of funds will improve financial flexibility.

4.4 Project Selection and Execution:

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

- **Principal:** Constitution, financial strength, bureaucratic structure, involvement of any bilateral/multilateral agency, track record on other projects, contract management strength, appropriateness of design for local market, 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.

- **Market:** Local economic conditions, demand-supply outlook, interest/inflation rate scenario, etc.

Real estate projects are a complex and continually evolving process business. To effectively develop, finance, or supervise a project, your Company has developed fundamental understanding of the process and its many facets. To be successful, your Company must manage not only its own performance, but also the collaboration of numerous professionals representing multiple disciplines. Throughout this process, your Company has to identify and mitigate inherent risks that can threaten the viability of 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. Your Company's Quality Management System is ISO 9001 : 2008 accredited by Certification International (UK) Ltd that include Project Management, Site Development and Construction activities for Infrastructure, Industrial, Residential and Commercial projects.

4.5 Project Management and Monitoring:

Your Company has adopted an integrated system for planning, scheduling, monitoring and control of the approved project under implementation. To coordinate and synchronise all the support function of Project Management it relies on an Integrated Project Management Control System which integrates its project management, contract management and control function addressing all stages of project implementation from concept to commissioning.

All projects have project monitoring centres which facilitate monitoring of key project milestones and also act as a Decision Support System for the management. It is used as integrated web based collaborative system to facilitate consolidation of project related issues and its timely resolution. Various features for information delivery of ERP facilitate project tracking, issues resolution and management interventions on a regular basis. Integrated ERP platform is implemented for monitoring and controlling of critical project activities spread across various functions – projects, contracts, finance and execution. This will help in decision support through timely identification of critical input and provide a



holistic approach towards project implementation and major project milestones.

4.6 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.

5. 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.nilainfra.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.

6. 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. 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 centred around the creation of an environment that attracts, nurtures and rewards high-calibre 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. 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-gearred towards attraction and retention of engineering talent in an ecosystem that provides long-cycle professional development opportunities in various facets of civil urban infrastructure and caters to career building aspirations of talent at all levels.

7. BUSINESS OVERVIEW:

7.1 Infrastructure Projects:

During FY2016, your company has carried-on development and construction of various projects on EPC/turnkey basis – the details are furnished below.

- 7.1.a LIG Package-6: 608 Multi-storeyed Residential Flats + 40 Shops + 8 offices including internal infrastructure and development work within the plot at various locations in Ahmedabad for AMC having a total construction area (Carpet) of 28,714.44 sq. mt. The construction work has just completed and the Company has successfully handed-over the possession to AMC.
- 7.1.b BRTS Bus Stations: Based on the satisfactory execution of earlier bus-shelters, AMC had awarded a contract for construction, fabrication, erection of Bus Shelters and concrete rigid pavement at specific locations along the Ahmedabad BRTS Corridor from 1. Shah-e-Alam to



Astodia (3 Nos.), 2. Sarangpur to Soni-ni-chali & Kalupur to Naroda Patia (5 Nos.), and 3. Delhi Darwaja to Kalupur Railway Station (5 Heritage Bus Shelters). Work of the same has completed recently. With this, work orders for about 72% BRTS Bus Stations at Ahmedabad has since been allotted to your Company.

- 7.1.c** Pratham by Adani: Further to successful delivery of Phase-I of Adani's 430 flats (construction area of 344,363 sq. ft.) mini township viz. "Pratham" at Tragad, Phase-II comprising 370 flats, having a total construction area of 326,782 sq. ft., has been carried-out. The construction work is in final stage and would complete soon.
- 7.1.d** Affordable Housing at Vadodara: The two (2) contracts from VUDA for construction of affordable housing i.e. 200 EWS Residential Flats + 80 LIG-1 & 100 LIG-2 Residential Flats + 9 Shops including internal infrastructure & development work within the plot at Vemali having an approximate total construction area (Carpet) of 13,602 sq. mt. and 320 EWS Residential Flats + 60 LIG-1 Residential Flats + 60 LIG-2 Residential Flats + 12 Shops including internal infrastructure & development work at Sewasi having approximate total construction area (Carpet) of 14,088 sq. mt. is going-on. The construction work is in final stage and would complete soon.
- 7.1.e** Multi-storied parking facility: The construction of multi-storied parking facility for vehicles at Navrangpura in Ahmedabad for AMC is going-on as per AMC's requirements. The facility would cater to parking for about 390 four-wheelers, 719 two-wheelers, etc. and has total construction area of 30,444 sq. mt. The construction work is being carried out.
- 7.1.f** Mega Housing at Jodhpur: Under the Affordable Housing Policy of the Government of Rajasthan; construction of 1,072 units comprising of Economically Weaker Section (EWS-554 units), Low Income Groups (LIG-368 units) & Middle Income Group (MIG-A-160 units) having a total construction area of 472,800 sq. ft. is going-on.
- 7.1.g** EWS Housing at Ahmedabad: During the year under review, your Company has been handed over the possession of various sites at Ahmedabad by AMC for construction of 1,152 EWS Residential flats including internal infrastructure and development work within the plot at Vastral having an approximate total construction area (Carpet) of 32,406 sq. mt. and 816 EWS Residential Flats + 24 Shops including internal infrastructure and development work within other four (4) plot at locations having approximate total construction area (Carpet) of 23,367 sq. mt. The construction work is being carried out as scheduled.

Summary of order book of the Company is given below:

(₹ in millions)

Particulars	FY2016	FY2015	FY2014
Opening Order book	2,095.5	953.7	629.8
Add: Work started on new orders	1,505.0	1,948.6	671.0
Less: Tender value reduction post allocation			78.8
Less: Work executed	1,574.6	806.8	268.3
Confirmed unexecuted Order book	2,025.9	2,095.5	953.7

Detailed information on the order book is given in the subsequent part of this report.

7.2 Real Estate Projects:

Your Company has handed over the possession to additional 31 buyers of "ATUULYAM" project at Makarba, Ahmedabad comprising of two (2) towers of 3-BHK (80 - super built-up area of 1,755 sq. ft. each) flats and three (3) towers of 2-BHK (120 - super built-up area of 1,305 sq. ft. each) flats. Your Company keeps working on various projects simultaneously and such projects could be at various stages of development/regulatory approvals. During FY2016, your Company has sold projects at Naviyani and such revenue is classified/acknowledged as trading activity.

7.3 Leasing Activities:

Your Company holds 88,000 sq ft of commercial properties at the prime location in Ahmedabad, which has been leased-out to certain reputed corporates on long-term basis.

8. OPPORTUNITIES:

GUJARAT - The Economic Growth Engine of India

The state of Gujarat has become a corporate hub with the entry of national and multinational companies which has led to rising employment. Your Company foresee 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 of homes for all segments of people.



Further, the various government tenders envisaging development of infrastructure shall also offer opportunity to the developers to grow in years to come. The envisaged opportunities are discussed further.

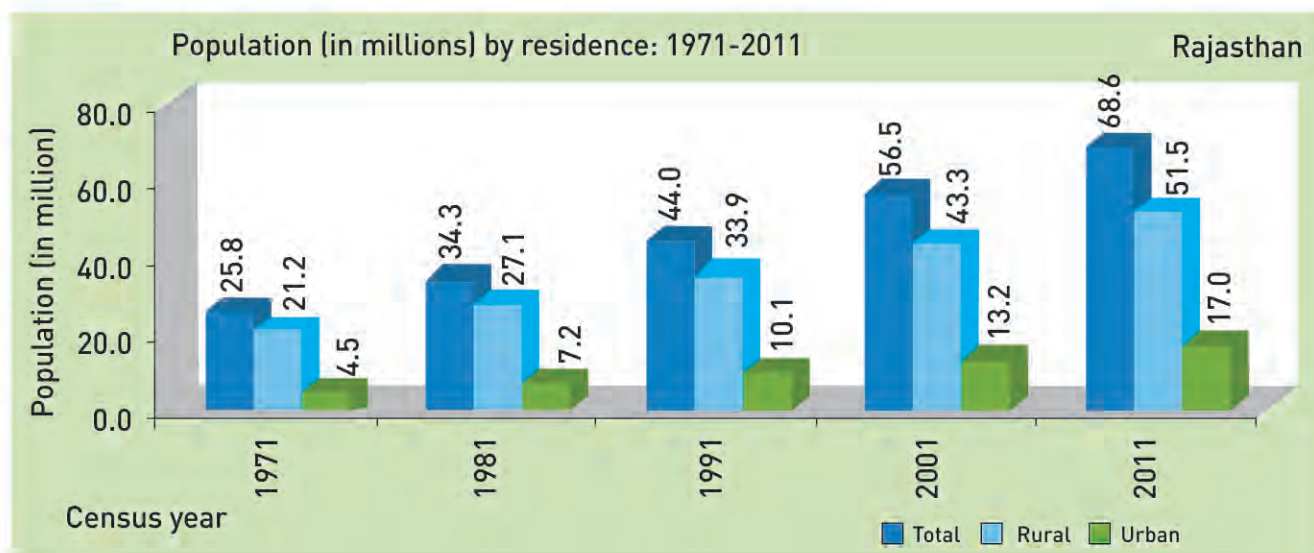
Special Category - I Buildings Class

Your Company has now been registered as approved Contractor in Special Category - I Buildings Class with Government of Gujarat, Roads and Building Department. With crossing through this entry barrier, your Company has joined an elite league and envisages benefits of lesser competition. This opens up immense opportunities to bid for projects from various government entities who stipulates Special Category - I Buildings Class certification as a Qualification Criteria. Your Company may also endeavour to seek orders with higher complexity.

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 68.00 million (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):

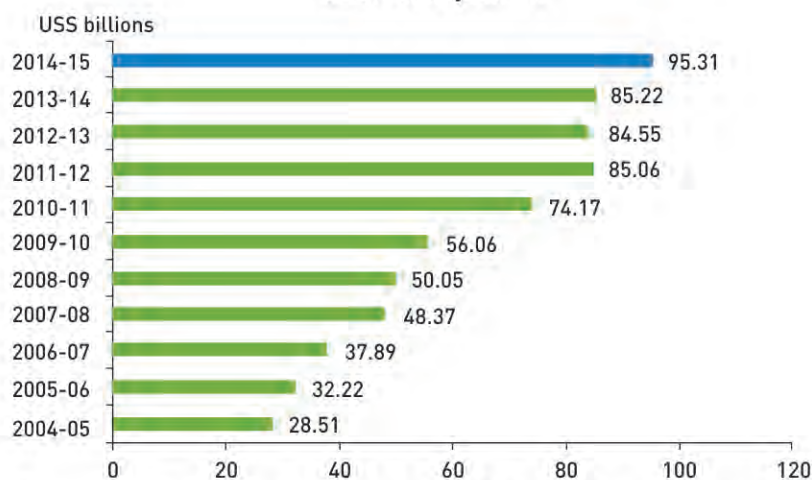


Meanwhile, the Urban infrastructure and Public Services for Rajasthan's burgeoning urban population is inadequate. On a conservative basis, an investment to the tune of ₹ 100.00 billion would be required in the next 10 years to adequately address the infrastructure needs of various urban centres in Rajasthan.

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. RIICO is the sole agency in the state that develops land for industrial growth. Between 2004-05 and 2014-15, GSDP expanded at a CAGR of 12.83% to USD 95.31 billion whereas the NSDP expanded at a CAGR of 13.05% to USD 85.68 billion.

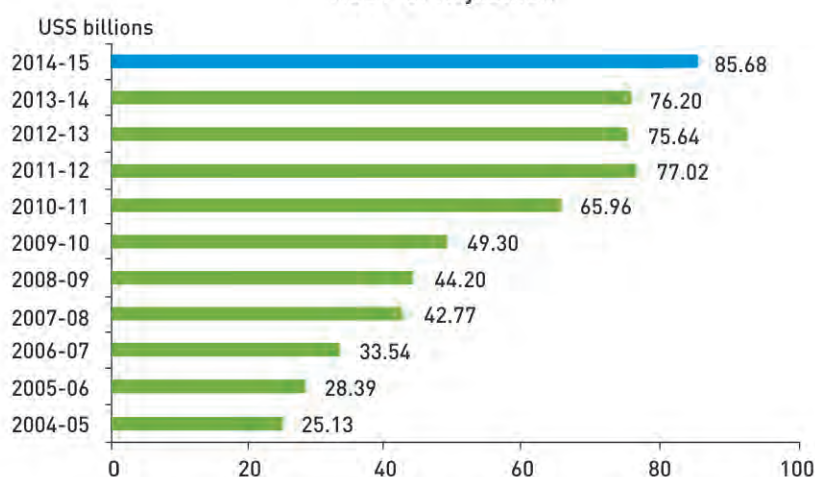


GSDP of Rajasthan



Source: Directorate of Economics & Statistics of Rajasthan, Central Statistics Office

NSDP of Rajasthan



Source: Directorate of Economics & Statistics of Rajasthan, Central Statistics Office

For last two years, the state has undertaken a series of labour and industry reforms. 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 stands sixth among Indian states in rankings based on ease of doing business and reforms implementation, according to a study by the World Bank and KPMG.

In order to attract investment from private sectors and to sensitise them for investment in the State, GoR embarked

on a sustained investment promotion campaign over a period of time which included investor meets, events, conferences, culminating into Resurgent Rajasthan Partnership Summit 2015 during November 2015. It brought together leading investors from all over the world, senior State government officials and local business community for interactions on investment environment and opportunities in Rajasthan. Within overall 295 MoU signed for an expected investment of ₹ 3,200.00 billion, 35 MoU for ₹ 170.38 billion are for Infrastructure (excluding Roads & Highways, Energy). With such initiatives the state of Rajasthan has become a Sunrise state for the civic urban infrastructure development and offers bountiful potential. To partake in such opportunities, your Company has entered into a MOU with



GoR at RRPS for construction of urban infrastructure projects including affordable houses under Affordable Housing Policy that allows private developers to get TDR. Corresponding to this MOU, your Company has been actively bidding for relevant tenders and has since received a few orders aggregating ₹ 668.7 million.

8.1 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 20.0 million 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. For the sake of ready-reference, an estimation of opportunity in urban housing is furnished in the below table:

Per month Expenditure ₹	Estimated Number of Households	Housing Shortage in million	Percentage Shortage
EWS 0 - 3,300	21.81	21.78	99.9%
LIG 3,301 - 7,300	27.57	2.89	10.5%
MIG 7,301 - 14,500	16.92	0.04	0.2%
HIG 14,501 and above			
Total Shortage	66.30	24.71	37.3%

Source: Report of the Technical Group (Planning Commission)

Increased impetus to the creation of affordable housing mission, along with quicker approvals and other supportive policy changes offers a considerable opportunity. As your Company has already gathered vital experience in affordable housing space and has become a meaningful contractor, it is quite favourably placed to participate in such opportunity.

8.2 Slum Redevelopment in PPP:

According to the GoG's UDUHD, about 700,000 families reside in slums in the urban areas of Gujarat. State Government aims to accord priority to rehabilitate such slum dweller families in-situ. Eligible slum dwellers families will be provided houses of minimum 25 sq. mtr. carpet area with basic civic amenities free of cost in lieu of their hutments with main objectives being:

- In-situ rehabilitation of the slums situated on public land in urban areas of the State
- Provision of pucca houses with basic amenities having two rooms, kitchen, bath room and latrine for slum dwellers families
- Ownership rights of the house to the beneficiaries after 15 years
- Provision of hygienic and healthy life style especially for urban poor
- Qualitative improvement in socio-economic and environmental conditions of towns and cities of Gujarat
- Attracting private investment by PPP for this purpose
- Simple and transparent policy framework to rehabilitate slums in-situ on public land through PPP

The beneficiaries get basic civic facilities of drinking water, sewerage line, electricity connections, Anganwadi / Health Centre. The beneficiaries are responsible for payment of operational and maintenance cost, property tax and any other tax levied by LSG. The beneficiaries will be initially granted lease-hold rights for the houses allotted to them for first 15 years and thereafter will be granted ownership rights. However, the ownership of the land will remain with the LSG. The developer gets certain incentives including additional FSI, TDRs, free hold rights on balance vacant land for development and free sale, exemption on developmental charges, relaxation in construction. Private developer is selected through established, open and transparent procedures.



With such backdrop, the opportunity only at Ahmedabad can be adjudged by the below mentioned table:

Slum Categorization By Tenability	No of Slum Settlements	No. of Huts
Slums Survey Result	691	162,749
1. Slums rehabilitated after completion of Survey	33	7,025
2. Slums required to be delisting (Well maintained + Infrastructure)	48	6,373
3. Gamtal area to be counted in slums required to be delisting	25	2,695
4. Slum Upgradation/Redevelopment projects approved under RAY	3	1,201
Status of Slum Settlement as on February, 2014 (Total 1 to 4)	582	145,455
1. Slums having court litigation and non-Cooperating slum community	15	5,871
Slum for which Redevelopment Strategy need to be prepared for	572	139,584

As your Company has already built proprietary knowledge from such PPP project, while it has a rich legacy in real-estate development and marketing, it is quite favourably placed and very enthusiastic about such opportunity.

8.3 Civic Urban Infrastructure:

Your Company has, over a period of time, developed a niche for itself by executing unique and pioneering projects e.g. BRTS bus-shelters, Multi-level parking facility, etc. Through execution of such projects, your Company has built proprietary knowledge and it places your Company favourably with employers of such projects. The Company expects that number of large sized urban infrastructure projects in Gujarat will start taking shape on the basis of the ₹ 25 trillion investments committed during the latest Vibrant Gujarat. In the backdrop of the announcement of Gujarat International Finance Tec-City (GIFT), Metro-link Express for Gandhinagar and Ahmedabad (MEGA), Dholera SIR, Mega cities, Million plus cities, etc., your Company is favourably poised to replicate such experience in additional geographies/employers. Apart from this, there are also other opportunities that your Company can participate into, such as:

- Transportation infrastructure for better mobility through public transport, improved walkability, parking
- Sewerage, drainage and water supply
- Solid waste management
- Social infrastructures such as parks, playgrounds and leisure spaces
- Preservation of heritage precincts

Meanwhile, the strategic decision to sign an MOU with GoR vide RRPS, has opened-up a whole lot of opportunities at Rajasthan – a Sunrise state having bountiful of potential within civic urban infrastructure segment. Your Company is confident to benefit from this.

8.4 Private White Label Construction:

Your Company has worked on a few assignments to develop/construct on behalf of the reputed private corporates engaged in real-estate development. Due to its

execution capabilities, your Company has not only completed the projects satisfactorily but has also got repeat/multiple orders from such renowned corporates. Your Company has successfully utilised the opportunity and established itself as a preferred contractor. Apart from this, your Company is also preferred by the corporate developers as itself being a public listed entity wherein governance and compliance are strictly ensured. Your Company believes that in the backdrop of industrialisation, social factors, employment opportunities, modernisation, rural urban transformation, spread of education, etc. coupled with improving macroeconomic indicators, India's rise in technology, comparatively reasonable cost of living, expected falling interest rate scenario, permission of FDI in real-estate sector, there are ample opportunities that would be available to your Company wherein it could participate.

8.5 Industrial Infrastructure:

In the backdrop of the government's policy initiatives e.g. "Make in India", "Digital India", "Skill India", India Brand Equity Foundation Trust, signing of FTA/PTA, etc.; the country is soon expected to be back on the growth trajectory with GDP growth estimate of 7.4%. Your Company is favourably located being in the most vibrant state of India i.e. Gujarat to participate in developing/constructing the industrial infrastructure.

Meanwhile, the MOU with the Kataria Group of Ahmedabad to work jointly for acquiring land and developing industrial and logistics parks, units, sheds, plots, residential colonies, and allied infrastructure at various locations situated near the upcoming automobile hub at Bechraji – about 90 kms from Ahmedabad at Gujarat; offers your Company a strategic advantage. The Company is favourably placed to take the advantage of the expected spur in construction/development of new industrial facilities e.g. industrial park, warehouse/logistics park, etc.

8.6 Real Estate:

The recently enacted Real Estate (Regulation and Development) Act, 2016 that seeks to protect home-buyers is expected to boost investments in the real estate



industry. Developing real estate projects faces significant challenges due to several economic, regulatory and urban issues. Your Company has operating experience of more than two-and-half decade and, over a period of time, has built a propitious land-bank. During its routine course the Company plans projects on such land and get various approvals for the said projects. A sketchy study of the multitude of statutory approvals is depicted below:



Source: CREDAI-Jones Lang LaSalle Real Estate Transparency Survey

* The stages – Pre-construction approvals from state level bodies and central bodies can happen simultaneously.

Whilst the lack of availability of urban land, rising threshold costs of construction and regulatory issues are supply-side constraints, lack of access to home finance is a serious demand-side constraint, which impacts the ability of low-income groups to buy housing in the organised sector. Whilst some of these are gradually being mitigated, concerted efforts are required by multiple institutions to facilitate mass development in this sector. It may be mentioned that your Company, being an established player in developing, constructing, building, marketing and selling the real estate projects, has developed cordial relationships with various stakeholders in the system. Your Company has sufficient domain knowledge and can launch relevant real-estate projects at an apt time.

9. RISK AND CHALLENGES:

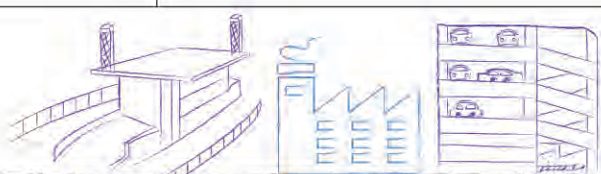
As is typical in expanding business activities your Company has become a subject to a variety of risks, uncertainties and challenges. It is recognised that risks are not only inherent to any business but are also dynamic in nature. Further, the Company is susceptible to certain risks arising out of various 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	Your Company's Principal's ability to pay can have an impact on the financial result.	As per your Company's policy only well-established institutions/corporates are approved as counterparties. Exposure per counterpart is continuously monitored.
Liquidity risk	Acceptable liquidity levels are required in order to achieve desired financial results.	In addition to its own liquidity, your Company enjoys credit facilities with the largest Bank of the country as well as other sizeable/reputed Banks and Financial Institutions.
Competitor risk	Competitors find ways to bid at dramatically lower cost or bid to construct with better functioning/latest technologies.	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



Risk	Explanation	Mitigation approach
		<p>operations are world class in terms of efficiency, cost and waste avoidance.</p> <p>Your Company has developed proprietary knowledge to construct with different technologies, while the management provides highest importance to the Quality perspective to ensure long-term sustainable growth.</p>
Economic downturn	Your Company's customers could be impacted by a major economic downturn resulting in lower demand for their respective projects.	<p>Your Company has a highly diversified and well balanced customer base. The risk is therefore spread very widely on customer, regional and industrial sector/segment perspective.</p> <p>Your Company's flexible business model is capable to set operational priorities in the face of changing economic scenario. Your Company uses market data intelligence to follow and anticipate developments - allowing proactive management of changing market conditions.</p>
Input cost fluctuations	Significant changes in raw material costs can impact the profitability.	Your Company has established a proficient supply chain which assures raw materials are purchased in a highly complete manner. Raw material cost indexes are often included in customer agreements.
Supply chain disruption	External factors such as fires, extreme weather events, natural disasters, water stress, war or pandemic illness to mention a few, could result in disruption of supply and impact on revenue and profit.	Your Company has systematically set up a flexible supply chain and works to avoid dependence on a single source or production location. The supply chain tracks issues e.g. extreme weather events, natural disasters, water stress, war or pandemic illness, etc. as these may impact the supply. In addition, your Company focuses on working with suppliers that have adequate insurance for both production and transports.
Water risk	Water scarcity in the supply chain or at the project site leads to reduced construction	Your Company has a diversified supply chain that facilitates risk reduction and avoidance for water risks. Those projects which are located in areas of water scarcity are identified and required to drive optimal usage and rationale water reuse programs.
Material source or type compliance risks	Your Company aims to avoid the use of hazardous substances in its products and processes; the company also strives to avoid negative social impacts within the extended supply chain. Legislations have been and are being introduced in these aspects, failure to meet with direct or customer requirements of these legislations could result in costs as well as loss of business for your Company.	Your Company's majority Principal/client are government bodies and the material used by your Company is subject to stipulations of the client, BIS specifications, laboratory checks, inspection by independent third-party e.g. Project Management Consultant, etc. Hence, environment, health and safety risks have already been considered while deciding such stipulations.
Labour disputes	Industrial disputes lead to industrial action with impacts your Company's ability to meet Principal/client demands.	Your Company maintains an open and positive relationship with all the employees, sub-contractors, workers, etc.; as exemplified by not a single instance of any such dispute so far.
Loss of a major project site	Fire, flood or natural disaster could result in the temporary loss of a construction operation, in addition to the reconstruction and remediation costs, this could put time schedule, cost and revenues at risk.	<p>Your Company's Quality Management System is ISO 9001 : 2008 accredited by Certification International (UK) Ltd that include Project Management, Site Development and Construction activities for Infrastructure, Industrial, Residential and Commercial projects.</p> <p>Your Company's construction strategy aims to assure adequate insurance, so that your Company is not financially affected. While, the loss prevention programmes, protect your Company's tangible and intangible assets through active risk management. Your Company is operating on about 15 projects across Gujarat and Rajasthan. Hence, if one project is taken out of action, others could provide support.</p>



Risk	Explanation	Mitigation approach
Major incident at a project	A major incident during which a significant amount of local environmental damage occurs leading to fines, loss of reputation, etc.	Your Company's QMS is certified to ISO 9001 and works to assure that all such material risks are identified and effective counter-measures are implemented in order to mitigate them. This includes actions to mitigate the risk as well as emergency response plans to assure the impacts of any incident are minimised.
Health and Safety at projects	Any employee, labour, worker is hurt or killed by an accident at work.	Apart from the QMS, project execution policy/processes, loss prevention programmes, insurance, etc. your Company ensures to initiate development and construction of the Project, only post identifying, defining and addressing all such risk propositions and dynamics. Your Company also ensure to share sufficient knowledge about such risks and imparts adequate training to all the employees, labours, workers, so as to tackle such risks. Zero accident programs supported by proactive near miss reporting aims at the avoidance of all workplace accidents.
Climate change risks – extreme weather events	Extreme weather events disrupt project execution.	Requirements for emergency response plans at all sites include flood risks etc. See also mitigations mentioned here in above.
Health and Safety related to your Company's construction (conformance and performance)	Person or persons are hurt or injured as a result of your Company's construction failure or defect. Stability/sturdiness of the structure is compromised.	Your Company follows strict design and validation rules for all projects, and fully adheres to Principal/client/NBC specific requirements for safety and structural sturdiness. Your Company ensures implementation of detailed instructions of the Project Principal/client, Architect, Structural Engineer, PMC, etc. to ensure the fulfilment of Principal/client's requirements and your Company's quality standards. Your Company's overall approach to quality management assures conformance and performance to the highest level.
Corrupt or fraudulent actions carried out by your Company's representatives.	Your Company's employee or employees fail to adhere to the Company's Code of Conduct and related policies and requirements and act in a fraudulent or corrupt manner leading to financial penalties and reputation damage.	Your Company takes a proactive approach to assure awareness of demanded ethical standards by education, compliance programmes including anti-corruption, antifraud and antitrust. The work to follow up adherence is facilitated by the whistle blower function and a risk-and incident based audit system.
Non-compliance with applicable laws	The diverse nature of your Company's business and operations means that the Company is required to adhere to numerous laws and regulations related to all aspects of its activities. Failure to meet these requirements could lead to legal and financial consequences as well as damage to the Company's reputation.	Your Company has put in place comprehensive and robust compliance programme which is based on the Company's Code of Conduct. The compliance programme is put in place to ensure that applicable laws and regulations are identified, understood and adhered to.
Legal risks relating to our business activities	In connection with the revenue of your Company and in the purchase of materials and services from our suppliers, consultants, etc. large potential liabilities may occur in case of e.g. late delivery, delivery of defective products, unfulfilled service commitments and incorrect advice. Therefore, it is important that all such risks are identified, that risk decisions are taken on the appropriate level and that carefully worded contractual provisions aiming at reducing your Company's liabilities are included in contracts.	Your Company has put in place policies, procedures and training programs in order to make sure that legal risk relating to our business activities are identified and that risk decisions are taken on the appropriate level. In addition, independent professional legal counsels support the Company in identifying and handling legal risks. The legal counsels work closely with the Senior management and provide contract drafting and negotiation support, claim and litigation management, support, training and general advice.



The 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 and Infrastructure projects are mainly dependent on the economic scenarios and any adverse events affecting the whole economy may deteriorate the industry as well. 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.

10. 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 Auditor 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 ongoing 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.

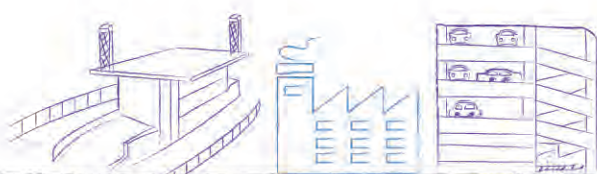
11. FINANCIAL DISCUSSION AND ANALYSIS:

The financial position of the Company has been improving considerably during the last several years. The summarised analysis of financial statements viz. Profit and Loss Account, Balance Sheet and Cash Flow are furnished further.

11.1 Total Income:

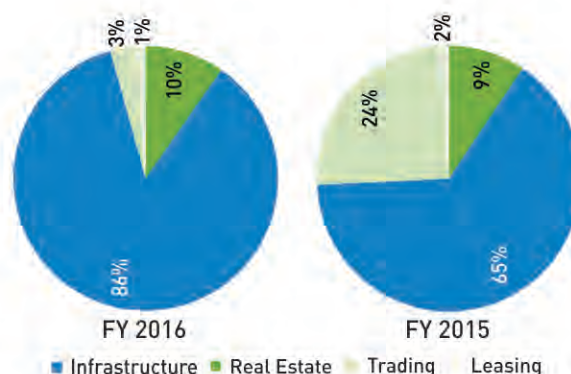
(₹ in millions)

Particulars	For FY 2016	For FY 2015	YoY change	% change
Infrastructure Projects	1,574.6	806.8	767.8	95%
RE Projects	178.0	116.9	61.1	52%
Trading	55.8	301.9	(246.1)	(82%)
Rental income	22.9	18.2	4.7	26%
Total Income from Operations (A) (Refer Note 18)	1,831.3	1,243.8	587.3	47%
Other income (B) (Refer Note 19)	143.7	73.2	70.5	96%
Total Income (A + B)	1,975.0	1,317.0	657.8	50%



The revenue of the Company comprises income from construction and development of infrastructure, real estate project, trading and lease rental, while other income mainly comprises of interest earned on investments such as term deposits with banks, and on loans given.

The total income for FY2016 is ₹ 1,975.0 million as against ₹ 1,317.2 million in the previous year registering an increase of 50%. The percent break-up of the revenue is depicted herewith:



The major revenue comes from infrastructure projects. Each element of total revenue is discussed further.

Infrastructure Projects

Your Company undertakes infrastructure projects for government/semi-government agencies/departments as well as private corporates engaged in real-estate development and sales. Infrastructure projects are carried-out pursuant to work order issued by/Agreement entered into with the client. Infrastructure projects of your Company are driven by the success in selecting the right order (nature as well as size), executing it proficiently and building sufficient order-book. The movement in your Company's order-book during FY2016 is depicted below:

(₹ in millions)

Sr.	Project – Client	Unexecuted at 01/04/2015	Added during the year	Executed during the year	To be executed at 31/03/2016
		A	B	C	D = (A+B) - C
Affordable Housing Projects - EPC					
1	Jodhpur – RAVIL	509.4	-	53.6	455.8
2	EWS-4 – AMC	-	543.9	163.0	380.9
3	EWS-1 – AMC	-	413.0	111.5	301.5
4	Sewasi – VUDA	260.6	-	192.1	68.5
5	Vemali – VUDA	253.2	-	197.7	55.5
6	LIG-6 – AMC	328.7	-	323.2	5.5
Affordable Housing Projects – PPP					
7	Girdharnagar – PPP – AMC	-	472.1	-	472.1
Civic Urban Infrastructure Projects					
8	MLP – AMC	387.5	-	186.9	200.6
9	BRTS – AMC	113.0	-	59.2	53.8
Private White Label Construction					
10	Pratham – Adani	243.1	-	211.4	31.7
11	Other misc.	2.6	73.4	76.0	-
	Total	2,098.1	1,502.4	1,574.6	2,025.9

Income from infrastructure project construction for the FY2016 is ₹ 1,574.6 million that constitute 80% of the total revenue. The income from infrastructure construction has increased by 95% over FY2015's income of ₹ 806.8 million.

Real Estate Projects

Your Company has been active in developing, constructing, building, marketing and selling the real estate projects. The real estate market in Ahmedabad has been stagnant owing to the availability of a lot of unsold inventory, high home loan rates, low appreciation in capital values of residential units and the erratic stock market. Hence, the realty market is stagnant as the liquidity from the stock market has slowed down. Of late, the global economic recessionary scenario has also cast a gloomy spell on the sector. Collectively, these factors have resulted in a moderation in capital as well as rental values. However, over the next five (5) years we see a 9%–10% YoY appreciation in capital values due to the inherent demand for residential units and the infrastructure developments in the city.

Income from real estate projects for the FY2016 constituted 10% of the total revenue mainly from the sale of flats of Atuulyam scheme. The prevailing slowdown in the real estate industry, as explained in detail hereinabove, has affected the contribution. The income from real estate projects was ₹ 116.9 million for the FY2015.

Trading (Land and Land Rights)

It may be mentioned that trading is not an active focus-area for your Company to generate revenue, but an incidental activity that is inseparable to your Company's business. Accordingly, trading keeps on contributing to the overall revenue. Over a period of time,



your Company has built a propitious land-bank. During its routine course the Company plans projects on such land and arranges various approvals for the said projects. At times, when your Company gets a beneficial offer, it weighs the sale-or-hold decision on various parameters e.g. rate/pace of development of vicinity, potential growth of the surrounding area, etc. Accordingly, such proposed project, though not being a focus-area of your Company to generate revenue, keeps on contributing to the revenue.

Income from trading for FY2016 is ₹ 55.8 million that constitute 3% of the total revenue. The income from trading was ₹ 302.0 million during FY2015.

Lease Rental

In order to generate regular sustainable income, your Company has acquired and put-to-use the prime commercial office space of 88,000 sq ft that it owns in an upmarket locality of Ahmedabad. This space is leased to reputed corporates on long-term basis. Income from lease rental for FY2016 is ₹ 22.9 million that constitute 1% of the total revenue. The income from lease rental has increased by 26% over the previous year's income of ₹ 18.2 million mainly as the Company has successfully leased out a couple of offices afresh and has initiated steps to have the remaining vacant premises occupied at the earliest.

Other Income (Refer Note 19)

Other income mainly comprises interest income from bank deposits and others, liabilities written back, share of profit/(loss) from LLP, and miscellaneous income.

Other income in FY2016 is ₹ 143.7 million as compared to ₹ 73.2 million in FY2015. The break-up of other income is as under:

(₹ in millions)

Particulars	For FY 2016	For FY 2015	YoY change	% change
Interest Income				
- on Bank Deposits	4.9	3.3	1.6	48%
- from Others	138.6	69.5	69.1	99%
Liabilities no longer required to pay written back	0.0	0.3	[0.3]	(100%)
Share of Profit/(Loss) from LLP (Refer Note No. 27 & 28)	[0.3]	[0.3]	0.0	0%
Profit on sale of Investment / Fixed Assets	0.1	0.0	0.1	-
Miscellaneous Income	0.4	0.4	0.0	0%
Total Other Income	143.7	73.5	70.2	96%

Interest income from bank deposits for FY2016 is ₹ 4.9 million as compared to ₹ 3.3 million in FY2015. The increment in interest income from bank deposits to the extent of ₹ 1.6 million is due to incremental bank deposits kept with the banks towards margin for bank guarantee, and other statutory requirements. The interest income from bank deposits has registered a growth of 48% from the previous financial year. Interest income from others for FY2016 is ₹ 138.6 million as compared to ₹ 69.5 million in FY2015. The increment in interest income from other parties to the extent of ₹ 69.1 million is due to incremental advances given to various parties. The interest income from others has registered a growth of 99% from the previous financial year. It may be mentioned that such advances are given in the routine course of business and it carry interest not lesser than the weighted average cost of your Company's funds.

During FY2016, your Company has earned profit of ₹ 0.3 million from Kent Residential and Industrial Park LLP and shared a loss of ₹ 0.6 million from Shree Matangi Projects LLP – both are Joint Venture limited liability partnership firms. Hence, the net loss is about ₹ 0.3 million.

11.2 Expenditure

Total expenditure in FY2016 is ₹ 1,716.4 million as compared to ₹ 1,130.3 million in FY2015. The break up of the said expenditure is as under:

(₹ in millions)

Particulars	For FY 2016	For FY 2015	YoY change	% change
Project Expenses (Refer Note 20)	1,488.0	953.6	534.4	56%
Employee Benefit Expenses (Refer Note 21)	37.6	29.5	8.1	27%
Interest and Finance Charges (Refer Note 22)	145.2	100.6	44.6	44%
Depreciation (Refer Note 11)	14.2	13.0	1.2	9%
CSR Expenses (Refer Note 23.1)	3.8	3.7	0.1	3%
Other Expenses (Refer Note 23.2)	27.4	29.9	[2.5]	(8%)
Total Expenditure	1,716.4	1,130.3	586.1	52%



Project Expenses (Refer Note 20)

The expenditure incurred on projects for FY2016 is ₹ 1,488.0 million, which is an increment by 56% over the previous year's expenditure of ₹ 953.6 million. The increment is mainly due to an increase in operations with more no. of sites; and incremental scale in infrastructure projects sites which were in the initial phase of development/construction. However, it may be mentioned that the overall profitability of infrastructure projects have improved owing to economies-of-scale. A discussion on main components of project expenses change are given below:

The expenditure incurred on Civil, Electrical, Contracting, Labour work, etc. for FY2016 is ₹ 874.1 million, which is an increment by 67% over the previous year's expenditure of ₹ 525.0 million.

The expenditure incurred on Raw Material for FY2016 is ₹ 527.8 million, which is an increment by 62% over the previous year's expenditure of ₹ 325.6 million.

The expenditure incurred on Freight and cartage expense for FY2016 is ₹ 34.2 million, which is an increment by 67% over the previous year's expenditure of ₹ 20.5 million.

The expenditure incurred on Welfare cess for FY2016 is ₹ 11.5 million, which is an increment by 111% over the previous year's expenditure of ₹ 5.4 million. The increment is mainly due to an increase in infrastructure construction sites of AMC, RAVIL and VUDA.

The expenditure incurred on Service Tax for FY2016 is ₹ 12.2 million, which is due to applicability of the Service Tax on certain government projects, over the previous year's expenditure of ₹ 0.1 million.

Employee Benefits Expenses (Refer Note 21)

Employees' remuneration and benefits expenses include salaries, bonuses, allowances, benefits, contribution to provident and other funds, welfare expenses, etc.

Employee benefits expenses have increased by 27% from ₹ 29.5 million in FY2015 to ₹ 37.6 million in FY2016. The increase is mainly due to addition in manpower, wherein certain employees have been recruited with higher salary packages. It is also attributable to new sites added during the year as well as for sites added during the previous year which were operational for a part of the previous year as compared to full year operations during the current year. Apart from 35% incremental expenditure towards Salary, Allowance, Bonus; an increase of 18% is attributable to contribution to PF, etc. in FY2016.

Finance cost (Refer Note 22)

The finance cost (net of capitalization) for FY2016 is ₹ 145.2 million in comparison to ₹ 100.6 million in FY2015. Interest on borrowings (including interest during construction) has increased by 17% over previous financial year due to increase in borrowings (net of repayment) during the year. However, the weighted average cost of borrowing has marginally reduced by 98 bps in FY2016 from previous financial year. The marginal reduction is mainly on account of sizeable debt consolidated with the SBI at lower rate of interest, albeit the effect is only for less than a quarter.

The 'Other borrowing cost' have increased by 80% from ₹ 8.7 million in FY2015 to ₹ 15.7 million in FY2016. The increase is mainly due to processing fees paid on new borrowings as well as payment of foreclosure charges as a consequence of the consolidation.

For FY2016, an amount of ₹ 79.3 million relating to finance costs of projects under progress is capitalized while the corresponding amount for the previous year was ₹ 91.5 million i.e. reduction of 13%.

CSR Expenses (Refer Note 23.1)

The Company has undertaken activities for promotion of sanitation and preventive healthcare by way of installation of sanitation equipments, organizing awareness campaigns for cleanliness and waste management, physical work for cleanliness and waste removal at various locations of Ahmedabad. The entire activity has been undertaken as a project under the brand name "My Own Street". An aggregate amount of ₹ 3.8 million is spent on the said CSR project during the year, well satisfying the statutory stipulations.

Other expenses (Refer Note 23.2)

Other expenses primarily consist legal & professional fees, power & fuel charges, printing & stationery expenses, insurance premium, etc. These expenses have reduced by 8% i.e. ₹ 27.4 million in FY2016 from ₹ 29.8 million in FY2015.

Depreciation and amortisation expense (Refer Note 11)

The depreciation and amortisation expense charged to the profit and loss account during the year is ₹ 14.2 million as compared to ₹ 13.0 million in FY2015, registering an increase of 9%. This is due to an increase in the gross block by ₹ 17.0 million i.e. from ₹ 377.5 million in FY2015 to ₹ 394.5 million in FY2016. The increase in gross block is largely on account of an increase in commercial vehicles, plant and machinery, furniture and fixtures to support incremental operations.



11.3 Profit Before Tax and Exceptional Items

The profit of the Company before tax and exceptional items is tabulated below:

(₹ in millions)

Particulars	For FY 2016	For FY 2015	YoY change	% change
Total Income	1,975.0	1,317.2	657.8	50%
Less:				
Expenditure related to operations	1,556.9	1,016.7	540.2	53%
Finance Cost	145.2	100.6	44.6	44%
Depreciation	14.2	13.0	1.2	9%
Profit Before Tax and Exceptional Items	258.7	186.9	71.8	38%

11.4 Tax Expense

The Company provides for current tax and deferred tax computed in accordance with provisions of Income Tax Act, 1961.

Provision for Current tax

Provision for current tax is computed at the applicable rate of 34.10% for FY2016. A provision of ₹ 19.5 million is made towards current tax for FY2016 as against the provision of ₹ 68.5 million made in FY2015. The decrease in current tax provision is due to availability of TDS and payment of advance tax in accordance with the profit.

Provision for Deferred tax

As per Accounting Standard - 22 on "Accounting for taxes on income" issued by the Institute of Chartered Accountants of India, your Company has accounted for Deferred Tax during the financial year. The net deferred tax assets for FY2016 is ₹ 1.72 million as against the provision of ₹ 1.00 million made in FY2015, an increase of ₹ 0.72 million consequent to the enactment of the Companies Act, 2013 (the Act) and its applicability for accounting periods commencing on or after April 1, 2014, the Company had re-worked depreciation with reference to useful lives of fixed assets prescribed by PART 'C' of Schedule II to the Act or the useful lives of assets as estimated by the Company, whichever is lower during FY2015.

11.5 Profit After Tax

The profit after tax for FY2016 is ₹ 170.4 million that is an increase by 41% over the previous year's profit after tax of ₹ 120.5 million.

11.6 Net Worth

The net worth of your Company has been augmenting considerably in past financial years mainly owing to plough-back of enhanced profit as well as increase in share capital base, and premium on securities issued. The net worth of ₹ 1,578.6 million at March 31, 2015, has increased to ₹ 1,700.0 million at March 31, 2016 registering an increase of 8%.

11.7 Non-current Assets

The non-current assets at March 31, 2016 and March 31, 2015 and details of changes therein during the year are as follows:

(₹ in millions)

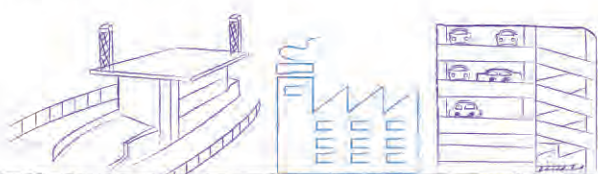
Particulars	At 31/03/2016	At 31/03/2015	YoY change	% change
Fixed Assets (Refer Note 11)	333.5	330.6	2.9	1%
Non-Current Investments (Refer Note 12)	198.8	182.8	16.0	9%
Deferred Tax Assets (Net) (Refer Note 6)	1.7	1.0	0.7	72%
Long-term Loans and Advances (Refer Note 13)	335.4	82.2	253.2	308%
Other Non-Current Assets (Refer Note 14)	47.5	32.2	15.3	48%
Total	916.9	628.7	288.1	46%

Increase in Fixed Assets is mainly on account of purchase of vehicles, plant and machinery, etc.

The primary reason of increase in Non-current Investment during the year is fresh investment in JV/subsidiary entities i.e. Kent Residential & Industrial Park LLP, Sarathi Industrial Park Pvt Ltd, Romanovia Industrial Park Pvt Ltd, and Nila Projects LLP as well as loans given to JV/subsidiary entities that are established to address specific business opportunities.

Long-term Loans and Advances include loans given to the associates, joint ventures, subsidiaries, business advances mainly towards commitment to purchase land for the purpose of the business of the Company, and security deposits. Total Loans and Advances to related parties at March 31, 2016 are ₹ 221.7 million as against ₹ 34.7 million at March 31, 2015. Security Deposit has increased from ₹ 47.5 million at March 31, 2015 to ₹ 113.7 million at March 31, 2016 indicating increment of 140%. The said security deposit is towards money retained by our principal contractors as per the terms of contract.

Other non-current assets have increased to ₹ 47.4 million at March 31, 2016 from ₹ 32.2 million at March 31, 2015. This mainly consists of interest bearing fixed deposits kept with bank for the purpose of issuing bank guarantee in order to participate in various tenders.



11.8 Current Assets:

The details of Current Assets at March 31, 2016 and March 31, 2015 and changes therein during the year are as follows:

(₹ in millions)

Particulars	At 31/03/2016	At 31/03/2015	YOY change	% change
Inventories (Refer Note 15)	1,331.9	1,379.1	(47.2)	(3%)
Trade Receivables (Refer Note 16)	364.2	308.7	55.5	18%
Cash and Bank Balance (Refer Note 17)	31.7	45.9	(14.2)	(31%)
Short-term Loans and Advances (Refer Note 13)	1,031.3	1,065.6	(34.3)	(3%)
Total	2,759.1	2,799.3	(40.2)	(1%)

Inventories:

(₹ in millions)

Particulars	At 31/03/2016	At 31/03/2015	YoY change	% change
Construction Material on hand	15.9	19.2	(3.3)	(17%)
Work-In-Progress	339.4	260.5	78.9	30%
Flat	190.0	316.2	(126.2)	(40%)
Land and Land Development Rights	786.7	783.2	3.5	0%
Total	1,331.9	1,379.1	(47.2)	(3%)

Total decrease of ₹ 47.2 million in inventories is mainly due to sales of flats of ₹ 126.2 million. The increased number of projects and operational activities during the year has also increased the amount of work-in-progress by ₹ 78.9 million, while the construction material on hand has reduced marginally by ₹ 3.3 million. The predominant reason of increase in work-in-progress is the new construction work of tenders amounting to ₹ 1,502.4 million commenced during the year.

Trade Receivables

Trade Receivables is ₹ 364.2 million at March 31, 2016 against ₹ 308.7 million at March 31, 2015 exhibiting increase of 18%. The trade receivable collection period has reduced to 73 days at March 31, 2016 as compared to 90 days at March 31, 2015 respectively.

Short-term Loans and Advances

Short-term Loans and Advances include those loans and advances which are expected to be realized before a period of 12 months from the Balance Sheet Date. Total Short-term Loans and Advances at March 31, 2016 are ₹ 1,031.3 million as against ₹ 1,065.6 million at March 31, 2015 depicting decrease of 3%. Short-term Loans and Advances consists advances to contractors, security deposits, advances towards purchase of land, advances towards capital expenditure, advances to joint ventures and subsidiaries, short-term advances to employees, etc. Short-term loans and advances have decreased primarily due reduction in unsecured advances recoverable in cash or kind which includes purchase of land which has payment terms less than a year for execution of sale deed. Out of total ₹ 535.6 million advances recoverable in cash or kind ₹ 512.7 million advances is interest bearing. Total interest earned from advances recoverable in cash or kind is ₹ 7.0 million. Further ₹ 105.3 million Loans and Advances to Related Parties have been changed from Long-term to Short-term out of which ₹ 88.8 million are also interest earning advances and earned interest of ₹ 9.5 million.

11.9 Non-current liabilities

(₹ in millions)

Particulars	At 31/03/2016	At 31/03/2015	YoY change	% change
Long-term Borrowings (Refer Note 5)	1,313.9	1,019.3	294.6	29%
Other Long-term liabilities (Refer Note 7)	62.6	29.0	33.6	116%
Long-term provisions (Refer Note 8)	3.3	2.7	0.6	24%
Total	1,379.8	1,050.9	328.9	31%



During the year Long-term Borrowings have been increased by ₹ 294.6 million which were mainly utilised for inventories, work-in-progress, security deposits, advances for material and contractors, purchased of fixed assets, etc. As company started work on new construction tenders to the tune of ₹ 1,502.4 million during the year it became the main cause for increased borrowings. However, during the year average cost of debt has decreased by 98 bps from the previous financial year. Your Company has not delayed or defaulted in repayment of dues to any financial institution or bank. It may be mentioned that the Company has honoured all its financial commitments and the account is Standard with all the lenders.

Other Long-term Liabilities mainly consists of Trade Deposits and Security Deposits which have been increased to ₹ 62.6 million at March 31, 2016 from ₹ 29.0 million at March 31, 2015. Security deposit received from tenants of leased premises amount to ₹ 10.5 million at March 31, 2015 as against ₹ 4.4 million at March 31, 2015 whereas Trade Deposits are being kept as security from the contractors are ₹ 52.2 million at March 31, 2016 as against ₹ 24.6 million at March 31, 2015.

Provision for employee benefits including gratuity and leave benefits have increased to ₹ 3.3 million at March 31, 2016 from ₹ 2.7 million at March 31, 2015.

11.10 Current liabilities

(₹ in millions)

Particulars	At 31/03/2016	At 31/03/2015	YoY change	% change
Short-term Borrowings (Refer Note 9)	49.1	70.4	(21.3)	(30%)
Trade payable (Refer Note 10.2)	201.1	128.4	72.6	57%
Other current liabilities (Refer Note 10.2)	276.9	486.2	(209.3)	(43%)
Short-term provisions (Refer Note 8)	69.1	113.5	(44.4)	(39%)
Total	596.2	798.5	(202.3)	(25%)

Short-term Borrowings consist of overdraft bank facility with lower utilisation by ₹ 21.3 million at March 31, 2016 as compared to at March 31, 2015.

Trade Payables at March 31, 2016 have increased by ₹ 72.6 million in the current year which shows an increase of 57% signifying your Company's improving negotiating power stemming from economy of scales.

Other Current Liabilities have reduced by ₹ 209.3 million (47%) mainly due to substantial reduction in current maturity of Long-term Borrowings primarily owing to consolidation of certain debt with SBI and ₹ 35.5 million reduction on account of advances from the customers for property booking.

11.11 Cashflow

(₹ in millions)

Particulars	For FY 2016	For FY 2015
Opening cash and cash equivalents	15.3	26.4
Net cash Flow From / (used in) Operating Activities	(24.1)	(689.7)
Net cash Flow From / (used in) Investing Activities	94.9	(122.2)
Net cash Flow From / (used in) Financing Activities	(77.3)	800.8
Change in cash and cash equivalents	(6.5)	(11.1)
Closing cash and cash equivalents	8.8	15.3



Net cash used in operating activities is ₹ 24.1 million during FY2016 as compared to ₹ 689.7 million in the previous year. Net cash generated from investing activities is ₹ 94.9 million during FY2016 mainly from the interest received on investments, as compared to net cash used in investing activities ₹ 122.2 million in FY2015. Cash invested on purchase of fixed assets net of receipts from sale of assets is ₹ 17.1 million in current year as compared to ₹ 25.4 million in previous year. Margin money increased by ₹ 13.3 million in current year against ₹ 17.9 million in previous year and invested in subsidiary and joint ventures as Non-current investment ₹ 16.2 million in current year where as it was ₹ 151.4 million investment in the previous year. Cash inflow arisen from interest from banks and interest received on advances of ₹ 141.5 million is used for various purposes. Net cash used in financing activities is ₹ 77.3 million, out of which ₹ 143.2 million were towards interest & finance charges. Operational cash flow utilisation is mainly for loans and advances, inventories, work-in-progress, security deposits, advances for material and contractors, purchased of fixed assets, and purchase of land and land rights for projects. As company started work on new construction tenders to the tune of ₹ 1,502.4 million during the year and purchase of land and land rights for projects is main cause for increase in operational outflow.

11.12 Details of Subsidiaries, Associates and Joint Ventures of the Company:

(₹ in millions)

SN	Name of the entity	NILA's investment in equity	% shareholding	Loans & Advances given	Profit After Tax shared	Status
1	Nila Projects LLP	174.10	99.97	16.9	(0.21)	Various regulatory approvals awaited
2	Romanovia Industrial Park Pvt Ltd	0.05	50.00	104.6	N.A.	Formed recently and operations yet to commence
3	Mega City Cinemall Pvt Ltd	22.21	42.50	78.2	N.A.	Investment in cine-mall
4	Kent Residential and Industrial Park LLP	0.85	50.00	76.9	0.32	Formed recently and operations yet to commence
5	Nilsan Realty LLP	0.81	50.00	30.4	(0.14)	Various regulatory approvals awaited
6	Fangdi Land Developers LLP	0.51	51.00	20.0	(0.006)	Plotting scheme and operation yet to commence
7	Sarathi Industrial Park Pvt Ltd	0.05	50.00	-	N.A.	Formed recently and operations yet to commence
8	Shree Matangi Projects LLP	-	40.00	-	(0.61)	Project since completed

None of the entities mentioned above have declared any dividend during FY2016.



Report on Corporate Governance

[In terms of Regulation 34(3) 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, 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, 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 NILA'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 Eight Directors comprising of one Executive Chairman and Whole Time Director, two Non Executive Directors and five other Non Executive Independent Directors. The appointment of five 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 are two Promoter Directors out of which one is Executive Director and the other one is Non Executive Director. Out of the Independent Directors there is one Woman Director. There is no nominee Director on the Board.

2.2 Directorships and Membership of Committees:

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; and the Number of Directorships and Committee Chairmanships or Memberships held by them in other Companies are given below.

Sr. No	Name of Director(s)	Category	Attendance Particulars		#No of Directorship(s) in other Companies	##Committee Memberships/ Chairmanships of other Companies	
			Board Meeting	Last AGM		Member	Chairman
1	*Manoj B. Vadodaria	Executive Chairman & Managing Director	5	Yes	1	1	Nil
2	*Kiran B. Vadodaria	Non Executive Director	5	Yes	3	2	Nil
3	**Dilip D. Patel	Non Executive Director	3	Yes	6	2	Nil
4	**Hiren G. Pandit	Non Executive Independent Director	2	No	Nil	Nil	Nil
5	**Shyamal S. Joshi	Non Executive Independent Director	5	Yes	9	Nil	Nil
6	**Ashok R. Bhandari	Non Executive Independent Director	1	No	7	Nil	Nil
7	**Harcharansingh P Jamdar	Non Executive Independent Director	3	No	1	2	1
8	**Foram B. Mehta	Non Executive Independent Director	5	Yes	2	Nil	Nil

*Promoter Director; **Non-Promoter Director

Excludes directorship in Nila Infrastructures Limited

Committees considered are Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee, Environment, Health & Safety Committee excluding that of Nila Infrastructures Limited.



2.3 Details of Number of Meetings of Board of Directors held and dates on which held

During the year total 5 (five) 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
May 25, 2015	8	5
August 14, 2015	8	6
August 28, 2015	8	6
November 07, 2015	8	7
February 13, 2016	8	5

2.4 Disclosures of relationship between Directors inter-se:

None of the Directors of the Company are related with each other in any manner except Mr. Manoj B. Vadodaria and Mr. Kiran B Vadodaria, are brothers and also belonging to Promoter and Promoter Group.

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

Mr. Kiran B. Vadodaria holds 31858100 equity shares and 6750000 warrants convertible into equivalent number of equity shares as on March 31, 2016. None of the other Non Executive Directors holds any shareholding or any convertible instrument of the Company.

2.6 Familiarization programs imparted to Independent Directors:

The Company believes that a Board, which is well informed / familiarised 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 is available at the website of the Company at www.nilainfra.com under Investor segment.

2.7 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, amongst 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.

2.8 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 the 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.nilainfra.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 Managing Director of the Company forms part of this Report.

Declaration by the Managing Director:-

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 March 31, 2016, 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: May 26, 2016
Place: Ahmedabad

Manoj B. Vadodaria
Chairman & Managing Director
DIN: 00092053

2.9 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 Finance Officer and the 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.

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. Shyamal S Joshi is the Chairman of the Committee. He possesses adequate financial accounting knowledge. Mr. Hiren G. Pandit and Mr. Kiran B. Vadodaria are the other two members of the Audit Committee.

Ms. Foram B. Mehta has been appointed as an Alternate Member, of the Committee, for Mr. Shyamal S. Joshi during his absence from India.

3.2 Brief Description of 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 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 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. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- u. 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.
- v. Details of material individual transactions with related parties which are not in the normal course of business shall be placed before the audit committee.
- w. Details of material individual transactions with related parties or others, which are not an arm's length basis should be placed before the Audit Committee, together with Manager's justification for the same.

3.3 Meetings of the Audit Committee and Attendance:

Five (5) Audit Committee meetings were held during the year on May 25, 2015; August 14, 2015; November 07, 2015; December 26, 2015; and February 13, 2016. 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
Shyamal S Joshi	Non Executive Independent Director	Chairman	5	5
Kiran B Vadodaria	Non Executive Director	Member	5	5
Hiren G Pandit	Non Executive Independent Director	Member	5	5

As prescribed under the Companies Act, 2013 and SEBI Regulations, the Chairman of the Audit Committee was present at the 25th Annual General Meeting of the Company held on August 28, 2015.

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. Mr. Shyamal S Joshi is the Chairman and Mr. Hiren G Pandit and Mr. Dilip D. Patel 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 terms of reference of the Nomination and Remuneration Committee as determined by the Board of Director is in accordance with provisions of Section 178 of the Companies Act, 2013 and SEBI Regulation as mention herein after:

- a. 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;
- b. Formulate criteria for evaluation of Independent Directors and the Board;
- c. Devising a policy on Board diversity;
- d. 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.

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

During the year two Nomination and Remuneration Committee meetings were held on August 14, 2015 and February 13, 2016.

The details of the attendance of the Members at the Meetings of Nomination and Remuneration Committee are as under:

Name of Committee Members	Category	Designation	No. of Meetings	
			Held	Attended
Shyamal S Joshi	Non Executive Independent Director	Chairman	2	2
Hiren G Pandit	Non Executive Independent Director	Member	2	1
Dilip D Patel	Non Executive Director	Member	2	1



As prescribed under the Companies Act, 2013 and SEBI Regulations, the Chairman of the Nomination and Remuneration Committee was present at the 25th Annual General Meeting of the Company held on August 28, 2015.

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:

- Attendance and contribution at the Board and Committee meetings
- Educational qualification, experience of relevant field, expertise of subjects,
- Leadership qualities, skills, behavior, understanding of business, knowledge of subjects and processes,
- Ability to participate at debates, discussions and quality of suggestions, guidance, advise
- 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.nilainfra.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, except with Mr. Kiran B. Vadodaria, with the Company other than payment of sitting fees by the Company for attending meetings. Details of transactions with Mr. Kiran B. Vadodaria are disclosed in Notes to the Accounts.

5.4 Remuneration Policy:

The gist 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 Regulations as amended from time to time is as under:

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:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- 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.
- 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:

- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- 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.
- 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.

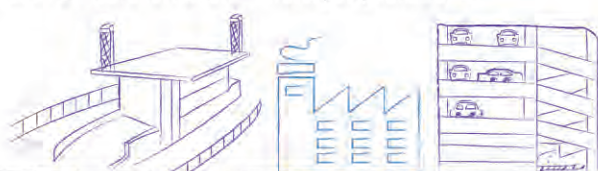
(b) Term or Tenure:

1. Managing Director/Whole time Director:

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

2. Independent Director:

- 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 1st 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:

1. 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.

2. 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.
3. 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.
4. 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:

1. 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.

2. 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.



3. 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.

4. 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 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:

1. 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.

2. 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.

3. 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.

4. Stock Options:

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

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 two Members comprising of one Non Executive Director as Chairman and other Executive Director.

6.1 Name of the Non Executive Director heading the committee: Mr. Kiran B. Vadodaria

6.2 Name and designation of Compliance Officer: Mr. Dipen Y Parikh, Company Secretary

6.3 Number of shareholders' complaints received so far: One

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

6.5 Number of pending Complaints: NIL

7. RISK MANAGEMENT COMMITTEE

Business risk management and management of affairs is an ongoing process within the Company. The Company has robust risk management framework to identify, monitor and minimize various internal and external risks. The Audit Committee, Risk Management Team and the Board of Directors regularly review the risk management mechanisms and procedures. The Company has in place system to appraise the Board of Directors of the Company on the key risk assessment areas and suggestive risk mitigation mechanism.

7.1 Composition of the Committee:

In terms of Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted Risk Management Committee and framed a policy for Risk Management. The Risk Management Committee of the Board is comprised of three members. Mr. Kiran B Vadodaria, Mr. Manoj B Vadodaria and Mr. Deep S Vadodaria are the member of the Risk Management Committee.

7.2 Terms of reference or role of the Committee:

The broad terms of reference of the Risk Management Committee are as under:

- The Risk Management Committee evaluates risk exposure of the company and prepares action plan to eliminate such risk in timely manner
- The Risk Management Committee ensures that the company is maintaining optimum balance between growth of activities and risk for both ongoing and new projects.



c. The Risk Management Committee annually reviews this policy and recommends modification to the Board to meet the continuous evolving business environment.

d. The Risk Management Committee, if required, appraises the audit committee for any potential risk for the company and endeavors to eliminate in timely manner.

7.3 Risk Management Committee Meeting:

During the year under review one meeting of the Risk Management Committee was held February 13, 2016 and all the three members have attended and reviewed the various risks and mechanism to mitigate the same.

8. 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. The Whistle Blower Policy is available at the website of the Company at www.nilainfra.com under investor segment.

9. GENERAL BODY MEETINGS

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

Financial Year	Venue	Date	Time
2012-13	1st Floor, "Sambhaav House", Opp Chief Justice's Bungalow, Bodakdev, Ahmedabad - 380015	July 06, 2013	10:00AM
2013-14	1st Floor, "Sambhaav House", Opp Chief Justice's Bungalow, Bodakdev, Ahmedabad - 380015	September 20, 2014	10:00AM
2014-15	1st Floor, "Sambhaav House", Opp Chief Justice's Bungalow, Bodakdev, Ahmedabad - 380015	August 28, 2015	10:00AM

9.2 Special Resolution passed at last 3 Annual General Meetings:

Financial Year	Special Resolution passed
2012-13	Reappointment of Mr. Manoj B. Vadodaria as the Chairman and Managing Director for further period of 5 years.
2013-14	1) Increase in borrowing powers under Section 180(1)(c) of the Companies Act, 2013; 2) To approve ESOP Scheme namely "Nila Infrastructures Ltd - ESOP 2014 under Section 62(1)(b) of Companies Act, 2013.
2014-15	Ratification of remuneration of M/s Dalwadi & Associates, Cost Auditor.

9.3 Whether any special resolution is proposed to be conducted through Postal Ballot - Details of Voting Pattern:

No Special Resolution has been passed through Postal Ballot during the year under review.

However the Company has vide Postal Ballot Notice dated February 13, 2016 proposed following Special Resolutions.

- To approve the limits of borrowings by the Company under Section 180(1) (c) of the Companies Act, 2013;
- To provide security in connection with the borrowings of the Company under Section 180(1) (a) of the Companies Act, 2013;
- To approve the limits of Loan and Investments by Company under Section 186 of the Companies Act, 2013;
- To alter Articles of Association of the Company.

Mr. R S Sharma, Practicing Company Secretary, (Membership No A3126), having office address: 402, 'Panchdeep', Nr. Mayor Colony, Mithakhali Six Road, Navrangpura, Ahmedabad - 380009, has acted as the Scrutinizer for conducting the remote e-Voting and Postal Ballot process in a fair and transparent manner. The result of the voting (remote e-Voting and Postal Ballot) was declared on April 13, 2016 and all the above mentioned Special Resolutions were passed with requisite majority in accordance with the process as enumerated under the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014.



10 MEANS OF COMMUNICATION:-

- 10.1** 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.nilainfra.com under investor segment.
- 10.2** Normally quarterly results of the Company are published in Indian Express (English) and Financial Express (Gujarati).
- 10.3** Website of the Company: www.nilainfra.com
- 10.4** Whether it also displays official news release and presentation made to institutional investors or to the analyst: Yes
- 10.5** The presentations made to the institutional investors or to the analysts: Yes

11. GENERAL SHAREHOLDER INFORMATION**11.1 Day, Date, Time and Venue of the 26th Annual General Meeting:**

Day and Date : Saturday; September 10, 2016 **Time :** 10:00 am

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

11.2 Financial Year: April 01 to March 31**11.3 Financial Calendar: Tentative and subject to change for the financial year 2016-2017**

Quarter Ending	Release of Results
June 30, 2016	Mid of August, 2016
September 30, 2016	Mid of November, 2016
December 31, 2016	Mid of February, 2017
March 31, 2017	Mid of May, 2017

11.4. Date of Book Closure: From September 03, 2016 to September 10, 2016 [both days inclusive]**11.5 Dividend Payment Date: The dividend, if declared, shall be paid before October 09, 2016****11.6 Dividend Payment History:**

Year	Rate of Dividend (per equity share)	Total Amount of Dividend Paid	Date of AGM in which Dividend was declared	Dividend payment date
2009-10	0.10	₹ 295.23 Lac	September 25, 2010	October 04, 2010
2010-11	0.10	₹ 295.23 Lac	September 10, 2011	September 16, 2011
2011-12	0.10	₹ 295.23 Lac	September 15, 2012	September 20, 2012
2012-13	0.10	₹ 295.23 Lac	July 06, 2013	July 13, 2013
2013-14	0.10	₹ 295.23 Lac	September 20, 2014	September 26, 2014
2014-15	0.10	₹ 370.23 Lac	August 28, 2015	September 02, 2015

11.7 Unpaid and Unclaimed Dividend:

The Company has uploaded the details of shareholders of the Company containing information like name, address, amount due to be transferred to Investor Education and Protection Fund (IEPF) and due date of transfer of amount to IEPF on its website. The said information has also been filed in e-Form No. 5 INV on the website of Ministry of Corporate Affairs at www.mca.gov.in. It may be noted that no claim lies against the Company once the dividend is deposited in IEPF.

11.8 Listing at Stock Exchanges:

The Details of listing of Securities of the Company at Stock Exchanges is as under.

Name and Address of the Stock Exchanges	Stock Code/ Scrip Symbol	ISIN Number for NSDL / CDSL (Dematerialized shares)
BSE Limited 25th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	530377	INE937C01029
National Stock Exchange of India Limited, Plot No. C/1, G Block, Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051	NILAINFRA	



11.9 Confirmation of payment of Listing Fees: The annual listing fees for the year 2016-17, to the stock exchanges where the securities of the Company are listed, has been paid in prescribed time limit.

11.10 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 Infrastructures Limited			BSE Limited	
BSE Sensex	High (₹)	Low (₹)	Volume	High	Low
April 2015	9.90	7.44	19,74,401	29,094.61	26,897.54
May 2015	9.92	7.51	15,11,603	28,071.16	26,423.99
June 2015	8.80	6.30	10,97,927	27,968.75	26,307.07
July 2015	11.40	7.30	64,23,484	28,578.33	27,416.39
August 2015	12.70	8.25	48,07,752	28,417.59	25,298.42
September 2015	9.94	7.80	10,95,311	26,471.82	24,833.54
October 2015	12.95	9.10	70,92,419	27,618.14	26,168.71
November 2015	13.94	11.10	75,48,799	26,824.30	25,451.42
December 2015	19.85	12.16	238,27,495	26,256.42	24,867.73
January 2016	19.05	12.10	96,71,529	26,197.27	23,839.76
February 2016	16.48	9.80	41,36,505	25,002.32	22,494.61
March 2016	13.99	12.00	19,30,074	25,479.62	23,133.18

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 Infrastructures Limited			National Stock Exchange of India Limited	
NSE	High (₹)	Low (₹)	Volume	High	Low
April 2015	NA	NA	NA	8,844.80	8,144.75
May 2015	10.50	8.40	2,18,527	8,489.55	7,997.15
June 2015	8.90	6.25	5,18,533	8,467.15	7,940.30
July 2015	11.50	7.05	61,34,942	8,654.75	8,315.40
August 2015	12.70	8.05	60,50,257	8,621.55	7,667.25
September 2015	10.00	7.85	15,95,997	8,055.00	7,539.50
October 2015	12.95	9.00	1,00,52,687	8,336.30	7,930.65
November 2015	13.90	11.20	91,78,425	8,116.10	7,714.15
December 2015	19.80	12.10	4,08,24,336	7,979.30	7,551.05
January 2016	19.00	12.00	1,56,71,120	7,972.55	7,241.50
February 2016	15.50	9.80	66,13,918	7,600.45	6,825.80
March 2016	13.40	10.55	58,98,931	7,777.60	7,035.10

Note: The equity shares of the Company were listed and admitted to trade at National Stock Exchange of India Ltd w.e.f. May 21, 2015.

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

11.12 Registrar to an issue and Share Transfer Agent:

M/s MCS Share Transfer Agent Ltd.

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

Email: mcsahmd@gmail.com / mcsstaahmd@gmail.com | Website: www.mcsregistrars.com

Tel No. +91 79 2658 0461 / 62 / 63, Fax No. +91 79 2658 1296



11.13 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.

11.14 Distribution of share holding as on March 31, 2016:

Shareholding of nominal value of	Number of Holder		Number of Shares	
	Nos	% of Total	Nos	% of Total
1 - 500	6,020	33.06	1576086	0.42
501 - 1000	5,692	31.25	5452682	1.47
1001 - 2000	2,298	12.62	4116526	1.11
2001 - 3000	1,020	5.60	2839136	0.76
3001 - 4000	434	2.38	1648732	0.45
4001 - 5000	829	4.55	4094487	1.11
5001 - 10000	968	5.32	7834931	2.12
10001 - 50000	725	3.98	15871993	4.29
50001 - 100000	106	0.58	78,82085	2.13
100001 and Above	120	0.66	318909542	86.14
Total	18,212	100.00	370226200	100.00

11.15 Shareholding Pattern as on March 31, 2016:

Category	No. of shares held	% of total share capital
Promoters' Holding	221325187	59.78
Public holding		
Institutions and Bodies Corporate	8824489	2.38
Individuals	105122830	28.39
HUF	13680109	3.70
Non Resident Indians	21273585	5.75
Total	370226200	100.00

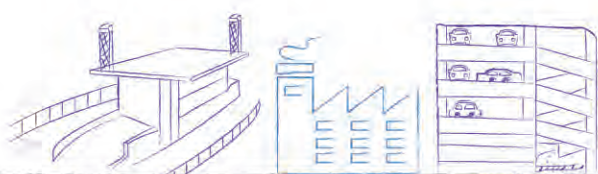
11.16 Dematerialization of Shares and liquidity:

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 March 31, 2016, 95.87% of the paid up share capital has been dematerialized.

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

The Company has in terms of the Special Resolution passed at the Extra Ordinary General Meeting dated December 20, 2014, allotted on January 03, 2015 22500000 warrants convertible into equivalent number of equity shares to the Promoters and Promoter Group. These warrants are convertible into equity shares within a period of 18 months from the date of its allotment and are subject to the terms of the issue. Upon conversion of warrants the issued, subscribed and paid up equity share capital of the Company shall increase to ₹392,726,200/- comprising of 392726200 equity shares having face value of ₹1 each.



11.18 Share Capital Evolution:

Date of Issue/ Allotment	No. of shares Allotted	Issue Price per share (₹)	Distinctive Numbers	Type of Issue	Cumulative capital (No of shares)
26/02/1990	20	10	1 to 20	Subscribers to memorandum	20
30/03/1991	9500	10	21 to 9520	Further Allotment	9520
31/03/1992	3500	10	9521 to 13020	Further Allotment	13020
31/03/1993	18500	10	13021 to 31520	Further Allotment	31520
23/03/1994	4400	10	31521 to 35920	Further Allotment	35920
10/01/1995	1010000	15	35921 to 1045920	Further Allotment	1045920
31/03/1995	2990000	15	1045921 to 4035920	Further Allotment- Public Issue	4035920
31/03/1995	1920000	15	4035921 to 5955920	Further Allotment- Public Issue	5955920
28/04/1995	6366700	15	5955921 to 12322620	Further Allotment- Public Issue	12322620*
27/07/2010	172000000	1.20	123226201 to 295226200	Further Allotment Pursuant to scheme of amalgamation	295226200
03/01/2015	75000000	1.00	295226201 to 370226200	Further Allotment on Private Placement Basis	370226200

* Note: The above 12322620 Equity Shares of ₹ 10/- each have been sub divided into 123226200 Equity Shares of ₹ 1/- each pursuant to ordinary resolution passed at the Annual General Meeting held on August 30, 2005.

11.19 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.

11.20 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.nilainfra.com.

11.21 Address for Correspondence:

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

The Compliance Officer
 Nila Infrastructures Limited
 1st Floor, "Sambhaav House", Opp: Chief Justice's Bungalow, Bodakdev, Ahmedabad-380015
 Email: secretarial@nilainfra.com, Fax: +91 79 2687 3922; Phone: +91 79 4003 6817/18

12. OTHER DISCLOSURES

12.1 Materially Significant Related Party Transaction:

The transaction 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 that may have potential conflict with the interest of the Company at large.

The Directors regularly make full disclosures to the Board of Directors regarding nature of their interest in the Companies in which they are directors or members.

12.2 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.

12.3 Details of non compliance with mandatory requirements and adoption of the non-mandatory requirements: There is no non compliance with the compliance with mandatory requirements and adoption of the non-mandatory requirements by the Company.



12.4 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.nilainfra.com under investor segment.

12.5 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.nilainfra.com under investor segment.

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. SECRETARIAL AUDIT FOR 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.

16. 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.

Corporate Governance Compliance Certificate

To
The Members,
Nila Infrastructures 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 Nila Infrastructures Limited (CIN: L45201GJ1990PLC013417) relating to its compliance of condition of Corporate Governance as stipulated in said Listing Regulations for the financial year ended March 31, 2016.

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.

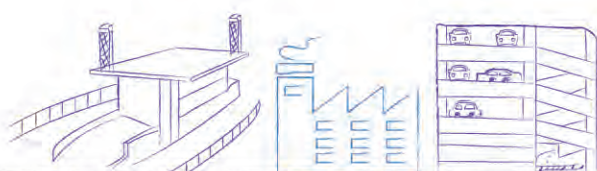
We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of this certificate and have been provided with such records documents certificates etc as had been required by us.

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.

For, O. P. Bhandari & Co.
Chartered Accountants
Firm Registration Number: 112633W

O. P. Bhandari
Partner
Membership Number: 34409

Place: Ahmedabad
Date: May 26, 2016



CEO and CFO Certification

To,
The Board of Directors
Nila Infrastructures Limited

We, Manoj B. Vadodaria, Chairman and Managing Director and Prashant H Sarkhedi, Chief Finance 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 March 31, 2016 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 March 31, 2016 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) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) 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.

Manoj B. Vadodaria
Chairman & Managing Director
DIN: 00092053

Prashant H. Sarkhedi
Chief Finance Officer

Date: May 26, 2016
Place: Ahmedabad



Independent Auditors' Report

To the Members of Nila Infrastructures Limited

Report on the Standalone Financial Statements

We have audited the accompanying financial statements of Nila Infrastructures Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for matters stated in Section 134(5) of the Companies Act, 2013 (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 and cash flows of the Company in accordance with the Accounting Principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the Accounting and Auditing Standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence, about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

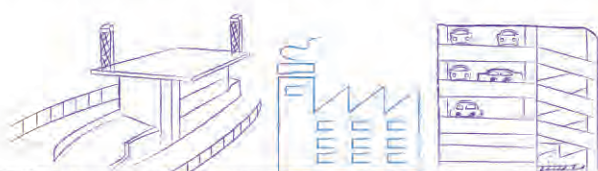
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

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 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 state of affairs of the Company as at March 31, 2016, its profit, and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by 'the Companies (Auditor's Report) Order, 2016' ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act 2013, we give in the "Annexure-1" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, 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 purpose 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



(e) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report.

(g) 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, 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 financial statements – refer note no. 24 to the financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For, O. P. Bhandari & Co.
Chartered Accountants
Firm Registration Number: 112633W

O. P. Bhandari
Partner
Membership Number: 34409

Place: Ahmedabad
Date: May 26, 2016

Annexure 1

To Independent Auditors' Report of even date on the Standalone Financial Statements of Nila Infrastructures Limited

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
- (c) In our opinion and according to information and explanations given to us and on the basis of an examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. As explained to us, physical verification of the inventories have been conducted at reasonable intervals by the management, which in our opinion is reasonable, having regard to the size of the Company and nature of its inventories. No material discrepancies were noticed on such physical verification.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to Companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3 (iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
 - (a) The terms and conditions of the grant of such loans are not prejudicial to the company's interest;
 - (b) In respect of the above referred inter-corporate deposit, interest has been regularly repaid by the party. Principal amount has been renewed during the year;
 - (c) In respect of the aforesaid inter-corporate deposit, there is no overdue amount.
- iv. According to information and explanations given to us, the company has complied with provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.
- v. According to the information and explanations given to us, the Company has not accepted any deposit nor has any unclaimed deposit within the meaning of the provisions of Sections 73 to 76 or any other relevant provision of the Act and rules framed thereunder.
- vi. We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Sub Section (1) of Section 148 of the Act applicable in respect of certain activities undertaken by the Company and are of the opinion that, prima facie, the prescribed accounts and



records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Sales Tax, Service Tax, Value Added Tax, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases of payment of tax deducted at source.
- (b) According to the information and explanation given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-Tax, Sales Tax, Service Tax, Value Added Tax, Cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, dues that have not been deposited by the Company on account of disputes at the end of the financial year are as follow:

Name of the statute	Nature of dues	Amount (₹)	Period to which the amount relates	Forum where the dispute is pending
The Income Tax Act, 1961	Tax Liability Including Interest	7,593,770/-	Assessment year 2011-12	Deputy Commissioner of Income Tax (Appeals)

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted during the year in repayment of dues to its financial institutions, bankers and government. The Company did not have any outstanding debentures during the year.
- ix. According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer / further public offer / debt instruments) during the period. Money raised by term loans during the period was applied for the purposes for which those are raised.
- x. According to the information and explanation given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to information and explanation given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the companies Act.
- xii. According to information and explanation given to us, the Company is not a Nidhi Company as prescribed under Section 406 of the Act. Accordingly, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us, all transaction with the related parties are in compliance with section 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examinations 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 under review.
- xv. According to the information and explanations given to us and the records of the Company examined by us, the company has not entered into any non-cash transactions with directors or persons connected to him.
- xvi. According to information and explanations given to us, the company is not required to be registered under sections 45-IA of the Reserve Bank of India Act, 1934.

For, O. P. Bhandari & Co.
Chartered Accountants
Firm Registration Number: 112633W

O. P. Bhandari
Partner
Membership Number: 34409

Place: Ahmedabad
Date: May 26, 2016



Annexure 2

To the Independent Auditor's Report of even date on the Standalone Financial Statements of Nila Infrastructure Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

We have audited the internal financial controls over financial reporting of Nila Infrastructures Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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 over financial reporting 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 (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 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the Institute of Chartered Accountants of India (ICAI). 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 over financial reporting was 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 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 system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting 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 control over financial reporting includes those policies and procedures that (1) 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 financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting 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.

For, O. P. Bhandari & Co.

Chartered Accountants

Firm Registration Number: 112633W

O. P. Bhandari

Partner

Membership Number: 34409

Place: Ahmedabad

Date: May 26, 2016



Balance Sheet

as at March 31, 2016

(Amount in ₹)

Particulars	Note	As at March 31, 2016	As at March 31, 2015
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	370,226,200	370,226,200
Money Received Against Convertible Warrants	3	28,125,000	28,125,000
Reserves and Surplus	4	1,301,695,546	1,180,264,781
		1,700,046,746	1,578,615,981
Non-Current Liabilities			
Long-term Borrowings	5	1,313,860,993	1,019,263,538
Other Long-term Liabilities	7	62,619,579	28,981,140
Long-term Provisions	8	3,292,446	2,656,951
		1,379,773,018	1,050,901,629
Current Liabilities			
Short-term Borrowings	9	49,093,598	70,376,983
Trade Payables			
Dues to Micro and Small Enterprises	10.1	-	-
Dues to Others	10.2	201,057,499	128,427,750
Other Current Liabilities	10.2	276,908,888	486,207,492
Short-term Provisions	8	69,146,037	113,532,390
		596,206,022	798,544,615
TOTAL		3,676,025,786	3,428,062,225
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	11	333,525,010	330,595,885
Non-Current Investments	12	198,768,124	182,786,288
Deferred Tax Assets (Net)	6	1,719,215	996,941
Long-term Loans and Advances	13	335,382,410	82,195,571
Other Non-Current Assets	14	47,497,186	32,172,176
		916,891,945	628,746,861
Current Assets			
Inventories	15	1,331,924,603	1,379,106,116
Trade Receivables	16	364,203,729	308,706,395
Cash and Bank Balances	17	31,701,827	45,866,347
Short-term Loans and Advances	13	1,031,303,682	1,065,636,506
		2,759,133,841	2,799,315,364
TOTAL		3,676,025,786	3,428,062,225
Significant Accounting Policies	2		

The accompanying notes are an integral part of the financial statements.
As per our separate report of even date

For, **O. P. Bhandari & Co.**

Chartered Accountants

Firm Registration Number : 112633W

O. P. Bhandari

Partner

Membership No. : 34409

Place : Ahmedabad

Date : May 26, 2016

For and on behalf of the Board of Directors of Nila Infrastructures Ltd.

Manoj B. Vadodaria

Managing Director

DIN : 00092053

Prashant H. Sarkhedi

Chief Finance Officer

Kiran B. Vadodaria

Joint Managing Director

DIN : 00092067

Dipen Y. Parikh

Company Secretary



Statement of Profit and Loss

for the year ended March 31, 2016

(Amount in ₹)

Particulars	Note	For the year ended March 31, 2016	For the year ended March 31, 2015
INCOME			
Revenue from Operations	18	1,831,333,385	1,243,971,821
Other Income	19	143,683,702	73,213,547
Total Income		1,975,017,087	1,317,185,368
EXPENDITURE			
Project Expenses	20	1,488,039,403	953,595,462
Employee Benefits Expenses	21	37,615,945	29,509,744
Interest and Finance Charges	22	145,237,640	100,615,980
Depreciation and Amortization Expenses	11	14,233,717	13,040,755
CSR Expenses	23.1	3,785,901	3,711,558
Other Expenses	23.2	27,448,564	29,860,387
Total Expenditure		1,716,361,170	1,130,333,886
Profit Before Tax		258,655,917	186,851,482
Tax Expenses			
Current Tax		88,931,916	68,475,000
Deferred Tax	31	(722,274)	(2,123,555)
Total Tax Expenses		88,209,642	66,351,445
Profit After Tax		170,446,275	120,500,037
Earning Per Equity Share (EPS) (Face Value of Share ₹1/- each)	30		
Basic		0.46	0.38
Diluted		0.43	0.38
Significant Accounting Policies	2		

The accompanying notes are an integral part of the financial statements.
As per our separate report of even date

For, **O. P. Bhandari & Co.**

Chartered Accountants

Firm Registration Number : 112633W

O. P. Bhandari

Partner

Membership No. : 34409

Place : Ahmedabad

Date : May 26, 2016

For and on behalf of the Board of Directors of Nila Infrastructures Ltd.

Manoj B. Vadodaria

Managing Director

DIN : 00092053

Prashant H. Sarkhedi

Chief Finance Officer

Kiran B. Vadodaria

Joint Managing Director

DIN : 00092067

Dipen Y. Parikh

Company Secretary

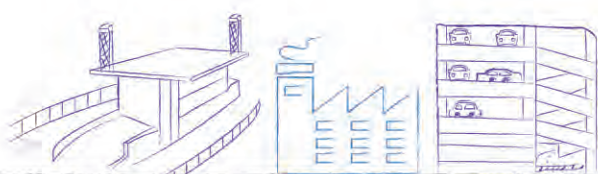


Cash Flow Statement

for the year ended March 31, 2016

(Amount in ₹)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
(A) Cashflow from operating activities		
(a) Profit before tax from continuing operations	258,655,917	186,851,482
(b) Add/Less : Adjustments		
Depreciation and amortization Expenses	14,233,717	13,040,755
Deficit / (Surplus) on sale of fixed assets	(75,222)	3,627,477
Provision for gratuity	410,145	679,502
Provision for leave benefits	355,153	294,227
Excess provision written back	(49)	(145,441)
Sundry balance written back	-	(123,656)
Interest & Finance charges	143,222,039	98,789,531
Interest income	(143,510,765)	(72,785,065)
Bonus payable	462,362	487,015
Share of (Profit) / Loss from LLP	265,750	270,254
Total of Adjustments (b)	15,363,130	44,134,599
Operating profit before working capital changes (a+b)	274,019,047	230,986,081
(c) Movements in working capital :		
Increase / (decrease) in trade payables	72,629,749	14,335,958
Increase / (decrease) in long-term provisions	635,495	832,223
Increase / (decrease) in short-term provisions	(762,546)	(658,484)
Increase / (decrease) in other current liabilities	(39,166,054)	68,096,404
Increase / (decrease) in other long-term liabilities	33,638,439	9,518,661
Decrease / (increase) in current trade receivables	(55,497,334)	(50,293,515)
Decrease / (increase) in inventories	47,181,513	(490,088,181)
Decrease / (increase) in long-term loans and advances	(253,186,839)	40,465,370
Decrease / (increase) in short-term loans and advances	(14,030,362)	(430,722,741)
Net Movements in Working Capital (c)	(208,557,939)	(838,514,305)
(d) Direct taxes paid (net of refunds)	(89,548,299)	(82,143,029)
Net cash flow from/ (used in) operating activities (A) (a+b+c+d)	(24,087,191)	(689,671,253)



Cash Flow Statement

for the year ended March 31, 2016

(Amount in ₹)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
(B) Cash flow from investing activities		
Purchase of fixed assets and capital advances	(17,354,810)	(33,142,118)
Proceeds from sale of fixed assets	267,190	7,765,500
Purchase of non-current investments	(16,247,586)	(151,405,409)
Proceeds / (Deposit) of Margin money (net)	(13,312,195)	(17,869,721)
Interest received	141,497,950	72,411,560
Net cash flow from/ (used in) investing activities (B)	94,850,549	(122,240,188)
(C) Cash flow from financing activities		
Proceeds from issue of share capital	-	375,000,000
Proceeds from issue of warrants	-	28,125,000
Proceeds from long-term borrowings (Net)	131,593,483	554,439,055
Cash Credit (net)	(21,283,385)	(23,395,808)
Interest & Finance charges	(143,222,039)	(98,789,531)
Dividend paid on equity shares	(37,022,620)	(29,522,620)
Tax on equity dividend paid	(7,402,377)	(5,017,978)
Net cash flow from/ (used in) financing activities (C)	(77,336,938)	800,838,118
Net increase / (decrease) in cash and cash equivalents (A + B + C)	(6,573,580)	(11,073,323)
Cash and cash equivalents at the beginning of the year	15,349,094	26,422,417
Cash and cash equivalents at the end of the year	8,775,514	15,349,094

Notes :

- Cash Flow is prepared under the 'Indirect Method' as set out in the Accounting Standards-3 on 'Cash Flow Statement'
- Figures in bracket indicate negative amount.

The accompanying notes are an integral part of the financial statements.
As per our separate report of even date

For, **O. P. Bhandari & Co.**

Chartered Accountants

Firm Registration Number : 112633W

O. P. Bhandari

Partner

Membership No. : 34409

Place : Ahmedabad

Date : May 26, 2016

For and on behalf of the Board of Directors of Nila Infrastructures Ltd.

Manoj B. Vadodaria

Managing Director

DIN : 00092053

Prashant H. Sarkhedi

Chief Finance Officer

Kiran B. Vadodaria

Joint Managing Director

DIN : 00092067

Dipen Y. Parikh

Company Secretary



Notes to Financial Statements

for the year ended March 31, 2016

1. Corporate Information:

Nila Infrastructures Ltd is a Company based in Ahmedabad, Gujarat. It is currently engaged in construction as well as development of real estate and infrastructure projects. Nila Infrastructures Ltd is a public company incorporated on 26th February, 1990 and listed on BSE and NSE (Bombay Stock Exchange Of India Limited and National Stock Exchange Of India Limited).

2. Significant Accounting Policies:

a) Basis of preparation of financial statements:

These financial statements have been prepared in accordance with generally accepted accounting principles in India under historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects, with Accounting Standards notified under Section 211 (3C) [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013,

b) Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and the reported income and expenses during the year. The management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize

c) Fixed Assets:

(i) Tangible Assets

Fixed assets are stated at cost of acquisition or construction (net of tax/duty credits availed if any) including any cost attributable to bringing the assets to their working condition for their intended use. Fixed assets are valued at cost less accumulated depreciation there on.

(iii) Intangible Assets and amortization

All Intangible Assets are initially measured at cost (net of tax/duty credits availed if any) and amortized so as to reflect the pattern in which the assets economic benefits are consumed. Intangible assets are amortized on a straight - line basis (pro-rata from the

date of additions) over estimated useful life of four years.

d) Depreciation:

(i) Useful lives

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.

(ii) Depreciation on assets costing less than ₹ 5,000

The company is depreciating such assets over their useful life as prescribed under Schedule II to the Companies Act, 2013.

e) Impairment of Assets:

At each Balance sheet date, the company consider whether there is any indication that an asset may be impaired. If any indication exists the recoverable amount of the asset is estimated. An impairment loss is recognized immediately whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use, estimated future Cash Flows are discounted to their present value based on an appropriate discount factor.

f) Investments:

Investments are classified into current investments and Non-current investment. Investments are further classified as quoted and unquoted investments also.

Non-current Investments are stated at cost of acquisition. If there is decline in value of non-current investment as on reporting date other than of temporary in nature, such decline is debited to the statement of profit and loss as "Provision for diminution in value of Investments". Subsequent increase in the realizable value of investment will be credited to the statement of profit and loss to the extent provision made for.

Current Investments, if any, are stated at cost or fair value whichever is lower and resultant decline is charged to statement of profit and loss.

g) Taxation:

Provision for Income tax for the current year is based on the estimated taxable income for the period in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternative Tax (MAT) paid in accordance to the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that company will pay normal income tax. Accordingly, MAT is recognized as an asset in the balance sheet when it is probable that the future



economic benefit associated with it will flow to the company and the asset can be measured reliably.

The deferred tax impact resulting from timing difference between accounting and taxable profit is accounted by using tax rates and tax laws enacted or substantially enacted as at the Balance sheet date. The Deferred Tax Asset is recognized and carried forward only to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

h) Revenue Recognition:

(i) Construction and Development of Infrastructures Project

Income from Infrastructure project has been recognized as per Accounting Standard 7. If the outcome of contractual contract can be reliably measured, revenue associated with the construction contract is recognised by reference to the stage of completion of the contract activity at year end (the percentage of completion method). The stage of completion on a project is measured on the basis of proportion of the contract work/ based upon the contracts/ agreements entered into by the Company with its customers. Where the outcome of the construction cannot be estimated reliably, revenue is recognised to the extent of the construction costs incurred if it is probable that they will be recoverable. If total cost is estimated to exceed total contract revenue, the Company provides for foreseeable loss. Contract revenue earned in excess of billing has been reflected as unbilled revenue and billing in excess of contract revenue has been reflected as unearned revenue. Revenue expenditure is accounted on accrual basis.

(ii) Construction and Development of Real Estate Project

The Company records its revenue of its residential projects confirming to Accounting Standard 9 and also based on Guidance note issued by the ICAI.

The full revenue is recognized on sale of property when the company has transferred all significant risk and rewards of ownership to the buyer and when the company is not required to perform any substantial acts to complete contract.

When the Company is obliged to perform any substantial acts after transfer of all significant risks and rewards of ownership on sale of property to the buyer, the revenue and cost is recognized on proportionate basis by applying the percentage completion method.

(iii) Trading (Land and Land Rights)

Income from Land Trading Activity is recognized when the Company enters into agreement for sale with the buyer and all significant risks and rewards have been

transferred to the buyer and there is no uncertainty regarding realisability of the sale consideration.

(iv) Lease Rental (Income)

Income from leasing of commercial complex is recognized on an accrual basis. The leasing agreements range from 11 months to 10 years generally and are usually cancellable / renewable by mutual consent on agreed terms.

(v) Interest income is accounted on an accrual basis at contracted rates.

(vi) Dividend income is recognized when the right to receive the same is established.

(vii) Income on investments is recognized based on the terms of the investment. Income from mutual fund scheme having fixed maturity plans is accounted on declaration of dividend or on maturity of such investments.

(viii) Income from Commercial vehicle rental charges is recognized on accrual basis.

i) Employee Benefits:

Liability for employee benefits, both short and long term, for present and past services which are due as per the terms of employment are recorded in accordance with Accounting Standard-15 'Employee Benefits' notified under section 211 (3c) of the Companies Act, 2013

(ii) Gratuity and Leave Encashment liabilities are provided for on the basis of an actuarial valuation on Projected Unit Credit Method as at the reporting date.

(iii) The Company's Contribution to Provident Fund and Employee State Insurance is charged to the statement of profit and loss for the year. The company has no other obligation other than contribution payable.

j) Borrowing costs:

Borrowing costs attributable to the acquisition and/or construction of qualifying assets is capitalized to as part of the cost of such assets in accordance with notified Accounting Standard 16 "Borrowing Costs". A qualifying asset is one that necessarily takes a substantial period of time to get ready for use or sale. Capitalization of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary interruption. All other borrowing costs are charged to the statement of profit and loss as incurred

k) Inventories:

(i) Inventory comprises of Completed property for sale, Land, Transferable development rights

Completed property for sale, Land and transferable property 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.

(iii) Raw materials and stores

Stock of raw materials and stores are valued at cost or net realizable value whichever is less. Cost is arrived at on Weighted Average Method (WAM) basis.

(iii) Work-in-progress

Construction and Development of Infrastructure 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.

Construction and Development of Real Estate Project:

Work-in-progress is valued at cost or net realizable value whichever is less. Cost includes cost of land, land development rights, materials, services, borrowing cost, acquisition of tenancy rights and other related overheads. Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost necessary to make the sale.

ii) Cash Flow Statement :

Cash flow are reported using indirect method, whereby profit / (loss) before extra ordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on available information.

Cash comprises of cash on hand and demand deposits with banks. Cash equivalents are short-term balances that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

m) Earnings Per Share:

The company reports basic and diluted earnings per share in accordance with Accounting Standard 20. Basic earnings per equity share is calculated by dividing the net profit for the year attributable to the Equity Shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is calculated by dividing the net profit for the year, adjusted for the effects of dilutive potential equity shares, attributable to the equity shareholders by weighted average number of the equity shares and dilutive potential equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

n) Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

- (i) the company has a present obligation as a result of past event
- (ii) a probable outflow of resources is expected to settle the obligation and
- (iii) the amount of the obligation can be reliably estimated.

Reimbursement expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in case of

- (i) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation
- (ii) a present obligation arising from past events, when no reliable estimate is possible
- (iii) a possible obligation arising from past events where the probability of outflow of resources is not remote.

Contingent assets are neither recognized, nor disclosed.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

o) General:

Accounting policies not specifically referred to are consistent with generally accepted accounting principles.



(Amount in ₹)

3. Share Capital

Particulars	As at March 31, 2016	As at March 31, 2015
Authorised Share Capital		
500000000 (Previous year 500000000) Equity shares of ₹1/- each	500,000,000	500,000,000
Issued, Subscribed and Paid-up Capital		
370226200 (Previous Year 370226200)* Equity shares of ₹1/- each fully paid	370,226,200	370,226,200
Total Issued, Subscribed and Paid-up Capital	370,226,200	370,226,200
Money received for issue of Convertible Warrants 22500000 (Previous Year 22500000)**	28,125,000	28,125,000
Total Money Received against Convertible Warrants	28,125,000	28,125,000

* Out of paid up capital, 172000000 equity share of ₹ 1/- each fully paid up allotted pursuant to the Scheme of Amalgamation, for consideration other than cash on July 24, 2010

**The Company has received 25% of the total consideration towards allotment of 22500000 warrants convertible into equivalent number of equity shares of ₹ 1/- each at a premium ₹ 4/- per share to the promoters on January 03, 2015. The remaining 75% amount of total consideration of the said warrants shall be received on conversion within 18 months from its allotment.

a. Reconciliation of number of Equity Shares

Particulars	As at March 31, 2016		As at March 31, 2015	
	Numbers	Amount in ₹	Numbers	Amount in ₹
Balance as at the beginning of the year	370226200	370,226,200	295226200	295,226,200
Addition / (Deduction) during the year	-	-	75000000	75,000,000
Balance as at the end of the year	370226200	370,226,200	370226200	370,226,200

b. Terms / rights attached to Equity shares

The company has one class of equity shares having a par value of ₹ 1 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. 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.

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

Name of Shareholders	As at March 31, 2016		As at March 31, 2015	
	Number of Shares	% holding	Number of Shares	% holding
Equity shares of ₹ 1 each fully paid				
Manoj B. Vadodaria	44154712	11.93	44154712	11.93
Nila M. Vadodaria	43955267	11.87	43955267	11.87
Alpa K. Vadodaria	36800000	9.94	36800000	9.94
Kiran B. Vadodaria	31858100	8.61	31858100	8.61
Deep S. Vadodaria	25002108	6.75	25002108	6.75
Shobha I. Desai	20096436	5.43	20096436	5.43



4. Reserves and Surplus

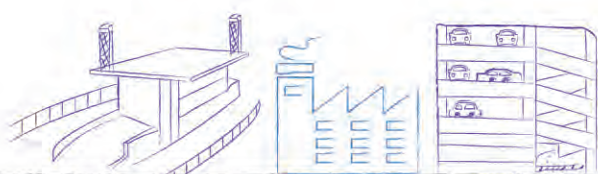
(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Security Premium	567,833,500	267,833,500
Addition during the year	-	300,000,000
Total Security Premium	567,833,500	567,833,500
General Reserve		
Balance as at the beginning of the year	52,476,690	52,476,690
Add: Amount Transferred from surplus in the statement of Profit and Loss	-	-
Balance as at the end of the year	52,476,690	52,476,690
Surplus in the statement of Profit and Loss		
Balance as at the beginning of the year	559,954,591	484,544,370
Depreciation Transferred to retained earnings on account of change in useful life of assets (net of deferred tax credit)	-	(664,211)
Add: Profit transferred from statement of Profit & Loss	170,446,275	120,500,037
Less: Appropriation		
Proposed final Equity Dividend [(Dividend per share ₹ 0.11) (P.Y. ₹ 0.10)]	(40,724,882)	(37,022,620)
Tax on proposed Equity Dividend	(8,290,628)	(7,402,985)
Transfer to General Reserve	-	-
Net surplus in the statement of profit and loss	681,385,356	559,954,591
Total Reserves and surplus	1,301,695,546	1,180,264,781

5. Long-term Borrowings

(Amount in ₹)

Particulars	Non-current portion		Current portion	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
(a) Secured Loans (refer note below)				
Indian rupee loan from				
Banks	484,705,518	158,374,387	8,930,614	7,286,578
Financial Institutions	451,599,031	429,942,167	55,635,273	286,017,279
Vehicle loans from				
Banks - Vehicle loans	16,392,686	12,404,360	9,159,071	5,883,720
Financial Institutions - Vehicle loans	159,373	1,964,975	1,805,602	1,996,465
(b) Unsecured Loans				
Indian Rupee Loan from				
Financial Institutions Unsecured	361,004,385	416,577,649	110,895,615	48,246,105
Total Long-term Borrowings	1,313,860,993	1,019,263,538	186,426,175	349,430,147
The above amount includes				
Secured Borrowings	952,856,608	602,685,889	75,530,560	301,184,042
Unsecured Borrowings	361,004,385	416,577,649	110,895,615	48,246,105
Amount disclosed under the head				
"Other Current Liabilities" (refer note no. 10)	-	-	(186,426,175)	(349,430,147)
Total Long Term Non-current Borrowings	1,313,860,993	1,019,263,538	-	-



SN	Nature of Security	Terms of Repayment
1	Dropped Down Overdraft amounting to Nil (P.Y. ₹ 6,80,89,752/-) is secured by way of registered equitable mortgage over Land admeasuring 1,02,132.50 Sq. Mtrs. situate lying and being at Bavla, Taluka Bavla, District Ahmedabad and personal guarantee of Mr. Manoj Vadodaria & Mr. Kiran Vadodaria.	Repayable in 7 years (yearly reducing by 15%) Rate of interest 14.05% (P.Y. 14.05%) as at year end.
2	Dropped Down Overdraft amounting to Nil (P.Y. ₹ 50,00,757/-) is secured by way of Registered equitable mortgage over properties situated at 1. 2nd and 6th Floor inclusive of all wings situated at Sambhaav House, Bodakdev, Ahmedabad-380015 2. B/3, Suryavan Appt, Nr. Judges Bungalow, Bodakdev, Ahmedabad 3. 42/404, Anandnagar Flat, 100ft Road, Vejalpur, Ahmedabad 4. 42/405, Anandnagar Flat, 100ft Road, Vejalpur, Ahmedabad 5. 58/404, Anandnagar Flat, 100ft Road, Vejalpur, Ahmedabad 6. 58/405, Anandnagar Flat, 100ft Road, Vejalpur, Ahmedabad 7. 30/404, Anandnagar Flat, 100ft Road, Vejalpur, Ahmedabad 8. 5/401, Raj Appt, Nr. Anandnagar, 100ft Road, Satellite, Ahmedabad 9. 5/404, Raj Appt, Nr. Anandnagar, 100ft Road, Satellite, Ahmedabad 10. 5/405, Raj Appt, Nr. Anandnagar, 100ft Road, Satellite, Ahmedabad 11. 5/406, Raj Appt, Nr. Anandnagar, 100ft Road, Satellite, Ahmedabad 12. 5/407, Raj Appt, Nr. Anandnagar, 100ft Road, Satellite, Ahmedabad 13. 5/408, Raj Appt, Nr. Anandnagar, 100ft Road, Satellite, Ahmedabad Hypothecation of lease Rent income of 2nd and 6th Floor of Sambhaav House, Bodakdev, Ahmedabad-380015. Personal Guarantee of Mr. Manoj Vadodaria & Mr. Kiran Vadodaria"	The limit disbursed will be reduced in 60 equal installments commencing from August 2013. Last Instalment due in October 2016. Rate of Interest 12.75% (P.Y. 12.75%) as at year end.
3	Term Loan amounting to ₹ 2,67,65,529/- (P.Y. ₹ 2,89,32,137/-) is secured by way of equitable mortgage of property situated at 3rd Floor, Sambhaav House, Judges Bungalow, Bodakdev, Ahmedabad	Repayable in 123 Equated Monthly Installments commencing from July-2013. Last Instalment due in September-2023. Rate of Interest 11.85% (P.Y. 12.50%) as at year end.
4	Term Loan amounting to ₹ 2,69,55,754/- (P.Y. ₹ 2,91,00,716/-) is secured by way of equitable mortgage of property situated at 4th Floor, Sambhaav House, Judges Bungalow, Bodakdev, Ahmedabad	Repayable in 123 Equated Monthly Installments commencing from August-2013. Last Instalment due in October-2023. Rate of Interest 11.85% (P.Y. 12.50%) as at year end.
5	Term Loan amounting to ₹ 2,77,98,122/- (P.Y. ₹ 3,00,10,114/-) is secured by way of equitable mortgage of property situated at 5th Floor, Sambhaav House, Judges Bungalow, Bodakdev, Ahmedabad	Repayable in 123 Equated Monthly Installments commencing from August-2013. Last Instalment due in October-2023. Rate of Interest 11.85% (P.Y. 12.50%) as at year end.
6	Dropped Down Overdraft amounting to ₹ 41,21,16,731/- (P.Y. Nil) is secured by way of registered equitable mortgage over 1) Industrial Land bearing final plot no 24 of draft town planning scheme no 87 [Vatva-Vinzol], opp. Vatva Railway Station, Nr. Old GST Compound, Village- Vinzol, Dist-Ahmedabad 2) Openplot of land situated at S.no.1537/1 (102132.50 Sq.mts) Old Bavla Paper Mill, Nr. Bavla Over Bridge, at Bavla, Tal:Dist :Ahmedabad 3) Personal Guarantee of: Manajobhai Vadodaria & Kiranbhai Vadodaria	Repayable in 27 Quarterly Installments (Ballooning) after moratorium of 6 months from 1st Disbursement. Last Installment Due in 2022-23. Rate of Interest 11.80% (P.Y. Nil) as at year end.
7	Term Loan amounting to Nil (P.Y. ₹ 4,08,64,738/-) is secured by way of Equitable Mortgage of Immovable Property being Flat No 101, 102, 103, 104, 201, 202, 203, 204, 301, 302, 303, 304, 401, 402, 403, 404 in the building known as ANURAADHAA together with undivided proportionate share in the land of Final Plot No.273 of TPS 3 [City survey no.1796] admeasuring 835 Sq. Mtrs. situated at Mouje SHAIKHPUR-KHANPUR Taluka, City in the District of Ahmedabad and Registration Sub District Ahmedabad-3 [MEMNAGAR] & Personal Guarantee of Mr. Manoj Vadodaria & Mr. Kiran Vadodaria	Repayable in 60 Equated Monthly Installments commencing from August-2014. Last Instalment due in January-2019. Rate of Interest Nil (P.Y. 14.95%) as at year end.
8	Term Loan amounting to Nil (P.Y. ₹ 4,81,79,703/-) is secured by way of Registered Mortgage of Non Agriculture Land admeasuring 44200 Sq.Yds. i.e. 36957 Sq. Mt. out of total land admeasuring 100269 Sq. Mt. of proposed Final Plot No.24 [Land admeasuring 120496 sq. mt. of Survey No.324/1 which is included in Draft Town Planning Scheme No.87 (Vatva-Vinzol) and allotted land admeasuring 100269 Sq. Mt. of	Repayable in 120 Equated Monthly Installments commencing from July 2014. Last Instalment due in June 2024. Rate of Interest Nil (P.Y. 14.00%) as at year end.



SN	Nature of Security	Terms of Repayment
	Final Plot No.24] of Draft Town Planning Scheme No.87 [Vatva-Vinzol] situate, lying and being at Mouje Vinzol, Taluka Ahmedabad City-East in Registration District of Ahmedabad and Sub District Ahmedabad-11 [Aslali] & Personal Guarantee of Promoters	
9	Term Loan amounting to Nil (P.Y. ₹ 3,66,13,386/-) is secured by way of Registered Mortgage of Non Agriculture Land admeasuring 44200 Sq.Yds. i.e. 36957 Sq. Mt. out of total land admeasuring 100269 Sq. Mt. of proposed Final Plot No.24 [Land admeasuring 120496 sq. mt. of Survey No.324/1 which is included in Draft Town Planning Scheme No.87 [Vatva-Vinzol] and allotted land admeasuring 100269 Sq. Mt. of Final Plot No.24] of Draft Town Planning Scheme No.87 [Vatva-Vinzol] situate, lying and being at Mouje Vinzol, Taluka Ahmedabad City-East in Registration District of Ahmedabad and Sub District Ahmedabad-11 [Aslali] & Personal Guarantee of Promoters	Repayable in 66 Equated Monthly Installments commencing from May 2011. Last Instalment due in October 2016. Rate of Interest Nil (P.Y. 13.00%) as at year end.
10	Term Loan amounting to Nil (P.Y. ₹ 3,52,80,177/-) is secured by way of Registered Mortgage of Non Agriculture Land admeasuring 44200 Sq.Yds. i.e. 36957 Sq. Mt. out of total land admeasuring 100269 Sq. Mt. of proposed Final Plot No.24 [Land admeasuring 120496 sq. mt. of Survey No.324/1 which is included in Draft Town Planning Scheme No.87 [Vatva-Vinzol] and allotted land admeasuring 100269 Sq. Mt. of Final Plot No.24] of Draft Town Planning Scheme No.87 [Vatva-Vinzol] situate, lying and being at Mouje Vinzol, Taluka Ahmedabad City-East in Registration District of Ahmedabad and Sub District Ahmedabad-11 [Aslali] & Personal Guarantee of Promoters	Repayable in 109 Equated Monthly Installments commencing from July 2012. Last Instalment due in July 2021. Rate of Interest Nil (P.Y. 13.00%) as at year end.
11	Term Loan amounting to Nil (P.Y. ₹ 3,60,69,497/-) is secured by way of Registered Mortgage of Non Agriculture Land admeasuring 44200 Sq.Yds. i.e. 36957 Sq. Mt. out of total land admeasuring 100269 Sq. Mt. of proposed Final Plot No.24 [Land admeasuring 120496 sq. mt. of Survey No.324/1 which is included in Draft Town Planning Scheme No.87 [Vatva-Vinzol] and allotted land admeasuring 100269 Sq. Mt. of Final Plot No.24] of Draft Town Planning Scheme No.87 [Vatva-Vinzol] situate, lying and being at Mouje Vinzol, Taluka Ahmedabad City-East in Registration District of Ahmedabad and Sub District Ahmedabad-11 [Aslali] & Personal Guarantee of Promoters	Repayable in 59 Equated Monthly Installments commencing from July 2013. Last Instalment due in May 2018. Rate of Interest Nil (P.Y. 13.00%) as at year end.
12	Line of Credit amounting to ₹ 37,72,48,883/- (P.Y. ₹ 28,15,85,225/-) is secured by way of Equitable Mortgage of Land admeasuring 2377 Sq. Mt. bearing Survey No.761/B mouje Vejalpur District and Sub-district of Ahmedabad-10 (Vejalpur) owned by Nila Infrastructures Ltd. and Personal Guarantee of Mr. Manoj Vadodaria, Mrs. Nilaben Vadodaria, Mr. Kiran Vadodaria, Mrs. Alpaben Vadodaria, Mr. Shailesh Vadodaria & Mrs. Minaben Vadodaria. Escrow of Revenue from Mega Housing Project for EWS, LIG & MIG Catagory at Jodhpur in Rajasthan and at Vadodara.	Repayable in 60 months from the last day of the month in which the first disbursement is made (i.e. 10-10-2014) Rate of Interest 14.25% (P.Y.13.50%) as at year end.
13	Corporate Loan amounting to ₹ 12,99,85,421/- (P.Y. Nil) is secured by way of 1) First Charge on the unsold inventory at "Atuulyam" project othe Borrower. 2) Exclusive charge and escrow of receiveable from AMC for "Multi Storied Parking- Navrangpura" Project. 3) Exclusive charge and escrow of receivables arising out of the sale of unsold inventory at "Atuulyam" Project of the Borrower. 4) PDCs for interest & principal repayment. 5) Personal Guarantee of Manojbhai Vadodaria & Kiran Vadodaria 6) Corporate Guarantee of M/s. Texraj Realty Pvt. Ltd.	Repayable in 27 equal monthly Installments after moratorium of 9 months from 1st Disbursement. Last Installment Due in September 2018. Rate of Interest 14.50% (P.Y. Nil) as at year end.
14	Term Loan amounting to ₹ 1,58,451/- (P.Y. ₹ 2,99,821/-) is secured by way of hypothecation of vehicle financed by them	Repayable in 60 Equated Monthly Installments commencing from April 2012. Last Instalment due in March 2017. Rate of Interest 11.25% (P.Y. 11.25%) as at year end.
15	Term Loan amounting to ₹ 3,06,242/- (P.Y. ₹ 6,41,375/-) is secured by way of hypothecation of vehicle financed by them	Repayable in 35 Equated Monthly Installments commencing from March 2014. Last Instalment due in January 2017. Rate of Interest 10.52% (P.Y. 10.52%) as at year end.



SN	Nature of Security	Terms of Repayment
16	Term Loan amounting to ₹ 3,06,242/- (P.Y. ₹ 6,41,375/-) is secured by way of hypothecation of vehicle financed by them	Repayable in 35 Equated Monthly Installments commencing from March 2014. Last Instalment due in January 2017. Rate of Interest 10.52% (P.Y. 10.52%) as at year end.
17	Term Loan amounting to ₹ 13,25,835/- (P.Y. ₹ 26,56,231/-) is secured by way of hypothecation of vehicle financed by them	Repayable in 35 Equated Monthly Installments commencing from April 2014. Last Instalment due in February 2017. Rate of Interest 10.25% (P.Y. 10.25%) as at year end.
18	Term Loan amounting to ₹ 16,10,595/- (P.Y. ₹ 21,30,809/-) is secured by way of hypothecation of Commercial Vehicle financed by them	Repayable in 47 Equated Monthly Installments commencing from December 2014. Last Instalment due in October 2018. Rate of Interest 10.01% (P.Y. 10.01%) as at year end.
19	Term Loan amounting to ₹ 16,10,595/- (P.Y. ₹ 21,30,809/-) is secured by way of hypothecation of Commercial Vehicle financed by them	Repayable in 47 Equated Monthly Installments commencing from December 2014. Last Instalment due in October 2018. Rate of Interest 10.01% (P.Y. 10.01%) as at year end.
20	Term Loan amounting to ₹ 16,90,999/- (P.Y. ₹ 22,17,806/-) is secured by way of hypothecation of Commercial Vehicle financed by them	Repayable in 47 Equated Monthly Installments commencing from January 2015. Last Instalment due in November 2018. Rate of Interest 10.01% (P.Y. 10.01%) as at year end.
21	Term Loan amounting to ₹ 16,90,999/- (P.Y. ₹ 22,17,806/-) is secured by way of hypothecation of Commercial Vehicle financed by them	Repayable in 47 Equated Monthly Installments commencing from January 2015. Last Instalment due in November 2018. Rate of Interest 10.01% (P.Y. 10.01%) as at year end.
22	Term Loan amounting to ₹ 3,54,597/- (P.Y. ₹ 4,65,063/-) is secured by way of hypothecation of Commercial Vehicle financed by them	Repayable in 47 Equated Monthly Installments commencing from January 2015. Last Instalment due in November 2018. Rate of Interest 10.01% (P.Y. 10.01%) as at year end.
23	Term Loan amounting to ₹ 3,54,597/- (P.Y. ₹ 4,65,063/-) is secured by way of hypothecation of Commercial Vehicle financed by them	Repayable in 47 Equated Monthly Installments commencing from January 2015. Last Instalment due in November 2018. Rate of Interest 10.01% (P.Y. 10.01%) as at year end.
24	Term Loan amounting to ₹ 12,91,273/- (P.Y. ₹ 16,93,547/-) is secured by way of hypothecation of Commercial Vehicle financed by them	Repayable in 47 Equated Monthly Installments commencing from January 2015. Last Instalment due in November 2018. Rate of Interest 10.01% (P.Y. 10.01%) as at year end.
25	Term Loan amounting to ₹ 12,13,276/- (P.Y. ₹ 15,91,252/-) is secured by way of hypothecation of Commercial Equipment financed by them	Repayable in 47 Equated Monthly Installments commencing from January 2015. Last Instalment due in November 2018. Rate of Interest 10.01% (P.Y. 10.01%) as at year end.
26	Term Loan amounting to ₹ 4,73,752/- (P.Y. ₹ 6,21,345/-) is secured by way of hypothecation of Commercial Vehicle financed by them	Repayable in 47 Equated Monthly Installments commencing from January 2015. Last Instalment due in November 2018. Rate of Interest 10.01% (P.Y. 10.01%) as at year end.
27	Term Loan amounting to ₹ 4,73,752/- (P.Y. ₹ 6,21,345/-) is secured by way of hypothecation of Commercial Vehicle financed by them	Repayable in 47 Equated Monthly Installments commencing from January 2015. Last Instalment due in November 2018. Rate of Interest 10.01% (P.Y. 10.01%) as at year end.
28	Term Loan amounting to ₹ 29,95,213/- (P.Y. ₹ 44,21,922/-) is secured by way of hypothecation of vehicle financed by them	Repayable in 36 Equated Monthly Installments commencing from February 2015. Last Instalment due in January 2018. Rate of Interest 10.01% (P.Y. 10.01%) as at year end.
29	Term Loan amounting to ₹ 25,40,676/- (P.Y. Nil) is secured by way of hypothecation of vehicle financed by them	Repayable in 47 Equated Monthly Installments commencing from March 2016. Last Instalment due in January 2020. Rate of Interest 9.40% (P.Y. Nil) as at year end.
30	Term Loan amounting to ₹ 7,85,854/- (P.Y. Nil) is secured by way of hypothecation of vehicle financed by them	Repayable in 47 Equated Monthly Installments commencing from March 2016. Last Instalment due



SN	Nature of Security	Terms of Repayment
		in January 2020. Rate of Interest 9.40% (P.Y. Nil) as at year end.
31	Term Loan amounting to ₹ 5,83,602/- (P.Y. Nil) is secured by way of hypothecation of vehicle financed by them	Repayable in 36 Equated Monthly Installments commencing from September 2015. Last Instalment due in August 2018. Rate of Interest 9.81% (P.Y. Nil) as at year end.
32	Term Loan amounting to ₹ 9,79,897/- (P.Y. Nil) is secured by way of hypothecation of vehicle financed by them	Repayable in 36 Equated Monthly Installments commencing from August 2015. Last Instalment due in July 2018. Rate of Interest 10.00% (P.Y. Nil) as at year end.
33	Term Loan amounting to ₹ 7,86,314/- (P.Y. Nil) is secured by way of hypothecation of vehicle financed by them	Repayable in 36 Equated Monthly Installments commencing from November 2015. Last Instalment due in October 2018. Rate of Interest 10.00% (P.Y. Nil) as at year end.
34	Term Loan amounting to ₹ 8,08,167/- (P.Y. Nil) is secured by way of hypothecation of vehicle financed by them	Repayable in 36 Equated Monthly Installments commencing from November 2015. Last Instalment due in October 2018. Rate of Interest 10.00% (P.Y. Nil) as at year end.
35	Term Loan amounting to ₹ 8,73,698/- (P.Y. Nil) is secured by way of hypothecation of vehicle financed by them	Repayable in 36 Equated Monthly Installments commencing from November 2015. Last Instalment due in October 2018. Rate of Interest 10.00% (P.Y. Nil) as at year end.
36	Term Loan amounting to ₹ 23,37,128/- (P.Y. Nil) is secured by way of hypothecation of vehicle financed by them	Repayable in 36 Equated Monthly Installments commencing from November 2015. Last Instalment due in October 2018. Rate of Interest 10.00% (P.Y. Nil) as at year end.
37	Term Loan amounting to Nil (P.Y. ₹ 3,74,091/-) is secured by way of hypothecation of vehicle financed by them	Repayable in 36 Equated Monthly Installments commencing from May 2014. Last Instalment due in April 2017. Rate of Interest 10.75% (P.Y. 10.75%) as at year end.
38	Term Loan amounting to ₹ 19,64,975/- (P.Y. ₹ 35,87,349/-) is secured by way of hypothecation of vehicle financed by them	Repayable in 36 Equated Monthly Installments commencing from May 2014. Last Instalment due in April 2017. Rate of Interest 10.75% (P.Y. 10.75%) as at year end.
39	Term Loan received from Financial Institutions are secured by way of Personal Guarantee of Promoters	Repayable in 59 Equated Monthly Installments commencing from August 2013. Last Instalment due in June 2018. Rate of Interest Nil (P.Y. 13.00%) as at year end.
40	Term Loan received from Financial Institutions are secured by way of Personal Guarantee of Promoters	Repayable in 12 equal quarterly installments commencing from May-2014. Last Instalment due in January-2017. Rate of Interest 13% (P.Y. 13%) as at year end.
41	Term Loan received from Financial Institutions are secured by way of Personal Guarantee of Promoters	Repayable in 60 monthly installments commencing from October-2014. Last Instalment due in September-2019. Rate of Interest 12.25% (P.Y. 12.25%) as at year end.
42	Term Loan received from Financial Institutions are secured by way of Personal Guarantee of Promoters	Repayable in 54 Monthly installments comprising of 53 monthly installments of ₹ 12.25 Lakh and final installment of ₹ 10.75 lakh, commencing after a moratorium of 6 months from the date of first disbursement of the loan. Rate of interest 11.70% (P.Y. Nil) as at year end.
43	Term Loan received from Financial Institutions are secured by way of Personal Guarantee of Promoters and DSRA for 3 months Principal & Interest repayment	Repayable in 57 Equal Monthly Installments alongwith interest commencing from May 2016. Last Instalment due in January 2021. Rate of Interest 14.95% (P.Y. 14.95%) as at year end.



6. Deferred Tax Liabilities / (Assets) (Net)

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
(A) Deferred Tax Liabilities on account of following		
Impact of difference between tax depreciation and depreciation charged for the financial reporting	(227,104)	187,061
Gross Deferred Tax Liabilities (A)	(227,104)	187,061
(B) Deferred Tax Assets on account of following		
Impact of expenditure charged to the statement of profit and loss for the current year but allowed for tax purpose on payment basis	1,492,110	1,184,002
Gross Deferred Tax Assets (B)	1,492,110	1,184,002
Net Deferred Tax Liabilities / (Assets) (A-B)	(1,719,214)	(996,941)

7. Other Long-term Liabilities

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Security Deposits	10,457,642	4,359,633
Trade Deposits	52,161,937	24,621,507
Total Other Long-Term Liabilities	62,619,579	28,981,140

8. Provisions

(Amount in ₹)

Particulars	Long-term		Short-term	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
Provision for Employee Benefits (refer note no. 25)				
Provision for Gratuity	2,080,739	1,711,608	231,193	190,179
Provision for Leave Benefits	1,211,707	945,343	403,903	315,114
Total Provision for Employee Benefits	3,292,446	2,656,951	635,096	505,293
Other Provisions				
Provision for Income tax	-	-	19,495,431	68,475,000
(Current year provision for income tax is net off of income tax provision minus advance tax paid and TDS for the year)				
Provision for Proposed Equity Dividend	-	-	40,724,882	37,022,620
Provision for tax on Proposed Equity Dividend	-	-	8,290,628	7,402,377
Provision for Wealth tax	-	-	-	127,100
Total Other Provisions	-	-	68,510,941	113,027,097
Total Provisions	3,292,446	2,656,951	69,146,037	113,532,390



9. Short-term Borrowings

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Overdraft facility from Banks*	49,093,598	70,376,983
Total Short-term Borrowings	49,093,598	70,376,983
The above amount includes:		
Secured Borrowings	49,093,598	70,376,983
Total Short-term Borrowings	49,093,598	70,376,983

Nature of security for short term borrowings

*Overdraft facility of ₹ 4,90,93,598/- (P.Y. ₹ 7,03,76,983/-) is secured by way of equitable mortgage of properties situated at 7th to 9th floor Sambhaav House, Ahmedabad and personal guarantee of Mr. Manoj Vadodaria & Mr. Kiran Vadodaria.

10.1 TRADE PAYABLES-DUES TO MICRO AND SMALL ENTERPRISES (as per intimation received from vendors)

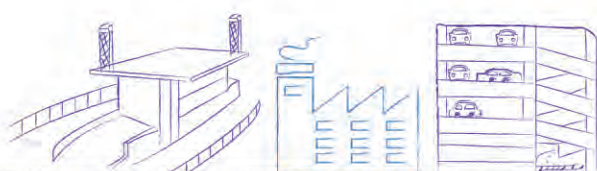
(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
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 the payment made to the 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 Act, 2006	-	-
e Interest accrued and remaining unpaid	-	-
f Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

10.2 Trade Payables (Dues to Others) and Other Current Liabilities

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Trade payables (refer note no. 32)	201,057,499	128,427,750
Total Trade Payables	201,057,499	128,427,750
Other Current Liabilities		
Current maturities of Long-term Borrowings of (refer note no. 5)		
Term Loans	175,461,502	341,549,962
Vehicle Loans	10,964,673	7,880,185
Total Current Borrowings	186,426,175	349,430,147
Interest accrued but not due on Borrowings	5,306,051	6,911,561
Advances from Customers	47,567,467	83,039,972
Advances From Contractors	10,523,342	8,886,403
Statutory obligations	7,518,184	9,706,549
Employee obligations	483,753	560,227
Unclaimed Dividend (1)	5,690,736	4,884,397
Others	13,393,180	22,788,236
Total Other Current Liabilities	276,908,888	486,207,492



11. Fixed Assets

(Amount in ₹)

SN	Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK		
		As at April 01, 2015	Additions	Sale / Transfer	Total as at March 31, 2016	As at April 01, 2015	For the year	Adjustment/ Deduction	Upto March 31, 2016	As at March 31, 2016	As at March 31, 2015
	Tangible Assets										
1	Land	1,073,100	-	-	1,073,100	-	-	-	-	1,073,100	1,073,100
2	Building / Office Premises	305,395,839	-	-	305,395,839	30,633,350	5,591,761	-	36,225,111	269,170,728	274,762,489
3	Furniture and Fixtures	8,721,948	1,129,851	-	9,851,799	3,126,177	990,423	-	4,116,600	5,735,199	5,595,771
4	Electrifications	1,016,600	-	-	1,016,600	324,495	120,966	-	445,461	571,139	692,105
5	Vehicles	34,320,791	9,360,825	402,113	43,279,503	7,287,870	4,479,935	210,145	11,557,660	31,721,843	27,032,921
6	Commercial Vehicles	10,326,204	2,612,597	-	12,938,801	473,556	1,260,964	-	1,734,520	11,204,281	9,852,648
7	Computer Equipments	3,217,820	221,376	-	3,439,196	2,417,383	404,845	-	2,822,228	616,968	800,437
8	Office Equipments	3,359,136	308,190	-	3,667,326	2,196,845	478,987	-	2,675,832	991,494	1,162,291
9	Plant & Machinery	10,089,401	3,721,971	-	13,811,372	465,278	905,836	-	1,371,114	12,440,258	9,624,123
	Total	377,520,839	17,354,810	402,113	394,473,536	46,924,954	14,233,717	210,145	60,948,526	333,525,010	330,595,885
	Previous Year	360,775,559	33,142,118	16,396,838	377,520,839	37,904,850	13,040,755	4,020,651	46,924,954	330,595,885	

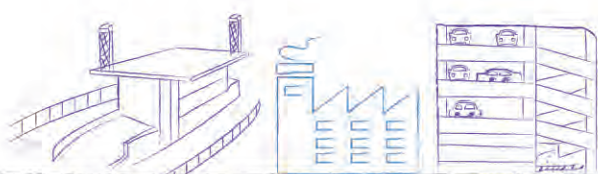


12. Non-Current Investments

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Non-trade investments (valued at cost unless stated otherwise)		
Investment in equity instruments (quoted)		
No of shares Nil (P. Y. 22760) Equity shares of Morepen Laboratories Ltd. of ₹ 2/- each fully paid.	-	102,875
50000 (P. Y. 50000) Equity shares of Visu International Ltd. of ₹ 10/- each fully paid.	174,500	174,500
	174,500	277,375
Investment in equity instruments (unquoted)		
No of shares Nil (P. Y. 101) Equity shares of Saraspur Nagrik Co-Op Bank Ltd. of ₹ 100/- each fully paid	-	10,100
No of shares Nil (P. Y. 100) Equity shares of United Co-Op. Bank Ltd. ₹ 50/- each fully paid	-	5,000
N. S. C. [For Raj. VAT Reg.][Fr. 25-11-14 to 24-11-19 Inv 10000 & M.V. ₹ 15,162/-]	11,143	10,293
	11,143	25,393
Investment in Subsidiary and Joint Venture		
Shree Matangi Projects LLP	-	7,565,085
Kent Residential & Industrial Park LLP	854,779	-
Nilsan Realty LLP	807,069	807,069
Fangdi Land Developers LLP	510,000	510,000
Nila Projects LLP	174,104,383	151,395,116
	176,276,231	160,277,270
Investment in Associate Companies		
5000 (P. Y. NIL) Equity shares of Sarthi Industrial Parks Pvt. Ltd. of ₹ 10/- each fully paid up	50,000	-
5000 (P. Y. NIL) Equity shares of Romanovia Industrial Park Pvt. Ltd. of ₹ 10/- each fully paid up	50,000	-
233750 (P. Y. 2,33,750) Equity shares of Mega City Cinemall Pvt. Ltd. of ₹ 10/- each fully paid up	22,206,250	22,206,250
	22,306,250	22,206,250
Total of Non-Current Investments	198,768,124	182,786,288

Particulars	Book Value	
	As at March 31, 2016	As at March 31, 2015
Aggregate value of quoted investment	174,500	277,375
Aggregate value of unquoted investment	198,593,624	182,508,913
Total of Non-Current Investments	198,768,124	182,786,288
Aggregate market value of quoted investment	56,250	298,202



13. Loans and Advances

(Amount in ₹)

Particulars	Non-current portion		Current portion	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
(A) Unsecured, Considered Good				
Security Deposit	113,689,395	47,451,867	37,608,604	49,726,474
Loans and Advances to Related Parties	221,693,015	34,743,704	105,272,073	88,858,763
Advances recoverable in cash or kind				
Unsecured	-	-	535,576,476	621,429,586
Sub Total (A)	335,382,410	82,195,571	678,457,153	760,014,823
(B) Other Loans and Advances				
Advance tax	-	-	9,283,727	57,552,953
Prepaid Expenses	-	-	41,534,661	1,092,514
Other Advances	-	-	292,052,875	237,936,857
Loans to Employees	-	-	1,453,919	504,921
MAT credit entitlement	-	-	-	93,960
Balance with government authorities	-	-	8,521,347	8,440,478
Sub Total (B)	-	-	352,846,529	305,621,683
Total Loans and Advances (A + B)	335,382,410	82,195,571	1,031,303,682	1,065,636,506
Loans and advance to related parties includes Dues from the Limited Liability Partnerships in which the Company is having more than 20% share of Contribution. (refer note no. 28)	221,693,015	34,743,704	105,272,073	88,858,763
Total Loans and Advances to Related Parties	221,693,015	34,743,704	105,272,073	88,858,763

14. Other Non-Current Assets

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Unsecured, Considered good unless stated otherwise		
Margin money deposits with banks (refer note no 17)	44,651,566	31,339,371
Interest accrued on Fixed Deposits	2,845,620	832,805
Total Other Non-Current Assets	47,497,186	32,172,176

15. Inventories

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Construction Material on hand	15,920,491	19,204,807
Work-In-Progress	339,354,026	260,467,464
Flats	189,973,724	316,221,857
Land and Land Development Rights	786,676,362	783,211,988
Total Inventories	1,331,924,603	1,379,106,116



16. Trade Receivables

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Unsecured, Considered good unless stated otherwise		
Outstanding for a period exceeding six months from the date they are due for the payment	39,219,722	76,351,965
Other Receivables	324,984,007	232,354,430
Total Trade Receivables	364,203,729	308,706,395
Trade Receivable include:		
Dues from the Limited Liability Partnerships in which the Company is having more than 20% share of Profit / Loss	-	4,847,500
Total Trade Receivables from Related Parties	-	4,847,500

17. Cash and Bank Balances

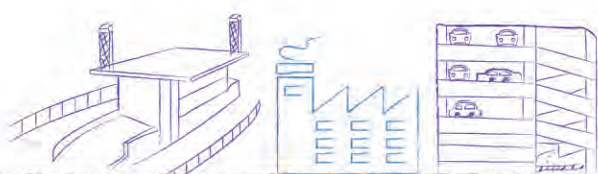
(Amount in ₹)

Particulars	Non-current portion		Current portion	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
Cash and Cash Equivalents				
Cash on hand	-	-	576,465	145,147
Balance with Banks:				
In Current Accounts	-	-	8,199,049	15,203,947
Total of Cash and Cash Equivalents	-	-	8,775,514	15,349,094
Other Bank Balances				
Margin Money Deposits	47,497,186	31,339,371	17,230,197	25,627,476
Unpaid Dividend Account	-	-	5,696,116	4,889,777
	47,497,186	31,339,371	22,926,313	30,517,253
Amount disclosed under Non-Current Assets (refer note no.14)	(47,497,186)	(31,339,371)	-	-
Total Cash and Bank Balances	-	-	31,701,827	45,866,347

18. Revenue from Operations

(Amount in ₹)

Particulars	For the Year ended	
	March 31, 2016	March 31, 2015
Revenue from Operations		
Construction and Development of Infrastructure Projects	1,574,577,936	806,842,943
Construction and Development of Real Estate Projects	177,997,414	116,936,850
Trading (Land and Land Rights)	55,817,214	301,945,000
Rental Income	22,940,821	18,247,028
Total Revenue from Operations	1,831,333,385	1,243,971,821



19. Other Income

(Amount in ₹)

Particulars	For the Year ended	
	March 31, 2016	March 31, 2015
Interest Income		
on Bank Deposits	4,867,192	3,277,357
from Others	138,643,573	69,507,708
Liabilities no longer required to pay written back	49	269,097
Share of Profit/(Loss) from LLP (refer note no. 27 & 28)	(265,750)	(270,254)
Profit on sale of Investment / Fixed Assets	75,222	-
Miscellaneous Income	363,416	429,639
Total Other Income	143,683,702	73,213,547

20. Project Expenses

(Amount in ₹)

Particulars	For the Year ended	
	March 31, 2016	March 31, 2015
Advertisement Expenses	-	512,240
Civil, Electrical, Contracting, Labour work etc.	874,102,117	524,967,413
Consumption of Raw Materials	527,800,039	325,552,545
Discount Brokerage and Commission Charges	1,096,946	2,517,649
Electricity Expenses	4,016,206	2,936,394
Freight and Cartage Expenses	34,231,315	20,489,801
Fuel-Expenses	1,093,274	113,087
Insurance Expenses	787,009	1,090,372
Legal and Professional Charges	5,616,392	1,133,236
Other Direct Expenses	6,279,421	3,896,636
Project Interest & Finance Charges	-	59,168,031
Repair and Maintenance Expense	126,641	159,319
Security Charges	2,067,912	1,985,296
Service Tax	12,198,006	138,818
Travelling Expenses	1,501,851	719,670
Value Added Tax	5,628,906	2,769,181
Welfare cess	11,493,368	5,445,774
Total Project Expenses	1,488,039,403	953,595,462

21. Employee Benefit Expenses

(Amount in ₹)

Particulars	For the Year ended	
	March 31, 2016	March 31, 2015
Contribution to Provident and Other Fund	440,408	371,865
Gratuity Expenses	410,145	679,502
Leave Encashment Expenses	355,153	294,227
Remuneration and Perquisites to Directors	3,600,000	3,600,000
Salaries, Allowances and Bonus	32,401,851	23,971,095
Staff Welfare Expenses	408,388	593,055
Total Employee Benefit Expenses	37,615,945	29,509,744



22. Interest and Finance Charges

(Amount in ₹)

Particulars	For the Year ended	
	March 31, 2016	March 31, 2015
Interest on		
Banks and Financial Institutions*	127,731,133	80,569,674
Paid to Others	1,841,074	11,325,628
Other Borrowing Cost		
Bank charges	2,015,601	1,826,449
Processing fees	8,173,726	6,894,229
Foreclosure charges	5,476,106	-
Total Finance Cost	145,237,640	100,615,980

* Total interest inventoried ₹ 79,315,309 [P.Y. ₹ 91,461,074]

23.1 CSR Expenses

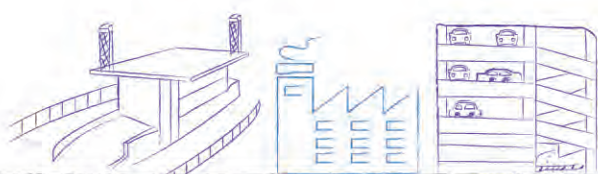
(Amount in ₹)

Particulars	For the Year ended	
	March 31, 2016	March 31, 2015
Street Utility Expenses	1,570,501	2,332,815
Awareness Campaigning Expenses	2,215,400	1,378,743
Total CSR Expenses	3,785,901	3,711,558

23.2 Other Expenses

(Amount in ₹)

Particulars	For the Year ended	
	March 31, 2016	March 31, 2015
Advertisement Expenses	589,425	208,769
Business Promotion Expenses	459,194	1,000,000
Deficit on Sale of Fixed Assets	-	3,627,477
Directors' Sitting fees	70,100	32,000
Donation Expenses	405,000	466,000
Insurance Expenses	1,281,070	383,733
Legal & Professional Fees	10,746,589	13,626,776
Miscellaneous Expenses	1,131,551	2,208,446
Office Rent	818,999	471,072
Payment to Auditors (Audit Fee)	150,750	140,450
Postage & Courier Charges	96,297	160,241
Power & Fuel Expenses	5,009,037	3,522,863
Printing & Stationary Expenses	1,292,525	726,055
Rates and Taxes	1,278,275	829,963
Repairs & Maintenance Expenses	1,848,233	1,849,692
Sundry Balances Written Off	944,668	179
Telephone Expenses	600,473	576,829
Travelling Expenses	726,378	29,842
Total Other Expenses	27,448,564	29,860,387



24. Contingent Liabilities

Claim against the Company not acknowledged as debt.

(Amount in ₹)

Particulars	As on March 31, 2016	As on March 31, 2015
Income Tax Demands for A.Y. 2011-12 matter before ITAT, Ahmedabad	7,593,770	7,593,770

The above mentioned appeal allowed by the CIT, Appeal 9 Ahmedabad against which department has filed appeal before ITAT

25. Employee Benefits**Defined Contribution Plan:**

- Amount of ₹410,145/- (P.Y. ₹679,502/-) is recognized as an expense and included in Employee Benefits Expense in note no. 21 to statement of profit and loss.
- As per Accounting Standard 15 "Employee benefits", the disclosures as defined in the Accounting Standard are given below:

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit

Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for Leave Encashment is recognized in the same manner as Gratuity.

Consequent upon adoption of Accounting Standard on "Employee Benefits" (AS – 15) (Revised 2005) issued by the Institute of Chartered Accountants of India, as required by the Standards, the following disclosures are made:

The details of Gratuity (unfunded) are given below:

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Reconciliation of Benefit Obligation		
Obligation at the beginning of the year	1,901,787	1,222,285
Current Service Cost	549,300	489,016
Interest Cost	152,143	97,783
Actuarial (Gain) / Loss	(291,298)	92,703
Benefits Paid	-	-
Present value of obligations at the year end	2,311,932	1,901,787
Change in Fair value of Plan Assets		
Fair value of the Plan at period beginning	-	-
Actual return on Plan Assets	-	-
Employer's Contribution	-	-
Benefits Paid	-	-
Plan Assets as at year end	-	-
Liability recognized in Balance Sheet		
Present value of the obligation at year end	2,311,932	1,901,787
Fair Value of plan assets	-	-
Un-funded Liability	2,311,932	1,901,787
Unrecognized actuarial (Gain) / Loss	-	-
Unfunded liability recognized in Balance Sheet	2,311,932	1,901,787
Net Cost recognized in the statement of Profit & Loss		
Interest Cost	152,143	97,783
Service Cost	549,300	489,016
Expected / Actual return on Plan Assets	-	-
(Gain) / Loss recognized	(291,298)	92,703
Net (Gain) / Cost provided as Expense in the statement of Profit and Loss	410,145	679,502
Assumptions used to determine the benefit obligations		
Discounting Rate (per annum)	8.00 % p.a	8.00 % p.a
Expected rate of escalation in salary (per annum)	5.00 % p.a	5.00 % p.a
Expected rate of return on Plan Assets	N.A	N.A
Mortality Table L.I.C. (1994-96) ULTIMATE		



26. Segment Reporting

Since the company has only one primary reportable segment, there is no separate reportable segment as required in Accounting Standard - 17 issued by the Institute of Chartered Accountants of India. Also there being no business outside India, the entire business has been considered as single geographic segment.

27. Disclosure in respect of Accounting Standard 27 for Joint Ventures

(Amount in ₹)

Particulars	Year	Assets	Liabilities	Income	Expenses	Tax
Nilsan Realty LLP	2015-16	129,389,280	115,612,851	179,187	293,474	-
	2014-15	101,747,861	87,857,147	1,197,347	161,039	-
Shree Matangi Projects LLP	2015-16	-	-	122,981	735,640	-
	2014-15	16,047,217	8,312,717	753,600	1,004,329	17,038
Kent Residential Park LLP	2015-16	68,356,897	29,055,689	1,206,681	739,521	140,250
	2014-15	-	-	-	-	-

28. As per Accounting Standard-18, the disclosures of transaction with Related Parties are as under:

- a) List of Related Parties and nature of relationship thereto.

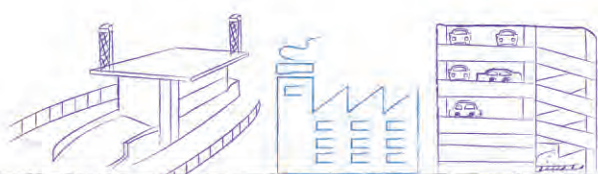
Relationship	Name of Related Parties
Subsidiary, Associates & Joint Ventures	Nila Projects LLP
	Fangdi Land Developers LLP
	Nilsan Realty LLP
	Shree Matangi Projects LLP
	Kent Residential and Industrial Park LLP
	Romanovia Industrial Park Pvt Ltd
	Sarathi Industrial Park Pvt Ltd
	Megacity Cinemall Pvt. Ltd

Key Managerial Personnel	: Manoj B. Vadodaria Kiran B. Vadodaria
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Enterprise in which Key Managerial Personnel have significant influence	: Sambhaav Media Limited
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- b) Transactions during the year with Related Parties:

The following transactions were carried out with Related Parties in the ordinary course of business:



(Amount in ₹)

SN	Nature of Transactions	Associates, Joint Ventures & Subsidiary		Key Managerial Personnel & their Relatives		Enterprise in which Key Managerial Personnel have significant Influence	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
1.	Rent Paid	-	-	-	-	709,332	498,492
2.	Sale of Land	54,531,500	-	-	100,000,000	-	-
3.	Repayment of Loans & Advance given	109,018,446	112,088,048	-	-	-	-
4.	Loans and Advances Given	296,432,000	24,624,999	-	-	-	-
5.	Advertisement Expenditure	-	-	-	-	100,000	50,000
6.	Interest Received	38,686,203	8,041,389	-	-	-	-
7.	Remuneration and Perquisites to Directors	-	-	3,600,000	3,600,000	-	-
8.	Misc Expenses	65,315	-	-	-	-	-
9.	Share of Profit / (Loss)	(265,750)	(270,254)	-	-	-	-
10.	Inventory Return	14,288,750	25,530,000	-	-	-	-
11.	Capital received back	6,972,425	-	-	-	-	-
12.	Additional cost of Flats Purchased	-	3,580,000	-	-	-	-
13.	Capital Introduce / Investment made	600,000	149,950,000	-	-	-	-
14.	Contract Revenue	-	-	-	-	5,331,949	826,434
15.	Money Received Against Convertible Warrant	-	-	-	19,687,500	-	-

c) The above Related Party transactions contains following material transactions (As per Accounting Standered-18):

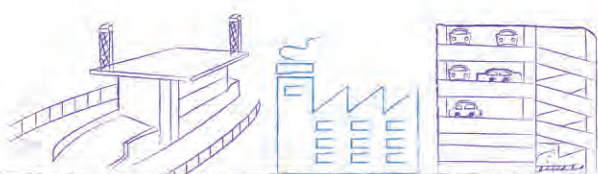
(Amount in ₹)

SN	Particulars	2015-16 Transactions	Closing Balance	2014-15 Transactions	Closing Balance
1	Rent Paid Sambhaav Media Limited	709,332	-	498,492	-
2	Sales Infrastructure Project Sambhaav Media Limited	5,331,949	-	826,434	-
3	Sales of Land Romanovia Industrial Park Pvt Ltd	54531500	-	-	-
4	Advances/Loans Given Shree Matangi Projects LLP Megacity Cinemall Pvt. Ltd Nila Projects LLP Kent Residential and Industrial Park LLP Romanovia Industrial Park Pvt Ltd	1,500,000 11,600,000 195,000 88,900,000 194,237,000	- 78,186,613 16,941,457 76,892,858 104,561,830	1,300,000 8,674,999 14,650,000 - -	423,539 58,052,894 14,743,704 - -
5	Advertisement Given Sambhaav Media Limited	100,000	24,500	50,000	-
6	Interest Received Megacity Cinemall Pvt. Ltd Nila Projects LLP (Capital) Nila Projects LLP (Loan) Kent Residential and Industrial Park LLP (Capital) Kent Residential and Industrial Park LLP Romanovia Industrial Park Pvt Ltd	9,481,910 22,709,267 2,225,281 27,869 1,103,176 3,138,700	78,186,613 174,104,383 16,941,457 854,779 76,892,858 104,561,830	6,492,157 1,455,116 104,116 - - -	58,052,894 151,395,116 14,743,704 - - -



(Amount in ₹)

SN	Particulars	2015-16 Transactions	Closing Balance	2014-15 Transactions	Closing Balance
7	Remuneration and Perquisites to Directors				
	Manoj B. Vadodaria	2,400,000	-	2,400,000	-
	Kiran B. Vadodaria	1,200,000	-	1,200,000	-
8	Share of Profit / (Loss)				
	Shree Matangi Projects LLP	(592,660)	-	(270,254)	7,565,085
	Kent Residential and Industrial Park LLP	326,910	854,779	-	-
9	Re-payment of Loans and Advances given				
	Shree Matangi Projects LLP	1,923,539	-	46,500,000	423,539
	Nilsan Realty LLP	-	30,382,330	64,883,420	30,382,330
	Nila Projects LLP	222,528	16,941,457	10,412	14,743,704
	Megacity Cinemall Pvt. Ltd	948,191	78,186,613	694,216	58,052,894
	Fangdi Land Developers LLP	-	20,000,000	-	20,000,000
	Kent Residential and Industrial Park LLP	13,110,318	76,892,858	-	-
	Romanovia Industrial Park Pvt Ltd	92,813,870	104,561,830	-	-
10	Sale of Land				
	Manoj B. Vadodaria	-	-	100,000,000	-
11	Share Warrant Application				
	Manoj B. Vadodaria	-	11,250,000	11,250,000	11,250,000
	Kiran B. Vadodaria	-	8,437,500	8,437,500	8,437,500
12	Inventories Return				
	Shree Matangi Projects LLP	14,288,750	-	25,530,000	-
13	Capital Introduce / Investment Made				
	Nila Project LLP (Capital)	-	174,104,383	149,950,000	151,395,116
	Kent Residential and Industrial Park LLP	500,000	854,779	-	-
	Romanovia Industrial Park Pvt Ltd	50,000	50,000	-	-
	Sarathi Industrial Park Pvt Ltd	50,000	50,000	-	-
14	Additional cost of Flats Purchased				
	Shree Matangi Projects LLP	-	-	3,580,000	-
15	Capital Received Back				
	Shree Matangi Projects LLP	6,972,425	-	-	-
16	Misc Expenses				
	Shree Matangi Projects LLP	65,315	-	-	-



29. Leases: (In terms of Accounting Standard – 19)

The Company has lease facilities under non-cancellable operating leases. The future minimum lease payments in respect of these leases as at March 31, 2016 are:

(Amount in ₹)

Particulars	As on March 31, 2016	As on March 31, 2015
Gross Carrying amount of Premises on lease during the year	300,967,138	229,470,801
Accumulated Depreciation	37,979,681	19,220,195
Depreciation for the year	6,100,449	4,942,408
Future Minimum Lease payments under non-cancellable operating leases		
Not later than 1 year	17,074,031	16,592,375
Later than 1 year and not later than 5 years	24,737,110	37,603,086
Later than 5 years	2,165,382	5,052,558

30. Earning Per Share: (In terms of Accounting Standard - 20)

(Amount in ₹)

Particulars	As on March 31, 2016	As on March 31, 2015
Basic Earnings Per Share		
Profit / Loss After Tax	170,446,275	120,500,037
Weighted Average No. Of Equity Shares	370,226,200	313,102,912
Nominal Value of Shares	1/-	1/-
Earnings per share (Basic)	0.46	0.38
Weighted Average No. Of Equity Shares for Dilluted Working	392,726,200	318,465,926
Earnings per share (Diluted)	0.43	0.38

31. Deferred Tax:

As per Accounting Standard - 22 on "Accounting for taxes on income" issued by the Institute of Chartered Accountants of India, the company has accounted for Deferred tax during the year.

(Amount in ₹)

Particulars	As on March 31, 2016	As on March 31, 2015
Deferred Tax Asset:		
On account of Timing Differences in		
Gratuity	168,772	220,465
Bonus	(855)	95,462
Leave Encashment	140,191	31,433
Amalgamation Expenses	-	(258,818)
Total (A)	308,108	88,542
Deferred Tax Liability:		
On account of Timing Differences in		
Depreciation	414,166	2,354,014
Charged against opening retained earnings	-	(319,001)
Total (B)	414,166	2,035,013
Net Deferred Tax Asset / (Liability) (A + B)	722,274	2,123,555



32. The company had not received any intimation from "suppliers" regarding their status under the Micro, Small & Medium Enterprise Act, 2006, and hence disclosures, if any, relating to amounts unpaid as at March 31, 2016 together with interest paid or payable as required under said act, have not been given.
33. Income from Infrastructure project has been recognized as per Accounting Standard 7, "The company has change the policy from this year for revenue recognition. Revenue has been recognized on the basis of work done and as per the terms of the tender / contract. The company records revenue of its infrastructure projects based on running bill raised and the company has recognized revenue as per Accounting Standard-7, as per tender terms ₹1803 lacs, gross profit of the company has increased by ₹222 lacs due to this revenue recognition. Expenditure for the said revenue is accounted on accrual basis".
34. The information required as per Companies Act, 2013 regarding quantitative information is as follows.

Value of Imported & Indigenous Raw Material Consumed**(Amount in ₹)**

Particulars	2015-2016	2014-2015
Imported	-	-
Indigenous	378,780,057	325,552,545
Total	378,780,057	325,552,545
Imported	-	-
Indigenously obtained	100%	100%
Total	100%	100%

35. Details of loans given, investments made covered u/s 186(4) of the Companies Act, 2013, and Disclosures pursuant to clause 32 of listing agreement.
- The details of loan given and investment made are given under the respective heads. The loans given are for the general business purpose of the borrower details of disclosure pursuant to clause 32 of the listing agreement are given in note no. 28.
36. There is no foreign transaction during the year under consideration.
37. The previous year's figure have been reworked, regrouped and reclassified wherever necessary.

Signatures to Notes 1 to 37 forming part of Accounts:

For, **O. P. Bhandari & Co.**

Chartered Accountants

Firm Registration Number : 112633W

O. P. Bhandari

Partner

Membership No. : 34409

Place : Ahmedabad

Date : May 26, 2016

For and on behalf of the Board of Directors of Nila Infrastructures Ltd.**Manoj B. Vadodaria**

Managing Director

DIN : 00092053

Prashant H. Sarkhedi

Chief Finance Officer

Kiran B. Vadodaria

Joint Managing Director

DIN : 00092067

Dipen Y. Parikh

Company Secretary



Independent Auditors' Report

To the Members of Nila Infrastructures Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Nila Infrastructures Limited (hereinafter referred to as "the Holding Company"), and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and jointly controlled entities which comprise the Consolidated Balance Sheet as at March 31, 2016, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements")

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associates and jointly controlled companies in accordance with the Accounting Principles generally accepted in India, including the Accounting Standards notified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the Audit, we have taken into account the provisions of the Act, the Accounting and Auditing Standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about

whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence, about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

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 the subsidiaries, associates and jointly controlled entities, the aforesaid consolidated financial statements give the information required by 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 as at March 31, 2016, and their consolidated profit, and their consolidated cash flows for the year ended on that date

Other Matter

We did not audit the financial statements of subsidiaries, associates and jointly controlled entities, whose financial statement reflect total assets of ₹ 14,14,04,393 as at March 31, 2016 total revenues of ₹ 4,15,053 and net cash inflows amounting to (₹ 74,86,200) for the year then ended, as considered in the consolidated financial statements. 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 the subsidiaries and the jointly controlled entities and our report in terms of sub-section (3) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and jointly controlled companies, is based solely on the reports of the other auditors. Financial statements information of one subsidiary which reflect total assets of ₹ (2,64,29,254) as at March 31, 2016 total loss of ₹ 2,49,42,113 and net cash flow of ₹ (825) for the year ended on that day have been audited by us.



Our opinion on the consolidated financial statements, and our report on Other legal and Regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Sub-section (3) of Section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements of a subsidiaries and jointly controlled companies, as noted in the 'Other Matter' paragraph, we report, to the extent applicable, 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 purpose 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, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of accounts maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards

specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- (e) On the basis of written representations received from the directors of the Holding Company as on March 31, 2016, and taken on record by the Board of Directors of the Holding Company, none of the directors of the Group Company is disqualified as on March 31, 2016, 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 over financial reporting of the Group, its associates and jointly controlled entities and the operating effectiveness of such controls, refer to our separate Report in "Annexure 1" to this report.
- (g) 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, 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 financial statements – refer note no. 24 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For, O. P. Bhandari & Co.

Chartered Accountants

Firm Registration Number: 112633W

O. P. Bhandari

Partner

Membership Number: 34409

Place: Ahmedabad

Date: May 26, 2016



Annexure 1

To the Independent Auditor's Report of even date on the Consolidated Financial Statements of Nila Infrastructure Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

We have audited the internal financial controls over financial reporting of Nila Infrastructures Limited (hereinafter referred to as "the Holding Company") as of March 31, 2016 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies, its associates and its jointly controlled entities, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 (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 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the Institute of Chartered Accountants of India. 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 over financial reporting was 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 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 system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting 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 control over financial reporting includes those policies and procedures that (1) 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 financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting 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.

Other Matters

Our aforesaid reports under Section 143(3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting is based solely on our report on the standalone financial statement of the Holding Company for the year ended March 31, 2016.

For, O. P. Bhandari & Co.

Chartered Accountants

Firm Registration Number: 112633W

O. P. Bhandari

Partner

Membership Number: 34409

Place: Ahmedabad

Date: May 26, 2016



Consolidated Balance Sheet

as at March 31, 2016

(Amount in ₹)

Particulars	Note	As at March 31, 2016	As at March 31, 2015
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	370,226,200	370,226,200
Reserves and Surplus	4	1,258,609,684	1,166,919,886
Money Received Against Convertible Warrants	3	28,125,000	28,125,000
Minority Interest		503,982	502,253
		1,657,464,866	1,565,773,339
Non-Current Liabilities			
Long-term Borrowings	5	1,354,159,505	1,059,806,896
Other Long-term Liabilities	7	62,619,579	100,934,799
Long-term Provisions	8	3,292,446	2,656,951
		1,420,071,530	1,163,398,646
Current Liabilities			
Short-term Borrowings	9	49,093,598	70,376,983
Trade Payables			
Dues to Micro and Small Enterprises	10.1	-	-
Dues to Others	10.2	201,706,695	124,378,864
Other Current Liabilities	10.2	394,484,416	481,077,166
Short-term Provisions	8	69,146,037	113,532,390
		714,430,746	789,365,403
TOTAL		3,791,967,142	3,518,537,388
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	11	333,599,272	330,684,070
Non-Current Investments	12	95,944,792	69,271,682
Deferred Tax Assets (Net)	6	1,719,214	996,941
Long-term Loans and Advances	13	442,919,200	49,039,883
Other Non-Current Assets	14	47,517,311	32,172,176
Goodwill On Consolidation		10,432	10,432
		921,710,221	482,175,184
Current Assets			
Inventories	15	1,426,625,574	1,471,515,335
Trade Receivables	16	364,203,729	311,291,352
Cash and Bank Balances	17	32,644,686	54,096,994
Short-term Loans and Advances	13	1,046,782,932	1,199,458,523
		2,870,256,921	3,036,362,204
TOTAL		3,791,967,142	3,518,537,388
Significant Accounting Policies	2		

The accompanying notes are an integral part of the financial statements.
As per our separate report of even date

For, **O. P. Bhandari & Co.**

Chartered Accountants

Firm Registration Number : 112633W

O. P. Bhandari

Partner

Membership No. : 34409

Place : Ahmedabad

Date : May 26, 2016

For and on behalf of the Board of Directors of Nila Infrastructures Ltd.

Manoj B. Vadodaria

Managing Director

DIN : 00092053

Prashant H. Sarkhedi

Chief Finance Officer

Kiran B. Vadodaria

Joint Managing Director

DIN : 00092067

Dipen Y. Parikh

Company Secretary



Consolidated Statement of Profit and Loss

for the year ended March 31, 2016

(Amount in ₹)

Particulars	Note	For the year ended March 31, 2016	For the year ended March 31, 2015
INCOME			
Revenue from Operation	18	1,831,333,385	1,243,971,821
Other Income	19	119,156,641	73,502,808
Total Revenue		1,950,490,026	1,317,474,629
EXPENDITURE			
Project Expenses	20	1,487,215,034	953,687,827
Employee Benefits Expense	21	37,795,945	29,582,256
Interest and Finance Charges	22	145,280,819	100,617,019
Depreciation and Amortization Expense	11	14,247,640	13,070,113
Other Expenses	23	37,443,878	34,480,215
Total Expenditure		1,721,983,316	1,131,437,430
Profit Before Tax		228,506,710	186,037,199
Tax Expenses			
Current Tax		89,072,166	68,475,000
Deferred Tax	31	(722,274)	(2,123,555)
Total Tax Expenses		88,349,892	66,351,445
Profit After Tax		140,156,818	119,685,754
Earning Per Equity Share (EPS) (Face Value of Share ₹ 1/- each)	30		
Basic		0.38	0.38
Diluted		0.36	0.38
Significant Accounting Policies	2		

The accompanying notes are an integral part of the financial statements.
As per our separate report of even date

For, **O. P. Bhandari & Co.**

Chartered Accountants

Firm Registration Number : 112633W

O. P. Bhandari

Partner

Membership No. : 34409

Place : Ahmedabad

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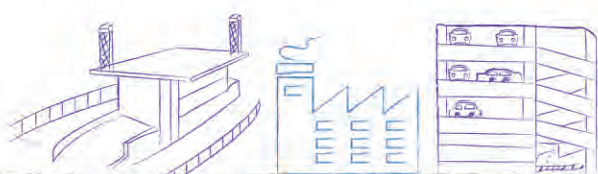


Consolidated Cash Flow Statement

for the year ended March 31, 2016

(Amount in ₹)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
(A) Cashflow from operating activities		
(a) Profit before tax from continuing operations	233,261,699	186,037,199
(b) Add/Less : Adjustments		
Depreciation and amortization Expense	14,247,640	13,070,113
Deficit/ (Surplus) on sale of fixed assets	(75,222)	3,627,477
Provision for gratuity	410,145	679,502
Provision for leave benefits	355,153	294,227
Excess provision written back	(49)	(145,441)
Sundry balance written back	-	(123,656)
Finance Cost	144,395,705	98,789,531
Interest income	(119,782,898)	(71,235,401)
Bonus payable	462,362	487,015
Sundry balance written off	-	516,403
Share of (Profit)/Loss from LLP	265,750	270,254
Prior Period Expenses Written off	-	4,304
Total of Adjustments (b)	40,278,586	46,234,328
Operating profit before working capital changes (a+b)	273,540,285	232,271,527
(c) Movements in working capital :		
Increase/ (decrease) in trade payables	72,499,786	12,012,098
Increase / (decrease) in long-term provisions	635,495	832,223
Increase / (decrease) in short-term provisions	(762,546)	(674,484)
Increase/ (decrease) in other current liabilities	(37,211,059)	70,813,534
Increase/ (decrease) in other long-term liabilities	76,588,439	81,518,661
Decrease / (increase) in current trade receivables	(55,497,334)	(28,051,236)
Decrease / (increase) in inventories	44,889,761	(490,200,203)
Decrease / (increase) in long-term loans and advances	(313,289,407)	(125,684,294)
Decrease / (increase) in other current assets	(20,125)	-
Decrease / (increase) in short-term loans and advances	(79,891,941)	(431,490,628)
Net Movements in Working Capital (c)	(292,058,931)	(910,924,329)
(d) Direct taxes paid (net of refunds)	(89,688,549)	(82,143,029)
Net cash flow from/ (used in) operating activities (A) (a+b+c+d)	(108,207,195)	(760,795,831)



Consolidated Cash Flow Statement

for the year ended March 31, 2016

(Amount in ₹)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
(B) Cash flows from investing activities		
Purchase of fixed assets, including CWIP and capital advances	(17,354,810)	(33,142,118)
Proceeds from sale of fixed assets	13,532,671	7,832,491
Purchase of non-current investments	(47,408,343)	(156,454,409)
Proceeds / (Deposit) of Margin money (net)	(13,312,195)	(17,869,721)
Interest received	142,732,666	72,411,560
Net cash flow from/ (used in) investing activities (B)	78,189,989	(127,222,197)
(C) Cash flows from financing activities		
Proceeds from Issue of Share Capital	-	374,938,720
Proceeds From issue of Warrants	-	28,125,000
Proceeds/(Repayment) of Capital	47,925,140	151,445,548
Proceeds from long-term borrowings (Net)	193,529,080	486,443,820
Cash Credit (net)	(36,477,681)	(23,395,808)
Financial Expenses	(144,395,706)	(98,789,531)
Dividend paid on equity shares	(37,022,620)	(29,522,620)
Tax on equity dividend paid	(7,402,377)	(5,017,978)
Net cash flow from/ (used in) financing activities (C)	16,155,836	884,227,151
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(13,861,370)	(3,790,877)
Cash and cash equivalents at the beginning of the year	23,579,741	27,370,618
Cash and cash equivalents at the end of the year	9,718,371	23,579,741

Notes :

1. Cash Flow is prepared under the 'Indirect Method' as set out in the Accounting Standards-3 on 'Cash Flow Statement'
2. Figures in bracket indicate negative amount.

The accompanying notes are an integral part of the financial statements.
 As per our separate report of even date

For, **O. P. Bhandari & Co.**

Chartered Accountants

Firm Registration Number : 112633W

O. P. Bhandari

Partner

Membership No. : 34409

Place : Ahmedabad

Date : May 26, 2016

For and on behalf of the Board of Directors of Nila Infrastructures Ltd.

Manoj B. Vadodaria

Managing Director

DIN : 00092053

Prashant H. Sarkhedi

Chief Finance Officer

Kiran B. Vadodaria

Joint Managing Director

DIN : 00092067

Dipen Y. Parikh

Company Secretary



Notes to Consolidated Financial Statements

for the year ended March 31, 2016

1. Corporate Information:

Nila Infrastructures Ltd is a Company based in Ahmedabad, Gujarat. It is currently engaged in construction as well as development of real estate and infrastructure projects. Nila Infrastructures Ltd is a public company incorporated on February 26, 1990 and listed on BSE and NSE (Bombay Stock Exchange Of India Limited and National Stock Exchange Of India Limited).

2. Significant Accounting Policies:

a) Basis of preparation of financial statements:

These financial statements have been prepared in accordance with generally accepted accounting principles in India under historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects, with Accounting Standards notified under Section 211 (3C) [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.

b) Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and the reported income and expenses during the year. The management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise

c) Fixed Assets:

(i) Tangible Assets

Fixed assets are stated at cost of acquisition or construction (net of tax/duty credits availed if any) including any cost attributable to bringing the assets to their working condition for their intended use. Fixed assets are valued at cost less accumulated depreciation there on.

(ii) Intangible Assets

All Intangible Assets are initially measured at cost (net of tax/duty credits availed if any) and amortized so as to reflect the pattern in which the assets economic benefits are consumed. Intangible assets are amortized on a straight - line basis (pro-rata from the date of additions) over estimated useful life of four years.

d) Depreciation:

(i) Useful lives

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.

(iii) Depreciation on assets costing less than ₹ 5,000

The company is depreciating such assets over their useful life as prescribed under Schedule II to the Companies Act, 2013.

e) Impairment of Assets:

At each Balance sheet date, the company consider whether there is any indication that an asset may be impaired. If any indication exists the recoverable amount of the asset is estimated. An impairment loss is recognized immediately whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use, estimated future Cash Flows are discounted to their present value based on an appropriate discount factor.

f) Investments:

Investments are classified into current investments and Non-current investment. Investments are further classified as quoted and unquoted investments also.

Non-current Investments are stated at cost of acquisition. If there is decline in value of non-current investment as on reporting date other than of temporary in nature, such decline is debited to the statement of profit and loss as "Provision for diminution in value of Investments". Subsequent increase in the realizable value of investment will be credited to the statement of profit and loss to the extent provision made for.

Current Investments, if any, are stated at cost or fair value whichever is lower and resultant decline is charged to statement of profit and loss.

g) Taxation:

Provision for Income tax for the current year is based on the estimated taxable income for the period in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternative Tax (MAT) paid in accordance to the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that company will pay normal income tax. Accordingly, MAT is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the company and the asset can be measured reliably.

The deferred tax impact resulting from timing difference



between accounting and taxable profit is accounted by using tax rates and tax laws enacted or substantially enacted as at the Balance sheet date. The Deferred Tax Asset is recognized and carried forward only to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

h) Revenue Recognition:

(i) Construction and Development of Infrastructures Project

Income from Infrastructure project has been recognized as per Accounting Standard 7. If the outcome of contractual contract can be reliably measured, revenue associated with the construction contract is recognised by reference to the stage of completion of the contract activity at year end (the percentage of completion method). The stage of completion on a project is measured on the basis of proportion of the contract work/ based upon the contracts/ agreements entered into by the Company with its customers. Where the outcome of the construction cannot be estimated reliably, revenue is recognised to the extent of the construction costs incurred if it is probable that they will be recoverable. If total cost is estimated to exceed total contract revenue, the Company provides for foreseeable loss. Contract revenue earned in excess of billing has been reflected as unbilled revenue and billing in excess of contract revenue has been reflected as unearned revenue. Revenue expenditure is accounted on accrual basis.

(ii) Construction and Development of Real Estate Project

The Company records its revenue of its residential projects confirming to Accounting Standard 9 and also based on Guidance note issued by the ICAI.

The full revenue is recognized on sale of property when the company has transferred all significant risk and rewards of ownership to the buyer and when the company is not required to perform any substantial acts to complete contract.

When the Company is obliged to perform any substantial acts after transfer of all significant risks and rewards of ownership on sale of property to the buyer, the revenue and cost is recognized on proportionate basis by applying the percentage completion method.

(iii) Trading (Land and Land Rights)

Income from Land Trading Activity is recognized when the Company enters into agreement for sale with the buyer and all significant risks and rewards have been transferred to the buyer and there is no uncertainty regarding realisability of the sale consideration.

(iv) Lease Rental (Income)

Income from leasing of commercial complex is recognized on an accrual basis. The leasing agreements range from 11

months to 10 years generally and are usually cancellable / renewable by mutual consent on agreed terms.

(v) Interest income is accounted on an accrual basis at contracted rates.

(vi) Dividend income is recognized when the right to receive the same is established.

(vii) Income on investments is recognized based on the terms of the investment. Income from mutual fund scheme having fixed maturity plans is accounted on declaration of dividend or on maturity of such investments.

(viii) Income from Commercial vehicle rental charges is recognized on accrual basis.

i) Employee Benefits:

Liability for employee benefits, both short and long term, for present and past services which are due as per the terms of employment are recorded in accordance with Accounting Standard-15 'Employee Benefits' notified under section 211 (3c) of the Companies Act, 2013

(ii) Gratuity and Leave Encashment liabilities are provided for on the basis of an actuarial valuation on Projected Unit Credit Method as at the reporting date.

(iii) Company's Contribution to Provident Fund and Employee State Insurance is charged to the statement of profit and loss for the year. The company has no other obligation other than contribution payable.

j) Borrowing costs:

Borrowing costs attributable to the acquisition and/or construction of qualifying assets is capitalized to as part of the cost of such assets in accordance with notified Accounting Standard 16 "Borrowing Costs". A qualifying asset is one that necessarily takes a substantial period of time to get ready for use or sale. Capitalization of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary interruption. All other borrowing costs are charged to the statement of profit and loss as incurred.

k) Inventories:

(i) Inventory comprises of Completed property for sale, Land, Transferable development rights

Completed property for sale, Land and transferable property 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.

(ii) Raw materials and stores

Stock of raw materials and stores are valued at cost or net realizable value whichever is less. Cost is arrived at on Weighted Average Method (WAM) basis.

(iii) Work-in-progress

Construction and Development of Infrastructures 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.

Construction and Development of Real Estate Project:

Work-in-progress is valued at cost or net realizable value whichever is less. Cost includes cost of land, land development rights, materials, services, borrowing cost, acquisition of tenancy rights and other related overheads. Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost necessary to make the sale.

(i) Cash Flow Statement:

Cash flow are reported using indirect method, whereby profit / (loss) before extra ordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on available information.

Cash comprises of cash on hand and demand deposits with banks. Cash equivalents are short-term balances that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(m) Earnings Per Share:

The company reports basic and diluted earnings per share in accordance with Accounting Standard 20. Basic earnings per equity share is calculated by dividing the net profit for the year attributable to the Equity Shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is calculated by dividing the net profit for the year, adjusted for the effects of dilutive potential equity shares, attributable to the equity shareholders by weighted average number of the equity shares and dilutive potential equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

n) Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised for liabilities that can be measured only by using a substantial degree of estimation, if

- the company has a present obligation as a result of past event
- a probable outflow of resources is expected to settle the obligation and
- the amount of the obligation can be reliably estimated.

Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in case of

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation
- a present obligation arising from past events, when no reliable estimate is possible
- a possible obligation arising from past events where the probability of outflow of resources is not remote.

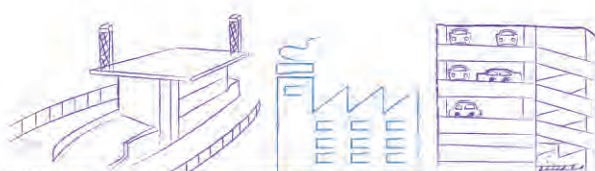
Contingent assets are neither recognised, nor disclosed.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

o) Principles of Consolidation

The consolidated financial statements have been prepared on the following basis:

- The financial statements of the company and its subsidiary companies have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and unrealised profits or losses on intra-group transactions as per Accounting Standard AS-21 – "Consolidated Financial Statements".
- Interest in jointly controlled entities have been consolidated by using the 'Proportionate Consolidation' method as per Accounting Standard AS-27- 'Financial Reporting of Interest in Joint Ventures'.
- In case of associates where the company directly or indirectly through its subsidiaries holds 20% or more of equity, Investment in Associates are accounted under the equity method as per AS-23 – 'Accounting for Investments in Associates in Consolidated Financial Statements' notified.
- The financial statements of the subsidiaries, the jointly controlled entities and the associates used in the consolidation are drawn up to the same reporting date as that of the Company, i.e. March 31, 2016



- v. The excess of the cost to the Company, of its investment in the subsidiaries and the jointly controlled entities over the Company's share of equity is recognised in the financial statements as Goodwill and tested for impairment annually
 - vi. The excess of the Company's share of equity of the subsidiaries and the jointly controlled entities on the acquisition date, over the Company's cost of investment is treated as Capital Reserve.
 - vii. Minority Interest in the net assets of the consolidated subsidiaries is identified and presented in consolidated balance sheet separately from current liabilities and equity of the company
 - viii. Minority Interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to minorities at the date on which investment in subsidiary is made and the minorities share of movements in the equity since the date the parent subsidiary relationship came into existence.
 - ix. Intra-group balances and intra-group transactions and resulting unrealized profits / losses has been eliminated.
 - x. The consolidated financial statements are prepared to the extent possible using uniform accounting policies for like transactions and other events in similar circumstances and are presented to extent possible, in the same manner as the Company's separate financial statements.
- p) General:**
- Accounting policies not specifically referred to are consistent with generally accepted accounting principles.



3. Share Capital

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Authorised Share Capital 500000000 (Previous year 500000000) Equity shares of ₹1/- each	500,000,000	500,000,000
Issued, Subscribed and Paid-up Capital 370226200 (Previous Year 370226200) Equity shares of ₹1/- each fully paid	370,226,200	370,226,200
Total Issued, Subscribed and Paid-up Capital	370,226,200	370,226,200
Money received for issue of Convertible Warrants 225000000 (Previous Year 225000000)** of ₹ 5/- each partly paid (25% of Total Considerations)	28,125,000	28,125,000
Total Money Received against Convertible Warrants	28,125,000	28,125,000

a. Reconciliation of number of Equity Shares

Particulars	As at March 31, 2016		As at March 31, 2015	
	Numbers	Amount in ₹	Numbers	Amount in ₹
Balance as at the beginning of the year	370,226,200	370,226,200	295,226,200	295,226,200
Addition / Deduction during the year	-	-	75,000,000	75,000,000
Balance as at the end of the year	370,226,200	370,226,200	370,226,200	370,226,200

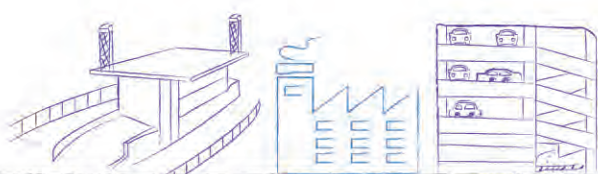
b. Terms / rights attached to Equity shares

The company has one class of equity shares having a par value of ₹ 1/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. 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.

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

Name of Shareholders	As at March 31, 2016		As at March 31, 2015	
	Number of Shares	% holding	Number of Shares	% holding
Equity shares of ₹ 1 each fully paid				
Manoj B. Vadodaria	44,154,712	11.93	44,154,712	11.93
Nila M. Vadodaria	43,955,267	11.87	43,955,267	11.87
Alpa K. Vadodaria	36,800,000	9.94	36,800,000	9.94
Kiran B. Vadodaria	31,858,100	8.61	31,858,100	8.61
Deep S. Vadodaria	25,002,108	6.75	25,002,108	6.75
Shobha I. Desai	20,096,436	5.43	20,096,436	5.43

d. Out of above, 17,20,00,000 equity share of ₹ 1/- each fully paid up allotted pursuant to the Scheme of Amalgamation, for consideration other than cash on 24/07/2010.



4. Reserves and Surplus

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Security Premium	567,833,500	267,833,500
Addition during the year	-	300,000,000
Total Security Premium	567,833,500	567,833,500
General Reserve		
Balance as at the beginning of the year	52,476,690	52,476,690
Add: Amount Transferred from surplus in the statement of Profit and Loss	-	-
Balance as at the end of the year	52,476,690	52,476,690
Surplus in the statement of Profit and Loss		
Balance as at the beginning of the year	546,609,696	477,084,515
Reserve Due to Consolidation	548,490	(5,070,757)
Depreciation Transferred to retained earnings on account of change in useful life of assets (net of deferred tax credit)		(664,211)
Add: Profit transferred from statement of Profit & Loss	140,156,818	119,685,754
Less: Appropriation		
Proposed final Equity Dividend [(Dividend per share ₹ 0.11) (P.Y. ₹ 0.10)]	(40,724,882)	(37,022,620)
Tax on proposed equity dividend	(8,290,628)	(7,402,985)
Net surplus in the statement of profit and loss	638,299,494	546,609,696
Total Reserves and surplus	1,258,609,684	1,166,919,886

5. Long-term Borrowings

(Amount in ₹)

Particulars	Non-current portion		Current portion	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
(a) Secured Loans (refer note below)				
Indian rupee loan from				
Banks	484,705,518	158,374,387	8,930,614	7,286,578
Financial Institutions	45,159,9031	429,942,167	55,635,273	286,017,279
Vehicle loans from				
Banks - Vehicle loans	16,392,686	12,404,360	9,159,071	5,883,720
Financial Institutions - Vehicle loans	159,373	1,964,975	1,805,602	1,996,465
(b) Unsecured Loans				
Indian Rupee Loan from				
Financial Institutions Unsecured	361,004,385	416,577,649	110,895,615	48,246,105
Others	40,298,511	40,543,358	-	-
Total Long Term Borrowings	1,354,159,505	1,059,806,896	186,426,175	349,430,147
The above amount includes				
Secured Borrowings	952,856,608	602,685,889	75,530,560	301,184,042
Unsecured Borrowings	401,302,896	457,121,007	110,895,615	48,246,105
Amount disclosed under the head "Other Current Liabilities" (refer note 10)	-	-	(186,426,175)	(349,430,147)
Total Long Term Non-current Borrowings	1,354,159,505	1,059,806,896	-	-



SN	Nature of Security	Terms of Repayment
1	Dropped Down Overdraft amounting to Nil (P.Y. ₹ 6,80,89,752/-) is secured by way of registered equitable mortgage over Land admeasuring 1,02,132.50 Sq. Mtrs. situate lying and being at Bavla, Taluka Bavla, District Ahmedabad and personal guarantee of Mr. Manoj Vadodaria & Mr. Kiran Vadodaria.	Repayable in 7 years (yearly reducing by 15%) Rate of interest 14.05% (P.Y. 14.05%) as at year end.
2	Dropped Down Overdraft amounting to Nil (P.Y. ₹ 50,00,757/-) is secured by way of Registered equitable mortgage over properties situated at 1. 2nd and 6th Floor inclusive of all wings situated at Sambhaav House, Bodakdev, Ahmedabad-380015 2. B/3, Suryavan Appt, Nr. Judges Bungalow, Bodakdev, Ahmedabad 3. 42/404, Anandnagar Flat, 100ft Road, Vejalpur, Ahmedabad 4. 42/405, Anandnagar Flat, 100ft Road, Vejalpur, Ahmedabad 5. 58/404, Anandnagar Flat, 100ft Road, Vejalpur, Ahmedabad 6. 58/405, Anandnagar Flat, 100ft Road, Vejalpur, Ahmedabad 7. 30/404, Anandnagar Flat, 100ft Road, Vejalpur, Ahmedabad 8. 5/401, Raj Appt, Nr. Anandnagar, 100ft Road, Satellite, Ahmedabad 9. 5/404, Raj Appt, Nr. Anandnagar, 100ft Road, Satellite, Ahmedabad 10. 5/405, Raj Appt, Nr. Anandnagar, 100ft Road, Satellite, Ahmedabad 11. 5/406, Raj Appt, Nr. Anandnagar, 100ft Road, Satellite, Ahmedabad 12. 5/407, Raj Appt, Nr. Anandnagar, 100ft Road, Satellite, Ahmedabad 13. 5/408, Raj Appt, Nr. Anandnagar, 100ft Road, Satellite, Ahmedabad Hypothecation of lease Rent income of 2nd and 6th Floor of Sambhaav House, Bodakdev, Ahmedabad-380015. Personal Guarantee of Mr. Manoj Vadodaria & Mr. Kiran Vadodaria.	The limit disbursed will be reduced in 60 equal installments commencing from August 2013. Last Instalment due in October 2016. Rate of Interest 12.75% (P.Y. 12.75%) as at year end.
3	Term Loan amounting to ₹ 2,67,65,529/- (P.Y. ₹ 2,89,32,137/-) is secured by way of equitable mortgage of property situated at 3rd Floor, Sambhaav House, Judges Bungalow, Bodakdev, Ahmedabad	Repayable in 123 Equated Monthly Installments commencing from July-2013. Last Instalment due in September-2023. Rate of Interest 11.85% (P.Y. 12.50%) as at year end.
4	Term Loan amounting to ₹ 2,69,55,754/- (P.Y. ₹ 2,91,00,716/-) is secured by way of equitable mortgage of property situated at 4th Floor, Sambhaav House, Judges Bungalow, Bodakdev, Ahmedabad	Repayable in 123 Equated Monthly Installments commencing from August-2013. Last Instalment due in October-2023. Rate of Interest 11.85% (P.Y. 12.50%) as at year end.
5	Term Loan amounting to ₹ 2,77,98,122/- (P.Y. ₹ 3,00,10,114/-) is secured by way of equitable mortgage of property situated at 5th Floor, Sambhaav House, Judges Bungalow, Bodakdev, Ahmedabad	Repayable in 123 Equated Monthly Installments commencing from August-2013. Last Instalment due in October-2023. Rate of Interest 11.85% (P.Y. 12.50%) as at year end.
6	Dropped Down Overdraft amounting to ₹ 41,21,16,731/- (P.Y. Nil) is secured by way of registered equitable mortgage over 1) Industrial Land bearing final plot no 24 of draft town planning scheme no 87 [Vatva-Vinzol], opp. Vatva Railway Station, Nr. Old GST Compound, Village- Vinzol, Dist-Ahmedabad 2) Openplot of land situated at S.no.1537/1 (102132.50 Sq.mts) Old Bavla Paper Mill, Nr. Bavla Over Bridge, at Bavla, Tal:Dist :Ahmedabad 3) Personal Guarantee of: Manajobhai Vadodaria & Kiranbhai Vadodaria	Repayable in 27 Quarterly Installments (Ballooning) after moratorium of 6 months from 1st Disbursement. Last Installment Due in 2022-23. Rate of Interest 11.80% (P.Y. Nil) as at year end.
7	Term Loan amounting to Nil (P.Y. ₹ 4,08,64,738/-) is secured by way of Equitable Mortgage of Immovable Property being Flat No 101, 102, 103, 104, 201, 202, 203, 204, 301, 302, 303, 304, 401, 402, 403, 404 in the building known as ANURAADHAA together with undivided proportionate share in the land of Final Plot No.273 of TPS 3 [City survey no.1796] admeasuring 835 Sq. Mtrs. situated at Mouje SHAIKHPUR-KHANPUR Taluka, City in the District of Ahmedabad and Registration Sub District Ahmedabad-3 [MEMNAGAR] & Personal Guarantee of Mr. Manoj Vadodaria & Mr. Kiran Vadodaria	Repayable in 60 Equated Monthly Installments commencing from August-2014. Last Instalment due in January-2019. Rate of Interest Nil (P.Y. 14.95%) as at year end.
8	Term Loan amounting to Nil (P.Y. ₹ 4,81,79,703/-) is secured by way of Registered Mortgage of Non Agriculture Land admeasuring 44200 Sq.Yds. i.e. 36957 Sq. Mt. out of total land admeasuring 100269 Sq. Mt. of proposed Final Plot No.24 [Land admeasuring 120496 sq. mt. of Survey No.324/1 which is included in Draft Town Planning Scheme No.87 (Vatva-Vinzol) and allotted land admeasuring 100269 Sq. Mt. of	Repayable in 120 Equated Monthly Installments commencing from July 2014. Last Instalment due in June 2024. Rate of Interest Nil (P.Y. 14.00%) as at year end.



SN	Nature of Security	Terms of Repayment
	Final Plot No.24] of Draft Town Planning Scheme No.87 [Vatva-Vinzol] situate, lying and being at Mouje Vinzol, Taluka Ahmedabad City-East in Registration District of Ahmedabad and Sub District Ahmedabad-11 [Aslali] & Personal Guarantee of Promoters	
9	Term Loan amounting to Nil (P.Y. ₹ 3,66,13,386/-) is secured by way of Registered Mortgage of Non Agriculture Land admeasuring 44200 Sq.Yds. i.e. 36957 Sq. Mt. out of total land admeasuring 100269 Sq. Mt. of proposed Final Plot No.24 [Land admeasuring 120496 sq. mt. of Survey No.324/1 which is included in Draft Town Planning Scheme No.87 (Vatva-Vinzol) and allotted land admeasuring 100269 Sq. Mt. of Final Plot No.24] of Draft Town Planning Scheme No.87 [Vatva-Vinzol] situate, lying and being at Mouje Vinzol, Taluka Ahmedabad City-East in Registration District of Ahmedabad and Sub District Ahmedabad-11 [Aslali] & Personal Guarantee of Promoters	Repayable in 66 Equated Monthly Installments commencing from May 2011. Last Instalment due in October 2016. Rate of Interest Nil (P.Y. 13.00%) as at year end.
10	Term Loan amounting to Nil (P.Y. ₹ 3,52,80,177/-) is secured by way of Registered Mortgage of Non Agriculture Land admeasuring 44200 Sq.Yds. i.e. 36957 Sq. Mt. out of total land admeasuring 100269 Sq. Mt. of proposed Final Plot No.24 [Land admeasuring 120496 sq. mt. of Survey No.324/1 which is included in Draft Town Planning Scheme No.87 (Vatva-Vinzol) and allotted land admeasuring 100269 Sq. Mt. of Final Plot No.24] of Draft Town Planning Scheme No.87 [Vatva-Vinzol] situate, lying and being at Mouje Vinzol, Taluka Ahmedabad City-East in Registration District of Ahmedabad and Sub District Ahmedabad-11 [Aslali] & Personal Guarantee of Promoters	Repayable in 109 Equated Monthly Installments commencing from July 2012. Last Instalment due in July 2021. Rate of Interest Nil (P.Y. 13.00%) as at year end.
11	Term Loan amounting to Nil (P.Y. ₹ 3,60,69,497/-) is secured by way of Registered Mortgage of Non Agriculture Land admeasuring 44200 Sq.Yds. i.e. 36957 Sq. Mt. out of total land admeasuring 100269 Sq. Mt. of proposed Final Plot No.24 [Land admeasuring 120496 sq. mt. of Survey No.324/1 which is included in Draft Town Planning Scheme No.87 (Vatva-Vinzol) and allotted land admeasuring 100269 Sq. Mt. of Final Plot No.24] of Draft Town Planning Scheme No.87 [Vatva-Vinzol] situate, lying and being at Mouje Vinzol, Taluka Ahmedabad City-East in Registration District of Ahmedabad and Sub District Ahmedabad-11 [Aslali] & Personal Guarantee of Promoters	Repayable in 59 Equated Monthly Installments commencing from July 2013. Last Instalment due in May 2018. Rate of Interest Nil (P.Y. 13.00%) as at year end.
12	Line of Credit amounting to ₹ 37,72,48,883/- (P.Y. ₹ 28,15,85,225/-) is secured by way of Equitable Mortgage of Land admeasuring 2377 Sq. Mt. bearing Survey No.761/B mouje Vejalpur District and Sub-district of Ahmedabad-10 (Vejalpur) owned by Nila Infrastructures Ltd. and Personal Guarantee of Mr. Manoj Vadodaria, Mrs. Nilaben Vadodaria, Mr. Kiran Vadodaria, Mrs. Alpaben Vadodaria, Mr. Shailesh Vadodaria & Mrs. Minaben Vadodaria. Escrow of Revenue from Mega Housing Project for EWS, LIG & MIG Catagory at Jodhpur in Rajasthan and at Vadodara.	Repayable in 60 months from the last day of the month in which the first disbursement is made (i.e. 10-10-2014) Rate of Interest 14.25% (P.Y.13.50%) as at year end.
13	Corporate Loan amounting to ₹ 12,99,85,421/- (P.Y. Nil) is secured by way of 1) First Charge on the unsold inventory at "Atuulyam" project othe Borrower. 2) Exclusive charge and escrow of receiveable from AMC for "Multi Storied Parking- Navrangpura" Project. 3) Exclusive charge and escrow of receivables arising out of the sale of unsold inventory at "Atuulyam" Project of the Borrower. 4) PDCs for interest & principal repayment. 5) Personal Guarantee of Manojbhai Vadodaria & Kiran Vadodaria 6) Corporate Guarantee of M/s. Texraj Realty Pvt. Ltd.	Repayable in 27 equal monthly Installments after moratorium of 9 months from 1st Disbursement. Last Installment Due in September 2018. Rate of Interest 14.50% (P.Y. Nil) as at year end.
14	Term Loan amounting to ₹ 1,58,451/- (P.Y. ₹ 2,99,821/-) is secured by way of hypothecation of vehicle financed by them	Repayable in 60 Equated Monthly Installments commencing from April 2012. Last Instalment due in March 2017. Rate of Interest 11.25% (P.Y. 11.25%) as at year end.
15	Term Loan amounting to ₹ 3,06,242/- (P.Y. ₹ 6,41,375/-) is secured by way of hypothecation of vehicle financed by them	Repayable in 35 Equated Monthly Installments commencing from March 2014. Last Instalment due in January 2017. Rate of Interest 10.52% (P.Y. 10.52%) as at year end.



SN	Nature of Security	Terms of Repayment
16	Term Loan amounting to ₹ 3,06,242/- (P.Y. ₹ 6,41,375/-) is secured by way of hypothecation of vehicle financed by them	Repayable in 35 Equated Monthly Installments commencing from March 2014. Last Instalment due in January 2017. Rate of Interest 10.52% (P.Y. 10.52%) as at year end.
17	Term Loan amounting to ₹ 13,25,835/- (P.Y. ₹ 26,56,231/-) is secured by way of hypothecation of vehicle financed by them	Repayable in 35 Equated Monthly Installments commencing from April 2014. Last Instalment due in February 2017. Rate of Interest 10.25% (P.Y. 10.25%) as at year end.
18	Term Loan amounting to ₹ 16,10,595/- (P.Y. ₹ 21,30,809/-) is secured by way of hypothecation of Commercial Vehicle financed by them	Repayable in 47 Equated Monthly Installments commencing from December 2014. Last Instalment due in October 2018. Rate of Interest 10.01% (P.Y. 10.01%) as at year end.
19	Term Loan amounting to ₹ 16,10,595/- (P.Y. ₹ 21,30,809/-) is secured by way of hypothecation of Commercial Vehicle financed by them	Repayable in 47 Equated Monthly Installments commencing from December 2014. Last Instalment due in October 2018. Rate of Interest 10.01% (P.Y. 10.01%) as at year end.
20	Term Loan amounting to ₹ 16,90,999/- (P.Y. ₹ 22,17,806/-) is secured by way of hypothecation of Commercial Vehicle financed by them	Repayable in 47 Equated Monthly Installments commencing from January 2015. Last Instalment due in November 2018. Rate of Interest 10.01% (P.Y. 10.01%) as at year end.
21	Term Loan amounting to ₹ 16,90,999/- (P.Y. ₹ 22,17,806/-) is secured by way of hypothecation of Commercial Vehicle financed by them	Repayable in 47 Equated Monthly Installments commencing from January 2015. Last Instalment due in November 2018. Rate of Interest 10.01% (P.Y. 10.01%) as at year end.
22	Term Loan amounting to ₹ 3,54,597/- (P.Y. ₹ 4,65,063/-) is secured by way of hypothecation of Commercial Vehicle financed by them	Repayable in 47 Equated Monthly Installments commencing from January 2015. Last Instalment due in November 2018. Rate of Interest 10.01% (P.Y. 10.01%) as at year end.
23	Term Loan amounting to ₹ 3,54,597/- (P.Y. ₹ 4,65,063/-) is secured by way of hypothecation of Commercial Vehicle financed by them	Repayable in 47 Equated Monthly Installments commencing from January 2015. Last Instalment due in November 2018. Rate of Interest 10.01% (P.Y. 10.01%) as at year end.
24	Term Loan amounting to ₹ 12,91,273/- (P.Y. ₹ 16,93,547/-) is secured by way of hypothecation of Commercial Vehicle financed by them	Repayable in 47 Equated Monthly Installments commencing from January 2015. Last Instalment due in November 2018. Rate of Interest 10.01% (P.Y. 10.01%) as at year end.
25	Term Loan amounting to ₹ 12,13,276/- (P.Y. ₹ 15,91,252/-) is secured by way of hypothecation of Commercial Equipment financed by them	Repayable in 47 Equated Monthly Installments commencing from January 2015. Last Instalment due in November 2018. Rate of Interest 10.01% (P.Y. 10.01%) as at year end.
26	Term Loan amounting to ₹ 4,73,752/- (P.Y. ₹ 6,21,345/-) is secured by way of hypothecation of Commercial Vehicle financed by them	Repayable in 47 Equated Monthly Installments commencing from January 2015. Last Instalment due in November 2018. Rate of Interest 10.01% (P.Y. 10.01%) as at year end.
27	Term Loan amounting to ₹ 4,73,752/- (P.Y. ₹ 6,21,345/-) is secured by way of hypothecation of Commercial Vehicle financed by them	Repayable in 47 Equated Monthly Installments commencing from January 2015. Last Instalment due in November 2018. Rate of Interest 10.01% (P.Y. 10.01%) as at year end.
28	Term Loan amounting to ₹ 29,95,213/- (P.Y. ₹ 44,21,922/-) is secured by way of hypothecation of vehicle financed by them	Repayable in 36 Equated Monthly Installments commencing from February 2015. Last Instalment due in January 2018. Rate of Interest 10.01% (P.Y. 10.01%) as at year end.
29	Term Loan amounting to ₹ 25,40,676/- (P.Y. Nil) is secured by way of hypothecation of vehicle financed by them	Repayable in 47 Equated Monthly Installments commencing from March 2016. Last Instalment due in January 2020. Rate of Interest 9.40% (P.Y. Nil) as at year end.
30	Term Loan amounting to ₹ 7,85,854/- (P.Y. Nil) is secured by way of hypothecation of vehicle financed by them	Repayable in 47 Equated Monthly Installments commencing from March 2016. Last Instalment due



SN	Nature of Security	Terms of Repayment
		in January 2020. Rate of Interest 9.40% (P.Y. Nil) as at year end.
31	Term Loan amounting to ₹ 5,83,602/- (P.Y. Nil) is secured by way of hypothecation of vehicle financed by them	Repayable in 36 Equated Monthly Installments commencing from September 2015. Last Instalment due in August 2018. Rate of Interest 9.81% (P.Y. Nil) as at year end.
32	Term Loan amounting to ₹ 9,79,897/- (P.Y. Nil) is secured by way of hypothecation of vehicle financed by them	Repayable in 36 Equated Monthly Installments commencing from August 2015. Last Instalment due in July 2018. Rate of Interest 10.00% (P.Y. Nil) as at year end.
33	Term Loan amounting to ₹ 7,86,314/- (P.Y. Nil) is secured by way of hypothecation of vehicle financed by them	Repayable in 36 Equated Monthly Installments commencing from November 2015. Last Instalment due in October 2018. Rate of Interest 10.00% (P.Y. Nil) as at year end.
34	Term Loan amounting to ₹ 8,08,167/- (P.Y. Nil) is secured by way of hypothecation of vehicle financed by them	Repayable in 36 Equated Monthly Installments commencing from November 2015. Last Instalment due in October 2018. Rate of Interest 10.00% (P.Y. Nil) as at year end.
35	Term Loan amounting to ₹ 8,73,698/- (P.Y. Nil) is secured by way of hypothecation of vehicle financed by them	Repayable in 36 Equated Monthly Installments commencing from November 2015. Last Instalment due in October 2018. Rate of Interest 10.00% (P.Y. Nil) as at year end.
36	Term Loan amounting to ₹ 23,37,128/- (P.Y. Nil) is secured by way of hypothecation of vehicle financed by them	Repayable in 36 Equated Monthly Installments commencing from November 2015. Last Instalment due in October 2018. Rate of Interest 10.00% (P.Y. Nil) as at year end.
37	Term Loan amounting to Nil (P.Y. ₹ 3,74,091/-) is secured by way of hypothecation of vehicle financed by them	Repayable in 36 Equated Monthly Installments commencing from May 2014. Last Instalment due in April 2017. Rate of Interest 10.75% (P.Y. 10.75%) as at year end.
38	Term Loan amounting to ₹ 19,64,975/- (P.Y. ₹ 35,87,349/-) is secured by way of hypothecation of vehicle financed by them	Repayable in 36 Equated Monthly Installments commencing from May 2014. Last Instalment due in April 2017. Rate of Interest 10.75% (P.Y. 10.75%) as at year end.
39	Term Loan received from Financial Institutions are secured by way of Personal Guarantee of Promoters	Repayable in 59 Equated Monthly Installments commencing from August 2013. Last Instalment due in June 2018. Rate of Interest Nil (P.Y. 13.00%) as at year end.
40	Term Loan received from Financial Institutions are secured by way of Personal Guarantee of Promoters	Repayable in 12 equal quarterly installments commencing from May-2014. Last Instalment due in January-2017. Rate of Interest 13% (P.Y. 13%) as at year end.
41	Term Loan received from Financial Institutions are secured by way of Personal Guarantee of Promoters	Repayable in 60 monthly installments commencing from October-2014. Last Instalment due in September-2019. Rate of Interest 12.25% (P.Y. 12.25%) as at year end.
42	Term Loan received from Financial Institutions are secured by way of Personal Guarantee of Promoters	Repayable in 54 Monthly installments comprising of 53 monthly installements of ₹ 12.25 Lakh and final installment of 10.75 lakh, commencing after a moratorium of 6 months from the date of first disbursement of the loan. Rate of interest 11.70% (P.Y. Nil) as at year end.
43	Term Loan received from Financial Institutions are secured by way of Personal Guarantee of Promoters and DSRA for 3 months Principal & Interest repayment	Repayable in 57 Equal Monthly Installments alongwith interest commencing from May 2016. Last Instalment due in January 2021. Rate of Interest 14.95% (P.Y. 14.95%) as at year end.



6. Deferred Tax Liabilities / (Assets) (Net)

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
(A) Deferred Tax Liabilities on account of following		
Impact of difference between tax depreciation and depreciation charged for the financial reporting	(227,104)	187,061
Gross Deferred Tax Liabilities (A)	(227,104)	187,061
(B) Deferred Tax Assets on account of following		
Impact of expenditure charged to the statement of profit and loss for the current year but allowed for tax purpose on payment basis	1,492,110	1,184,002
Amalgamation Expense	-	-
Gross Deferred Tax Assets (B)	1,492,110	1,184,002
Net Deferred Tax Liabilities / (Assets) (A - B)	(1,719,214)	(996,941)

7. Other Long-term Liabilities

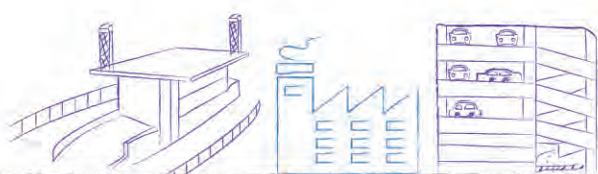
(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Security Deposits	10,457,642	4,359,633
Trade Deposits	52,161,937	24,528,825
Advances For Sale of Properties	-	72,046,341
Total Other Long-Term Liabilities	62,619,579	100,934,799

8. Provisions

(Amount in ₹)

Particulars	Long-term		Short-term	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
Provision for Employee Benefits (refer note no. 25)				
Provision for Gratuity	2,080,739	1,711,608	231,193	190,179
Provision for Leave Benefits	1,211,707	945,343	413,903	315,114
Total Provision for Employee Benefits	3,292,446	2,656,951	645,096	505,293
Other Provisions				
Provision for Income tax (Current year provision for income tax is net off of income tax provision minus advance tax paid and TDS for the year)	-	-	19,485,431	68,475,000
Provision for Proposed Equity Dividend	-	-	40,724,882	37,022,620
Provision for tax on proposed Equity Dividend	-	-	8,290,628	7,402,377
Provision for Wealth tax	-	-	-	127,100
Total Other Provisions	-	-	68,500,941	113,027,097
Total Provisions	3,292,446	2,656,951	69,146,037	113,532,390



9. Short-term Borrowings

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Overdraft facility from Banks*	49,093,598	70,376,983
Total Short-term Borrowings	49,093,598	70,376,983
The above amount includes:		
Secured Borrowings	49,093,598	70,376,983
Total Short-term Borrowings	49,093,598	70,376,983

Nature of security for short term borrowings

*Overdraft facility of ₹4,90,93,598/- (P.Y. ₹7,03,76,983/-) is secured by way of equitable mortgage of properties situated at 7th to 9th floor Sambhaav House, Ahmedabad and personal guarantee of Mr. Manoj Vadodaria & Mr. Kiran Vadodaria.

10.1 TRADE PAYABLES-DUES TO MICRO AND SMALL ENTERPRISES (as per intimation received from vendors)

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
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 the payment made to the 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 Act, 2006	-	-
e Interest accrued and remaining unpaid	-	-
f Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

10.2 Other Current Liabilities

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Trade payables [refer note no. 32]	201,706,695	124,378,864
Total Trade Payables	201,706,695	124,378,864
Other Liabilities		
Current maturities of Long-term Borrowings [refer note no. 5]		
of Term Loans	175,461,502	341,549,962
of Vehicle Loans	10,964,673	7,880,185
Total Current Borrowings	186,426,175	349,430,147
Interest accrued but not due on Borrowings	5,306,051	6,911,561
Advances from Customers	49,817,467	77,899,234
Advances From Contractors	10,523,342	8,886,403
Statutory obligations	7,940,053	9,716,961
Employee obligations	483,753	560,227
Unclaimed Dividend (1)	5,690,736	4,884,397
Others	128,296,839	22,788,236
Total Other Liabilities	394,484,416	481,077,166

(1) There is no amount due and outstanding to be credited to Investor education and protection fund as at March 31, 2016



11. Fixed Assets

(Amount in ₹)

SN	Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK		
		As at April 01, 2015	Additions	Sale / Transfer	Total as at March 31, 2016	As at April 01, 2015	For the year	Adjustment/ Deduction	Upto March 31, 2016	As at March 31, 2016	As at March 31, 2015
	Tangible Assets										
1	Land	1,073,100	-	-	1,073,100	-	-	-	-	1,073,100	1,073,100
2	Building / Office Premises	305,395,839	-	-	305,395,839	30,633,350	5,591,761	-	36,225,111	269,170,728	274,762,489
3	Furniture and Fixtures	8,770,565	1,129,851	-	9,900,416	3,135,413	1,004,335	-	4,139,748	5,760,668	5,635,152
4	Electrifications	1,016,600	-	-	1,016,600	324,494	120,966	-	445,460	571,140	692,106
5	Vehicles	34,320,791	9,360,825	402,113	43,279,503	7,287,870	4,479,935	210,145	11,557,660	31,721,843	27,032,921
6	Commercial Vehicles	10,326,204	2,612,597	-	12,938,801	473,556	1,260,964	-	1,734,520	11,204,281	9,852,648
7	Computer Equipments	3,254,815	221,376	-	3,476,191	2,448,459	404,845	-	2,853,304	622,887	806,356
8	Office Equipments	3,418,494	308,190	-	3,726,684	2,213,319	478,998	-	2,692,317	1,034,367	1,205,175
9	Plant & Machinery	10,089,401	3,721,971	-	13,811,372	465,278	905,836	-	1,371,114	12,440,258	9,624,123
	Total	377,665,809	17,354,810	402,113	394,618,506	46,981,739	14,247,640	210,145	61,019,234	333,599,272	330,684,070
	Previous Year	361,006,024	33,142,118	16,482,333	377,665,809	37,950,782	13,070,113	4,039,156	46,981,739	330,684,070	



12. Non-Current Investments

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Non-trade investments (valued at cost unless stated otherwise)		
Investment in equity instruments (quoted)		
(P. Y. 22760) Equity shares of Morepen Laboratories Ltd. of ₹ 2/- each fully paid.	-	102,875
(P. Y. 50000) Equity shares of Visu International Ltd. of ₹ 10/- each fully paid.	174,500	174,500
	174,500	277,375
Investment in equity instruments (unquoted)		
(P. Y. 101) Equity shares of Saraspur Nagrik Co-Op Bank Ltd of ₹ 100/- each fully paid	-	10,100
(P. Y. 100) Equity shares of United Co-Op. Bank Ltd. ₹ 50/- each fully paid	-	5,000
N. S. C. [For Raj. VAT Reg.]	11,143	10,293
	11,143	25,393
Investment in Joint Ventures		
Nilsan Realty LLP	7,500	7,500
Kent Residential and Industrial Park LLP	854,778	
Less: Investment amount reduces	(527,869)	
	326,909	
Investment in Subsidiaries		
Fangdi Land Developers LLP	87,591,750	56,381,000
	87,591,750	56,381,000
Investment in Associates		
233750 (P. Y. 233750) Equity shares of Mega City Cinemall Pvt. Ltd. of ₹ 10/- each fully paid up*	7,832,990	12,580,414
Romanovia Industrial Park Pvt Ltd	50,000	
Less: Investment transfer due to Associate Company	(50,000)	-
Sarathi Industrial Park Pvt Ltd.	50,000	
Less: Investment transfer due to Associate Company	(50,000)	-
	7,832,990	12,580,414
Total of Non-Current Investments	95,944,792	69,271,682

Particulars	Book Value	
	As at 31st March, 2016	As at 31st March, 2015
Aggregate value of quoted investment	174,500	277,375
Aggregate value of unquoted investment	95,770,292	68,994,307
Total of Non-Current Investments	95,922,792	69,271,682
Aggregate market value of quoted investment	56,250	298,202

* On acquisition of shares in Megacity Cinemall Pvt. Ltd. A goodwill of ₹ 1,95,35,647 was identified as per AS-23



13. Loans and Advances

(Amount in ₹)

Particulars	Non-current portion		Current portion	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
(A) Unsecured, Considered Good				
Security Deposit	113,864,395	47,359,184	37,608,604	49,726,474
Loans and Advances to Related Parties	179,638,180	-	54,889,743	58,052,894
Advances recoverable in cash or kind				
Unsecured	149,416,625	-	558,520,330	787,579,250
Sub Total (A)	442,919,200	47,359,184	651,018,677	895,358,618
(B) Other Loans and Advances				
Advance tax	-	-		57,552,953
Prepaid Expenses	-	-		1,092,514
Other Advances	-	1,680,699	395,764,255	236,415,079
Loans to Employees	-	-		504,921
MAT credit entitlement	-	-		93,960
Balance with government authorities	-	-		8,440,478
Sub Total (B)	-	1,680,699	395,764,255	304,099,905
Total Loans and Advances (A+B)	442,919,200	49,039,883	1,046,782,932	1,199,458,523
Loans and advance to Related Parties includes Dues from the Limited Liability Partnerships in which the Company is having more than 20% share of Contribution. (refer note no. 28)	179,638,180	-	54,889,743	58,052,894
Total Loans and Advances to Related Parties	179,638,180	-	54,889,743	58,052,894

14. Other Non-Current Assets

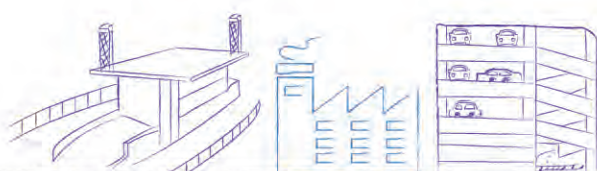
(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Unsecured, Consider good unless stated otherwise		
Margin money deposits with banks (refer note no 17)	44,671,691	31,339,371
Interest accrued on Fixed Deposits	2,845,620	832,805
Total Other Non-Current Assets	47,517,311	32,172,176

15. Inventories

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Construction Material on hand	15,920,491	19,204,807
Work-In-Progress	434,054,997	352,876,683
Flats	189,973,724	316,221,857
Land and Land Development Rights	786,676,362	783,211,988
Total Inventories	1,426,625,574	1,471,515,335



16. Trade Receivables

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Unsecured, Considered good unless stated otherwise		
Outstanding for a period exceeding six months from the date they are due for the payment	39,219,722	76,351,965
Other Receivables	324,984,007	234,939,387
Total Trade Receivables	364,203,729	311,291,352
Trade Receivable include:		
Dues from the Limited Liability Partnerships in which the Company is having more than 20% share of Profit / Loss	-	-
Total Trade Receivables from Related Parties	-	-

17. Cash and Bank Balances

(Amount in ₹)

Particulars	Non-current portion		Current portion	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
Cash and Cash Equivalents				
Cash on hand	-	-	635,269	145,147
Balance with Banks:				
In Current Accounts	-	-	9,083,104	23,434,594
Total of Cash and Cash Equivalents	-	-	9,718,373	23,579,741
Other Bank Balances				
Margin Money Deposits	44,671,691	31,339,371	17,230,197	25,627,476
Unpaid Dividend Account	-	-	5,696,116	4,889,777
	44,671,691	31,339,371	22,926,313	30,517,253
Amount disclosed under Non-Curret Assets (refer note no14)	[44,671,691]	[31,339,371]	-	-
Total Cash and Bank Balances	-	-	32,644,686	54,096,994

Notes to consolidated statement of Profit and Loss for the year ended March 31, 2016

18. Revenue from Operations

(Amount in ₹)

Particulars	For the Year ended	
	March 31, 2016	March 31, 2015
Revenue from Operations		
Infrastructure Project Activity	1,574,577,936	806,842,943
Lease Rental	22,940,821	18,247,028
Residential Project Activity	177,997,414	116,936,850
Trading Activity	55,817,214	301,945,000
Total Revenue from Operations	1,831,333,385	1,243,971,821



19. Other Income

(Amount in ₹)

Particulars	For the Year ended	
	March 31, 2016	March 31, 2015
Interest Income		
on Bank Deposits	4,867,192	3,277,357
from Others	113,777,096	69,040,525
Liabilities no longer required to pay written back	49	1,022,697
Share of Profit/ (Loss) from LLP	(265,750)	(270,254)
Profit on sale of Investment / Fixed Assets	75,222	-
Miscellaneous Income	702,832	432,483
Total Other Income	119,156,641	73,502,808

20. Project Expenses

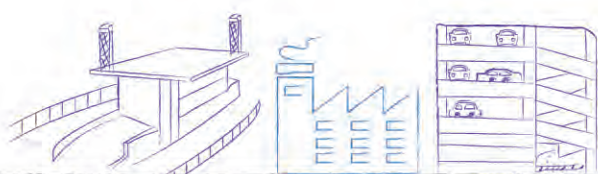
(Amount in ₹)

Particulars	For the Year ended	
	March 31, 2016	March 31, 2015
Advertisement	-	512,240
Civil, Electrical, Contracting, Labour work etc.	875,397,595	524,967,413
Consumption of Raw Materials	525,680,192	325,644,910
Discount Brokerage and Commission Charges	1,096,946	2,517,649
Electricity Expenses	4,016,206	2,936,394
Freight and Cartage Expenses	34,231,315	20,489,801
Fuel-Expenses	1,093,274	113,087
Insurance Expenses	787,009	1,090,372
Legal and Professional Charges	5,616,392	1,133,236
Other Direct Expenses	6,279,421	3,896,636
Project Interest & Finance Charges	-	59,168,031
Repair and Maintenance Expense	126,641	159,319
Security Charges	2,067,912	1,985,296
Service Tax	12,198,006	138,818
Travelling Expenses	1,501,851	719,670
Value Added Tax	5,628,906	2,769,181
Welfare cess	11,493,368	5,445,774
Total Project Expenses	1,487,215,034	953,687,827

21. Employee Benefit Expenses

(Amount in ₹)

Particulars	For the Year ended	
	March 31, 2016	March 31, 2015
Contribution to Provident and Other Fund	440,408	371,865
Gratuity	410,145	679,502
Leave Encashment	355,153	294,227
Remuneration and Perquisites to Directors	3,780,000	3,600,000
Salaries, Allowances and Bonus	32,401,851	24,043,607
Staff Welfare Expenses	408,388	593,055
Total Employee Benefit Expense	37,795,945	29,582,256



22. Interest and Finance Charges

(Amount in ₹)

Particulars	For the Year ended	
	March 31, 2016	March 31, 2015
Interest on		
Banks and Financial Institutions*	127,731,133	80,569,674
Paid to Others	1,882,956	11,326,667
Other Borrowing Costs		
Bank charges	2,016,898	1,826,449
Processing fees	8,173,726	6,894,229
Foreclosure charges	5,476,106	-
Total Finance Cost	145,280,819	100,617,019

* Total interest inventoried ₹ 79,315,309 (P.Y. ₹ 91,461,074)

23.2 Other Expenses

(Amount in ₹)

Particulars	For the Year ended	
	March 31, 2016	March 31, 2015
Advertisement	589,425	208,769
Business Promotion Expenses	512,514	1,000,000
CSR Expenses	3,785,901	3,711,558
Deficit on Sale of Fixed Assets	-	3,627,477
Directors' Sitting fees	70,100	32,000
Donation Expenses	405,000	466,000
Insurance Expenses	1,281,070	383,733
Legal & Professional Fee	11,926,827	13,626,776
Miscellaneous Expenses	1,147,213	3,116,716
Office Rent	818,999	471,072
Payment to Auditors (Audit Fee)	157,000	140,450
Postage & Courier Charges	96,297	160,241
Power & Fuel Expenses	5,009,037	3,522,863
Printing & Stationary Expenses	1,292,525	726,055
Rates and Taxes	1,377,811	829,963
Repairs & Maintenance	1,917,967	1,849,692
Sundry Balances Written Off	944,668	179
Unearned profit in Associate	37,249	-
Telephone Expenses	600,473	576,829
Travelling Expenses	726,378	29,842
Loss in Associate	4,747,424	-
Total Other Expenses	37,443,878	34,480,215



24. Contingent Liabilities not provided for is as under:

Claim against the Company not acknowledged as debt.

(Amount in ₹)

Particulars	As on March 31, 2016	As on March 31, 2015
Income Tax Demands for A.Y. 2011-12 matter before ITAT, Ahmedabad	7,593,770	7,593,770

The above mentioned appeal allowed by the CIT, Appeal 9 Ahmedabad against which department has filed appeal before ITAT.

25. Employee Benefits**a) Defined Contribution Plan:**

Amount of ₹ 410,145/- (P.Y. ₹ 679,502/-) is recognized as an expense and included in Employee Benefits Expense in Note No. 21 to statement of profit and loss.

b) As per Accounting Standard 15 "Employee benefits", the disclosures as defined in the Accounting Standard are given below:

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as

giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for Leave Encashment is recognized in the same manner as Gratuity.

Consequent upon adoption of Accounting Standard on "Employee Benefits" (AS - 15) (Revised 2005) issued by the Institute of Chartered Accountants of India, as required by the Standards, the following disclosures are made:

The details of Gratuity (unfunded) are given below:

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Reconciliation of Benefit Obligation		
Obligation at the beginning of the year	1,901,787	1,222,285
Current Service Cost	549,300	489,016
Interest Cost	152,143	97,783
Actuarial (Gain) / Loss	(291,298)	92,703
Benefits Paid	-	-
Present value of obligations at the year end	2,311,932	1,901,787
Change in Fair value of Plan Assets		
Fair value of the Plan at period beginning	-	-
Actual return on Plan Assets	-	-
Employer's Contribution	-	-
Benefits Paid	-	-
Plan Assets as at year end	-	-
Liability recognized in Balance Sheet		
Present value of the obligation at year end	2,311,932	1,901,787
Fair Value of plan assets	-	-
Un-funded Liability	2,311,932	1,901,787
Unrecognized actuarial (Gain) / Loss	-	-
Unfunded liability recognized in Balance Sheet	2,311,932	1,901,787
Net Cost recognized in the statement of Profit & Loss		
Interest Cost	152,143	97,783
Service Cost	549,300	489,016
Expected / Actual return on Plan Assets	-	-
(Gain) / Loss recognized	(291,298)	92,703
Net (Gain) / Cost provided as Expense in the statement of Profit and Loss	410,145	679,502
Assumptions used to determine the benefit obligations		
Discounting Rate (per annum)	8.00 % p.a	8.00 % p.a
Expected rate of escalation in salary (per annum)	5.00 % p.a	5.00 % p.a
Expected rate of return on Plan Assets	N.A	N.A
Mortality Table L.I.C. (1994-96) ULTIMATE		



26. Segment Reporting

Since the company has only one primary reportable segment, there is no separate reportable segment as required in Accounting Standard - 17 issued by the Institute of Chartered Accountants of India. Also there being no business outside India, the entire business has been considered as single geographic segment.

27. Disclosure in respect of Accounting Standard 27 for Joint Ventures

(Amount in ₹)

Particulars	Year	Assets	Liabilities	Income	Expenses	Tax
Nilsan Realty LLP	2015-16	129,389,280	115,612,851	179,187	293,474	-
	2014-15	101,747,861	87,857,147	1,197,347	161,039	-
Shree Matangi Projects LLP	2015-16	-	-	122,981	735,640	-
	2014-15	16,047,217	8,312,717	753,600	1,004,329	17,038
Kent Residential Park LLP	2015-16	68,356,897	29,055,689	1,206,681	739,521	140,250
	2014-15	-	-	-	-	-

28. As per Accounting Standard-18, the disclosures of transaction with Related Parties are as under:

- a) List of Related Parties and nature of relationship thereto.

Relationship	Name of Related Parties
Subsidiary, Associates & Joint Ventures	Nila Projects LLP
	Fangdi Land Developers LLP
	Nilsan Realty LLP
	Shree Matangi Projects LLP
	Kent residential and Industrial Park LLP
	Romanovia Industrial Park Pvt Ltd
	Sarathi Industrial Park Pvt Ltd
	Megacity Cinemall Pvt. Ltd
Key Managerial Personnel	Manoj B. Vadodaria
	Kiran B. Vadodaria
Enterprise in which Key Managerial Personnel have significant influence	Sambhaav Media Limited

- b) Transactions during the year with Related Parties:

The following transactions were carried out with Related Parties in the ordinary course of business:



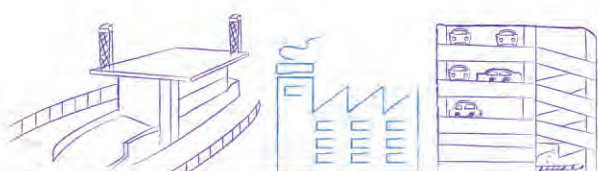
(Amount in ₹)

SN	Nature of Transactions	Associates, Joint Ventures & Subsidiary		Key Managerial Personnel & their Relatives		Enterprise in which Key Managerial Personnel have significant Influence	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
1.	Rent Paid	-	-	-	-	709,332	498,492
2.	Sale of Land	54,531,500	-	-	100,000,000	-	-
3.	Repayment of Loans & Advance given	109,018,446	112,088,048	-	-	-	-
4.	Loans and Advances Given	296,432,000	24,624,999	-	-	-	-
5.	Advertisement Expenditure	-	-	-	-	100,000	50,000
6.	Interest Received	38,686,203	8,041,389	-	-	-	-
7.	Remuneration and Perquisites to Directors	-	-	3,600,000	3,600,000	-	-
8.	Misc Expenses	65,315	-	-	-	-	-
9.	Share of Profit / (Loss)	(265,750)	(270,254)	-	-	-	-
10.	Inventory Return	14,288,750	25,530,000	-	-	-	-
11.	Capital received back	6,972,425	-	-	-	-	-
12.	Additional cost of Flats Purchased	-	3,580,000	-	-	-	-
13.	Capital Introduce / Investment made	600,000	149,950,000	-	-	-	-
14.	Contract Revenue	-	-	-	-	5,331,949	826,434
15.	Money Received Against Convertible Warrant	-	-	-	19,687,500	-	-

c) The above Related Party transactions contains following material transactions (As per Accounting Standard-18):

(Amount in ₹)

SN	Particulars	2015-16 Transactions	Closing Balance	2014-15 Transactions	Closing Balance
1	Rent Paid Sambhaav Media Limited	709,332	-	498,492	-
2	Sales Infrastructure Project Sambhaav Media Limited	5,331,949	-	826,434	-
3	Sales of Land Romanovia Industrial Park Pvt Ltd	54,531,500	-	-	-
4	Advances/Loans Given Shree Matangi Projects LLP Megacity Cinemall Pvt. Ltd Nila Projects LLP Kent Residential and Industrial Park LLP Romanovia Industrial Park Pvt Ltd	1,500,000 11,600,000 195,000 88,900,000 194,237,000	- 78,186,613 16,941,457 76,892,858 104,561,830	1,300,000 8,674,999 14,650,000 - -	423,539 58,052,894 14,743,704 - -
5	Advertisement Given Sambhaav Media Limited	100,000	24,500	50,000	Nil
6	Interest Received Megacity Cinemall Pvt. Ltd Nila Projects LLP (Capital) Nila Projects LLP (Loan) Kent Residential and Industrial Park LLP (Capital) Kent Residential and Industrial Park LLP Romanovia Industrial Park Pvt Ltd	9,481,910 22,709,267 2,225,281 27,869 1,103,176 3,138,700	78,186,613 174,104,383 16,941,457 854,779 76,892,858 104,561,830	6,492,157 1,455,116 104,116 - - -	58,052,894 151,395,116 14,743,704 - - -



(Amount in ₹)

SN	Particulars	2015-16 Transactions	Closing Balance	2014-15 Transactions	Closing Balance
7	Remuneration and Perquisites to Directors				
	Manoj B. Vadodaria	2,400,000	-	2,400,000	-
	Kiran B. Vadodaria	1,200,000	-	1,200,000	-
8	Share of Profit / (Loss)				
	Shree Matangi Projects LLP	(592,660)	-	(270,254)	7,565,085
	Kent Residential and Industrial Park LLP (Capital)	326,910	854,779	-	-
9	Re-payment of Loans and Advances given				
	Shree Matangi Projects LLP	1,923,539	-	46,500,000	423,539
	Nilsan Realty LLP	-	30,382,330	64,883,420	30,382,330
	Nila Projects LLP	222,528	16,941,457	10,412	14,743,704
	Megacity Cinemall Pvt. Ltd	948,191	78,186,613	694,216	58,052,894
	Fangdi Land Developers LLP	-	20,000,000	-	20,000,000
	Kent Residential and Industrial Park LLP	13,110,318	76,892,858	-	-
	Romanovia Industrial Park Pvt Ltd	92,813,870	104,561,830	-	-
10	Sale of Land				
	Manoj B. Vadodaria	-	-	100,000,000	-
11	Share Warrant Application				
	Manoj B. Vadodaria	-	11,250,000	11,250,000	11,250,000
	Kiran B. Vadodaria	-	8,437,500	8,437,500	8,437,500
12	Inventories Return				
	Shree Matangi Projects LLP	14,288,750	-	25,530,000	-
13	Capital Introduce / Investment Made				
	Nila Project LLP (Capital)	-	174,104,383	149,950,000	151,395,116
	Kent Residential and Industrial Park LLP (Capital)	500,000	854,779	-	-
	Romanovia Industrial Park Pvt Ltd	50,000	50,000	-	-
	Sarathi Industrial Park Pvt Ltd	50,000	50,000	-	-
14	Additional cost of Flats Purchased				
	Shree Matangi Projects LLP	-	-	3,580,000	-
15	Capital Received Back				
	Shree Matangi Projects LLP	6,972,425	-	-	-
16	Misc Expenses				
	Shree Matangi Projects LLP	65,315	-	-	-



29. Leases: (In terms of Accounting Standard – 19)

The Company has lease facilities under non-cancellable operating leases. The future minimum lease payments in respect of these leases as at March 31, 2016 are:

(Amount in ₹)

Particulars	As on March 31, 2016	As on March 31, 2015
Gross Carrying amount of Premises on lease during the year	300,967,138	229,470,801
Accumulated Depreciation	37,979,681	19,220,195
Depreciation for the year	6,100,449	4,942,408
Future Minimum Lease payments under non-cancellable operating leases		
• Not later than 1 year	17,074,031	16,592,375
• Later than 1 year and not later than 5 years	24,737,110	37,603,086
• Later than 5 years	2,165,382	5,052,558

30. Earning Per Share: (In terms of Accounting Standard - 20)

(Amount in ₹)

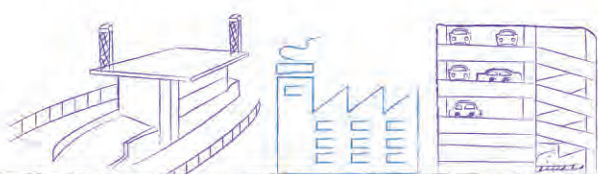
Particulars	As on March 31, 2016	As on March 31, 2015
Basic Earnings Per Share		
Profit / (Loss) After Tax	140,156,818	119,685,754
Weighted Average No. Of Equity Shares	370,226,200	313,102,912
Nominal Value of Shares	1/-	1/-
Earnings per share (Basic)	0.38	0.38
Weighted Average No. Of Equity Shares for Dilluted Working	392,726,200	318,465,926
Earnings per share (Diluted)	0.36	0.38

31. Deferred Tax:

As per Accounting Standard - 22 on "Accounting for taxes on income" issued by the Institute of Chartered Accountants of India, the company has accounted for Deferred tax during the year.

(Amount in ₹)

Particulars	As on March 31, 2016	As on March 31, 2015
Deferred Tax Asset:		
On account of Timing Differences in		
Gratuity	168,772	220,465
Bonus	(855)	95,462
Leave Encashment	140,191	31,433
Amalgamation Expenses	-	(258,818)
Total (A)	308,108	88,542
Deferred Tax Liability:		
On account of Timing Differences in		
Depreciation	414,166	2,354,014
Charged against opening retained earnings	-	(319,001)
Total (B)	414,166	2,035,013
Net Deferred Tax Asset / (Liability) (A + B)	722,274	2,123,555



32. The company had not received any intimation from "suppliers" regarding their status under the Micro, Small & Medium Enterprise Act, 2006, and hence disclosures, if any, relating to amounts unpaid as at March 31, 2016 together with interest paid or payable as required under said act, have not been given.
33. Income from Infrastructure project has been recognized as per Accounting Standard 7, "The company has change the policy from this year for revenue recognition. Revenue has been recognized on the basis of work done and as per the terms of the tender / contract. The company records revenue of its infrastructure projects based on running bill raised and the company has recognized revenue as per Accounting Standard 7, as per tender terms ₹ 1803 lacs, gross profit of the company has increased by ₹ 222 lacs due to this revenue recognition. Expenditure for the said revenue is accounted on accrual basis".
34. The information required as per Companies Act, 2013, regarding quantitative information is as follows.

Value of Imported & Indigenous Raw Material Consumed**(Amount in ₹)**

Particulars	2015-16	2014-15
Imported	-	-
Indigenous	378,780,057	325,644,910
Total	378,780,057	325,644,910
Imported	-	-
Indigenously obtained	100%	100%
Total	100%	100%

35. Details of loans given, investments made covered u/s 186(4) of the Companies Act, 2013, and Disclosures pursuant to clause 32 of listing agreement.
- The details of loan given and investment made are given under the respective heads. The loans given are for the general business purpose of the borrower details of disclosure pursuant to clause 32 of the listing agreement are given in note no. 28.
36. There is no foreign transaction during the year under consideration.
37. The previous year's figures have been reworked, regrouped and reclassified wherever necessary.

Signatures to Notes 1 to 37 forming part of Accounts:
For, **O. P. Bhandari & Co.**

Chartered Accountants

Firm Registration Number : 112633W

O. P. Bhandari

Partner

Membership No. : 34409

Place : Ahmedabad

Date : May 26, 2016

For and on behalf of the Board of Directors of Nila Infrastructures Ltd.**Manoj B. Vadodaria**

Managing Director

DIN : 00092053

Prashant H. Sarkhedi

Chief Finance Officer

Kiran B. Vadodaria

Joint Managing Director

DIN : 00092067

Dipen Y. Parikh

Company Secretary



Abbreviations

NILA/the Company/ your Company	: Nila Infrastructures Limited	MLP	: Multi Level Parking at Navrangpura, Ahmedabad
Adani	: Adani Infrastructure and Developers Pvt Ltd	MoU	: Memorandum of Understanding
ADB	: Asian Development Bank	MTPA	: Million Tonnes Per Annum
AMC	: Ahmedabad Municipal Corporation	MW	: Megawatt
AMRUT	: Atal Mission for Rejuvenation and Urban Transformation	NHB	: National Housing Bank
AS	: Accounting Standard	NBC	: National Building Code of India
ASSOCHAM	: The Associated Chambers of Commerce and Industry of India	NSE	: The National Stock Exchange of India Ltd.
ATNW	: Adjusted tangible network	NSDP	: Net State Domestic Product
BIP	: Bureau of Investment Promotion	NWC	: Net working capital
bps	: Basis Points	OPRC	: Output and Performance based Road Contract
BRTS	: Bus Rapid Transit System	PBG	: Performance Bank Guarantee
BSE	: BSE Ltd	PMAY	: Pradhan Mantri Awas Yojana
CA	: Current assets	PMC	: Project Management Consultant
CAGR	: Compound Annual Growth Rate	PPP	: Public Private Partnership
CL	: Current liabilities	QMS	: Quality Management System
CMJAY	: Chief Minister's Jan Awas Yojana	RAVIL	: Rajasthan Awas Vikas and Infrastructure Limited
CSO	: Central Statistics Organisation	RBI	: Reserve Bank of India
DEA	: Department of Economic Affairs	RE	: Real Estate
DIPP	: Department of Industrial Policy and Promotion	RIICO	: Rajasthan Industrial Development and Investment Corporation
ERP	: Enterprise Resource Planning	RRPS	: Resurgent Rajasthan Partnership Summit - 2015
EWS	: Economically Weaker Sections	RUDSICO	: Rajasthan Urban Drinking Water, Sewerage and Infrastructure Corporation Limited
FDI	: Foreign Direct Investment	SBI	: State Bank of India
FSI	: Floor to Space Index	SEWA	: Self Employed Women's Association
FY2015	: Financial Year 2014-2015	SOP	: Standard Operating Procedures
FY2016	: Financial Year 2015-2016	ST	: Short term
GoG	: Government of Gujarat	STD	: Short term debt
GoI	: Government of India	SWC	: Single Window Clearance
GoR	: Government of Rajasthan	TD	: Total debt
GSDP	: Gross State Domestic Product	TDR	: Transferable Development Rights
HFA	: Housing for All by 2022	TNW	: Tangible Network
HR	: Human Resource	TOI	: Total Operating Income
IMF	: International Monetary Fund	TOL	: Total outside liabilities
KMP	: Key Managerial Personnel	UDUHD	: Urban Development and Urban Housing Department
LIG	: Low Income Group	UIT	: Urban Improvement Trust
LSG	: Local Self Government	VUDA	: Vadodara Urban Development Authority
LTD	: Long term debt		
MHT	: Mahila Housing SEWA Trust		
MHUPA	: Ministry of Housing and Urban Poverty Alleviation		



**NILA INFRASTRUCTURES LTD.**

(CIN: L45201GJ1990PLC013417)

Registered Office : First Floor, "Sambhaav House", Opp. Chief Justice's Bungalow, Bodakdev, Ahmedabad-380015. Tel. : +91 79 40036817 / 18, Fax : +91 79 3012 6371

E-mail : secretarial@nilainfra.com | www.nilainfra.com

(Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Form No MGT – 11**Name of Member:****Registered Address:****Email Id:****Folio No/DP ID/Client ID:**

I/We, being the member(s) of the Company, hereby appoint

1. Name: _____ Email Id _____

Address: _____ Signature: _____ or failing him

2. Name: _____ Email Id _____

Address: _____ Signature: _____ or failing him

3. Name: _____ Email Id _____

Address: _____ Signature: _____

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 26th AGM of the Company, to be held on the Saturday, September 10, 2016 at 10:00 a.m. at First Floor, Sambhaav House, Opp. Chief Justice's Bungalow, Bodakdev, Ahmedabad- 380015 and at any adjournment thereof in respect of such resolutions as are indicated below.

Resolution No:

Ordinary Business:

(1) Adoption of Annual Accounts as on March 31, 2016 (2) Re appointment of Mr. Dilip D Patel who retires by rotation (3) To declare dividend on equity shares for the financial year ended on March 31, 2016 (4) Appointment of M/s O.P. Bhandari & Co., Chartered Accountants, Ahmedabad as auditors of the Company and fixing their remuneration

Special Business

(5) To ratify the remuneration of Cost Auditor of the Company M/s Dalwadi & Associates (6) To approve transaction(s) of capital contribution, loan, corporate guarantee, security etc. with M/s Romanovia Industrial Park Pvt. Ltd. (7) To approve transaction(s) of capital contribution, loan, corporate guarantee, security etc. with M/s Sarathi Industrial Park Pvt. Ltd. (8) To approve transaction(s) of capital contribution, loan, corporate guarantee, security etc. with M/s Kent Residential and Industrial Park LLP (9) Approval to construction contract/transaction(s) with M/s Romanovia Industrial Park Pvt. Ltd. (10) Approval to construction contract/transaction(s) with M/s Sarathi Industrial Park Pvt. Ltd. (11) Approval to construction contract/transaction(s) with M/s Kent Residential and Industrial Park LLP. (12) To approve transaction(s) of personal guarantee, security, collaterals etc. by the Directors and their relatives for the loan and borrowings of the Company.

Signed this..... day of.....2016

Signature of Shareholder.....

Signature of first Proxy holder.....

Affix a
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Signature(s) of Member(s)
Across the Revenue Stamp

ATTENDANCE SLIP**NILA INFRASTRUCTURES LTD.**

(CIN: L45201GJ1990PLC013417)

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E-mail : secretarial@nilainfra.com | www.nilainfra.com

I hereby record of my presence at the **26th ANNUAL GENERAL MEETING** of the Company held on **September 10, 2016 at 10:00 a.m.** at the Registered Office of the Company at 1st Floor, "Sambhaav House", Opp. Chief Justice's Bungalow, Bodakdev, Ahmedabad- 380015.

Folio No/DP ID/Client ID..... No. of Shares held:

Full Name of the Shareholder/Proxy:**Signature of Shareholder/Proxy:**

NOTE: Only Shareholders of the Company or their proxies will be allowed to attend the meeting.

Company Details

Board of Directors

Mr. Manoj B. Vadodaria
Mr. Kiran B. Vadodaria
Mr. Hiren G. Pandit
Mr. Dilip D. Patel
Mr. Shyamal S. Joshi
Mr. Ashok R. Bhandari
Mr. Harcharansingh P. Jamdar
Ms. Foram B. Mehta

Chairman & Managing Director
Joint Managing Director
Director
Director
Director
Director
Director
Director

Auditors

O.P. Bhandari & Co.
Chartered Accountants
Ahmedabad

Secretarial Auditor

R.S. Sharma & Associates
Practicing Company Secretary
Ahmedabad

Cost Auditor

Dalwadi & Associates
Cost Accountant
Ahmedabad

Chief Finance Officer

Mr. Prashant H. Sarkhedi

Company Secretary

Mr. Dipen Y. Parikh

Registered Office

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

Bankers

Axis Bank Limited
Central Bank of India
DCB Bank Limited
HDFC Bank Ltd.
ICICI Bank Ltd.
State Bank of India
YES Bank Ltd.

Corporate Identification Number

L45201GJ1990PLC013417

Financial Institutions

Gruh Finance Ltd.
IFCI Ltd.
SIDBI
Tata Capital Financial Services Ltd.

Registrar & Share Transfer Agent

MCS Share Transfer Agent Ltd.
201, Third Floor, Shatdal Complex,
Opp. Bata Showroom, Ashram Road,
Ahmedabad- 380009
Phone : +91 79-26580461/62

From building bungalows and flats to BRTS Stations, multilevel parking and quite a few *Affordable Housing projects in Gujarat and Rajasthan*, **Nila Infrastructures** is favourably placed to strengthen its growth trajectory.



**NILA
INFRASTRUCTURES
LIMITED**

Nila Infrastructures Limited

CIN: L 45201GJ1990PLC013417

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