Nila Spaces Limited

(Formerly known as Parmananday Superstructure Limited)

Our Company (Corporate Identification Number U45100GJ2000PLC083204) was incorporated on 3rd day of May 2000 as Gee Tele Network Limited, a public limited company, with the Registrar of Companies, Mumbai, under the provisions of the Companies Act, 1956. Its registered office was shifted from the State of Maharashtra to the State of Gujarat on 29th day of December 2014. Its name was then changed to: (a) Parmannday Consultancy Limited on 3rd day of March 2017, Parmananday Superstructure Limited on 12th day of October 2017 and it was further changed to Nila Spaces Limited with effect from 27th day of November 2017 with its registered office at First Floor, Sambhaav House, Opp. Chief Justice's Bungalow, Bodakdev, Ahmedabad – 380 015, Gujarat, India.

Registered Office: First Floor, Sambhaav House, Opp. Chief Justice's Bungalow, Bodakdev,

Ahmedabad – 380 015, Gujarat, India.

Contact Person: Ms. Gopi Dave – Company Secretary

Tel: +91 79 40036817

Email: secreterial@nilaspaces.com; **Website:** www.nilaspaces.com

Corporate Identity Number: U45100GJ2000PLC083204

Information Memorandum for listing of 39,38,89,200 equity shares of Re. 1 each

NO EQUITY SHARES ARE PROPOSED TO BE SOLD OR OFFERED PURSUANT TO THIS INFORMATION MEMORANDUM

GENERAL RISK

Investment in equity and equity related securities involve a degree of risk and investors should not invest funds in the equity shares of our Company unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking a decision to invest in the shares of our Company. For taking an investment decision, Investors must rely on their own examination of our Company including the risks involved.

COMPANY'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for, and confirms that this Information Memorandum contains all information with regard to our Company, which is material, that the information contained in this Information Memorandum is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this Information Memorandum as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The Equity Shares of our Company are proposed to be listed on the BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**"). For the purposes of this listing, the Designated Stock Exchange is BSE. Our Company has submitted this Information Memorandum with BSE and NSE and the same has been made available on our Company's website viz. www.nilaspaces.com . The Information Memorandum would also be made available on the website of BSE (www.bseindia.com) and NSE (www.nseindia.com)

REGISTRAR TO THE ISSUE

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Contact Person: Mr. Jagdish Patel
SEBI Regd. No. INR000004108

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SECTION I – GENERAL
DEFINITIONS AND ABBREVIATIONS

In this Information Memorandum, unless the context otherwise requires, the terms defined and abbreviations expanded herein below shall have the same meaning as stated in this section.

In this Information Memorandum, unless otherwise indicated or the context otherwise requires, all references to "Nila Spaces Limited", "Nila Spaces", "Resulting Company", the/our "Company", "we", "our", "us", or "Resulting Entity" are to Nila Spaces Limited or, as the context requires, and references to "you" are to the prospective investors in the Equity Shares.

Conventional and General Terms/Abbreviations

Term	Description
Act/Companies Act	The erstwhile Companies Act, 1956 and/or Companies Act, 2013, as applicable
AGM	Annual General Meeting
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
Depositories Act	Depositories Act, 1996
Depository	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996
Depository Participant/ DP	A depository participant as defined under the Depositories Act
DIN	Director Identification Number
DP ID	Depository Participant Identity
EBITDA	Earnings before Interest, Tax, Depreciation and Amortization
EGM	Extra-Ordinary General Meeting
EPS	Earnings per Share
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999 including the regulations framed thereunder
FII	Foreign Institutional Investor as defined under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, registered with SEBI under applicable laws in India
FIPB	Foreign Investment Promotion Board, Ministry of Finance, Government of India
FVCI	Foreign Venture Capital Investors as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 registered with SEBI under applicable laws in India
GAAP	Generally Accepted Accounting Principles
GoI	Government of India
HUF	Hindu Undivided Family
ICAI	Institute of Chartered Accountants of India
IT Act	Income Tax Act, 1961
Indian GAAP	Generally accepted accounting principles followed in India
JV	Joint Venture
MICR	Magnetic Ink Character Recognition
MoU	Memorandum of Understanding
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
NAV	Net Asset Value

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NECS	National Electronic Clearing Services
NEFT	National Electronic Fund Transfer
OCB	Overseas Corporate Body
p.a	Per annum
PAC	Persons Acting in Concert
PAN	Permanent Account Number under the IT Act
PLR	Prime Lending Rate
RBI	The Reserve Bank of India
Rs. / Rupees / INR / ₹	Indian Rupees
RTGS	Real Time Gross Settlement
SCRA	Securities Contract (Regulation) Act, 1956
SCRR	Securities Contract (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
STT	Securities Transaction Tax
Takeover Regulations	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Trademark Act	Trademark Act, 1999

Company Related and Industry Related Terms

Term	Description
Appointed Date for the Scheme	April 1, 2017
Capital/Share capital	39,38,89,200 equity shares of INR 1/- each fully paid up
Director(s)	Deep S. Vadodaria, Prashant H Sarkhedi, Jasvinder Singh Rana, Anand Patel, Rajal Mehta
Demerged Company	Nila Infrastructures Limited
Demerged Undertaking / Real Estate Undertaking	Means and include all the business, undertakings, properties, investments and liabilities of whatsoever nature and kind and wheresoever situated, of the Demerged Company, in relation to and pertaining to the Real Estate Business on a going concern basis, together with all its assets and liabilities
Designated Stock Exchange	BSE Limited
Effective Date	17 May 2018
Eligible Shareholder (s)	Shall mean eligible holder(s) of the Equity Shares of Nila Infrastructures Limited as on the Record Date of 15 June 2018
Equity Share(s) or Share(s)	Equity shares of Nila Infrastructures Limited having face value of Rs 1/- each unless otherwise specified in the context thereof.
Equity Shareholder / Shareholder	A holder of the Equity Shares
Financial Year/ Fiscal/Fiscal Year/FY	Any period of twelve months ended March 31 of that particular year, unless otherwise stated.
Group Companies	Unless the context otherwise required, shall mean Group Companies as enumerated in the **chapter "Group Companies".** Group companies/Group includes Holding Company, Subsidiary Company (ies) and Associates of Nila Spaces Limited.
IT Act	The Income Tax Act, 1961 and amendments thereto
Information Memorandum or IM	This document filed with the Stock Exchanges known as and referred to as the Information Memorandum or IM
Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

Promoters	Promoters of our Company shall mean Promoters as mentioned in the **chapter "Promoter & Promoter Group"**
Promoter Group	Unless the context requires otherwise, the entities forming part of our promoter group in accordance with SEBI ICDR Regulations
The Scheme / Scheme of Arrangement	Scheme of Arrangement between Nila Infrastructures Limited and Nila Spaces Limited (Name changed from Parmananday Superstructure Limited as per the Scheme) and their respective shareholders and creditors, sanctioned by the Hon'ble National Company Law Tribunal, Bench, at Ahmedabad ('NCLT') at Gujarat on 9th May 2018.
Record Date	15 June 2018
Registrar and Transfer Agent	MCS Share Transfer Agent Limited
Share Certificate	The certificate in respect of the Equity Shares allotted to a folio
Stock Exchanges	BSE and NSE
Articles/Articles of Association/AoA	The articles of association of our Company, as amended
Auditor	The Statutory Auditors of our Company, M/s J S Shah & Co Chartered Accountants- Ahmedabad
Board/ Board of Directors	Board of Directors of our Company
Memorandum/ Memorandum of Association	The memorandum of association of our Company, as amended

The words and expressions used but not defined herein shall have the same meaning as is assigned to such terms under the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in specifically defined in this Information Memorandum, shall have the meanings given to such terms in the sections where specifically defined.

CERTAIN CONVENTION, USE OF MARKET DATA

Unless stated otherwise, the financial data in this Information Memorandum is derived from our financial statements. The financial year commences on April 1 and ends on March 31 of each year, so all references to a particular financial year are to the twelve month period ended March 31 of that year, unless specified otherwise.

In this Information Memorandum, any inconsistencies in any table between the aggregate and the totals of the sums recorded are because of rounding off. All references to "India" contained in this Information Memorandum are to the Republic of India. All references to "Rupees" or "Rs." are to Indian Rupees, the official currency of the Republic of India. For extra definitions, please see the area titled "Definitions and Abbreviations" of this Information Memorandum.

Unless stated otherwise, industry information utilized all through this Information Memorandum has been acquired from published information. Such published information by and large expresses that the data contained in those publications has been obtained from sources accepted to be reliable; however their exactness and completeness are not ensured and their reliability cannot be assured. Despite the fact that we accept that industry information utilized within this Information Memorandum is reliable, it has not been independently verified. The data included in this Information Memorandum about different organizations is based on their particular Annual Reports and information made available by the respective companies.

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FORWARD LOOKING STATEMENTS

Certain statements contained in this Information Memorandum that are not statements of historical fact constitute 'forward- looking statements'. Investors can generally identify forward-looking statements by terminology such as 'anticipate', 'believe', 'continue', 'can', 'could', 'intend', 'may', 'shall' 'should', 'will', 'would', 'future', 'forecast', 'guideline' or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements. Forward-looking statements are not guarantees of performance and are based on certain assumptions, discuss future expectations, describe plans and strategies contain projections of results of operations or of financial condition or state other forward-looking information.

Forward-looking statements contained in this Information Memorandum (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward- looking statement. Important factors that could cause actual results to differ materially from our Company's expectations include, among others:

- fluctuations in the exchange rate of the Rupee and other currencies;
- changes in government policies on construction of social infrastructure and urban redevelopment in India;
- our ability to manage our continuously expanding business and risks associated with introduction of new products;
- our ability to manage our growth and global operations and to successfully implement our growth strategies;
- objects of the Issue being based on management estimates and not being appraised by any bank or financial institution;
- absence of any definitive agreements to monitor the utilization of the Issue Proceeds;
- failure of our customers to make timely payments;
- payment delays and longer working capital cycles for government contracts;
- substantial amount of outstanding indebtedness which would require significant cash flows to service; and
- general economic and business conditions in India and other countries.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed in "Risk Factors" section of this Information Memorandum. Whilst our Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure investors that such expectations will prove to be correct. Given these uncertainties, Investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as of the date of this Information Memorandum or the respective dates indicated in this Information Memorandum, and our Company undertakes no obligation to update or revise any of them, whether as a result of new information, future events or otherwise. If any of these risks and uncertainties materialize, or if any of our Company's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements.

This Information Memorandum includes statements which contain words or phrases such as "will", "would", "aim", "aimed", "will likely result", "is likely", "are likely", "believe", "expect", "expected to", "will continue", "will achieve", "anticipate", "estimate", "estimating", "intend", "plan", "contemplate", "seek to", "seeking to", "trying to", "target", "propose to", "future", "objective", "goal", "project", "should", "can", "could", "may", "will pursue", and similar expressions or variations of such expressions, that are "forward looking statements".

Our forward looking statements contain information regarding, among other things, our financial condition, future plans and business strategy. All forward looking statements are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated by the relevant forward looking statement. Important factors that could cause actual results to differ materially from our expectations include, among others:

- General economic and business conditions in India and other countries;
- Our ability to successfully implement our strategy, our growth and expansion plans and technological changes;
- Changes in the value of the Rupee and other currency changes;
- Changes in Indian or international interest rates;
- Changes in laws and regulations in India;
- Changes in political conditions in India;
- Changes in the foreign exchange control regulations in India
- The monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally.

We undertake no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events or otherwise. In light of the foregoing, and the risks, uncertainties and assumptions discussed in "Risk Factors" and elsewhere in this Information Memorandum, any forward looking statement discussed in this Information Memorandum may change or may not occur, and our actual results could differ materially from those anticipated in such forward looking statement.

SECTION II – RISK FACTORS

An investment in equity shares involves a high degree of risk. You should carefully consider all the information in this Information Memorandum, including the risks and uncertainties described below, before making an investment in the Equity Shares of our Company.

If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our Company's business, results of operations and financial condition could suffer, the price of the Equity Shares could decline, and all or part of your investment may be lost. Unless otherwise stated our Company is not in a position to specify or quantify the financial or other risks mentioned herein.

Wherever used in this section the terms "we", "us" "our" shall mean Nila Spaces Limited, unless otherwise stated.

Risks relating to the Group's business

INTERNAL RISK FACTORS

1. The Group's business is continuously expanding and might expose it to new business risks which it may not have the expertise, the capability or the systems to manage.

The Group may continue to pursue acquisitions in the future to pursue growth and to position itself as a key player in real estate business. The Group's integration plans may take longer than expected or result in more costs than estimated. The success of past acquisitions and any future acquisitions will depend upon several factors, including the Group's ability to:

- expand its relationships with customers, suppliers and third parties and integrate acquired operation into the organization; and
- Retain and motivate key managerial personnel and to manage unanticipated problems, expenditures or legal liabilities of the acquired businesses.

Any acquisition or integration of expanded operations into the Group's existing operations may require a significant capital investment and financial resources. This, coupled with the delays associated with acquiring recognition in local markets, infrastructure readiness and the challenges of competing with established local firms, especially for hiring and retaining employees, can create a time lag between the initial capital outlay and the generation of a return on the capital employed. The Group cannot assure investors that it will be able to achieve the strategic purpose of such an expansion or an acceptable return on such an investment. Its inability to effectively execute the planned expansion strategy, integrate successfully the expanded operations or manage or finance such undertakings while managing existing operations may materially and adversely affect its overall operations and financial condition.

2. We may enter into any various forms of reorganization or restructuring including mergers, demergers, amalgamations, etc., which may adversely affect our results of operations, financial condition and prospects, and any such business combination could be adversely affected by, amongst other things, stringent approvals and compliance requirements.

The Group is into different businesses such as Infrastructure Development and Real Estate having different risk and rewards. Looking into the same, as part of our growth strategy, we may enter into one or more forms of reorganization or restructuring, including mergers, demergers, amalgamation, or divestment of any or all of our operations. We consider such opportunities on an ongoing basis as and when they do arise. Any such reorganization or restructuring, if undertaken by us, may result in divestment of any or all of our divisions, including profit making divisions, which may adversely affect our financial condition, profitability, results of operations and future prospects. The undertaking, and successful completion of, such reorganization or restructuring would also be subject to receipt of requisite approvals and applicable compliance and legal requirements, which could impact any proposed reorganization or restructuring exercise.

In addition, implementation of any such reorganization or restructuring will be a lengthy and time consuming process; it would involve significant costs and would result in diversion of management time and attention. Any inability to successfully implement any proposed reorganization or restructuring may also lead to an adverse impact on our growth, profitability and results of operations.

3. We are highly dependent on our senior management to manage our current operations and meet future business challenges.

Our future success is highly dependent on expertise, experience and services of Company's senior management to maintain strategic direction, manage current operations and risk profile and meet future business challenges, including the planned expansion and the addition of new projects. Loss of, or inability to attract or retain, such persons could adversely affect our business and results of operations. If one or more of these key personnel are unwilling or unable to continue in their present positions, we may not be able to replace them with persons of comparable skill and expertise promptly or at all, and we may not be able to further augment our management team appropriately and this could have a materially adverse effect on our business, results of operations and financial condition

4. If our employees unionize, we may be subject to industrial unrest, slowdowns and increased wage costs.

India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labour policies, and our business may be adversely affected.

5. The Group has a substantial amount of outstanding indebtedness, which requires significant cash flows to service and there is no assurance that that it will generate sufficient cash to service its existing or proposed borrowings or fund other liquidity needs.

As of March 31, 2018, the Group’s total consolidated debt was INR 47.58 Crores (being transferred from demerged company as a part of demerged undertaking pursuant to scheme of arrangement).The Group intends to fund its new projects and plans partially through debt and therefore expects to incur additional borrowings in the future. The Group’s ability to meet its debt service obligations and repay outstanding borrowings will depend primarily on the cash generated by its businesses. Increasing the level of indebtedness also has important consequences for the Group such as:

- increasing vulnerability to general adverse economic, industry and competitive conditions;
- limiting the Group’s flexibility in planning for, or reacting to, changes in its businesses and the industries it operates in;
- limiting the Group’s the ability to borrow additional funds; and
- Increasing the Group’s interest expenditure, since a portion of its debt bears interest at floating rates.

The Group cannot assure investors that it will generate sufficient cash to service existing or proposed borrowings or fund other liquidity needs, which could have an adverse effect on its business, cash flows and results of operations.

Certain financing agreements impose restrictions on the amount of cash available to pay dividends or make loans and cash distributions to the Group or prohibit such payments altogether. In addition, the

Group may enter into financing arrangements in the future that could impose additional restrictions on dividends, loans, advances and other payments.

6. **The Group may face certain legal proceedings that, if determined against it, could adversely affect its business, financial condition and results of operations.**

   As on the date of this Information Memorandum there are no material legal proceedings initiated against the Group. For further details, please see "Outstanding Litigation and Defaults" section of this Information Memorandum.

7. **Payments in relation to services rendered pursuant to contracts entered into with the Indian Government and state-related entities which typically take a longer period than corporates and failure of customers of the Group to pay the amounts due to the Group on time or at all, could materially and adversely affect the Group's business, cash flows, results of operations, financial condition and prospects.**

   The Indian Government and state-related entities typically take a longer period than corporates to make payment for services rendered. The Group's reliance on such government contracts may lead to a longer working capital cycle. There can be no assurance that the Group will be able to obtain payment from the Indian Government and state-linked entities in a timely fashion, or, if bad debts fall due, that it will be able to enforce repayment for such amounts. Further, the Group generally provides credit terms to its customers across all its businesses. If there is any deterioration in the Group's customers' financial condition, including insufficient liquidity, they may be unable to pay the relevant accounts receivables on time or at all. Any failure or delay in payment could also require the Group to further extend its payment terms, restructure its accounts receivable or create allowances for doubtful debts. All of these factors could materially and adversely affect the Group's cash flows, results of operations and financial condition.

   The Group's trade receivables as of March 31, 2018 were INR 0.39 crore. Any on-going global economic uncertainty could increase the risk of customers being unable to pay amounts due to the Group and of customers or clients going into bankruptcy or re-organization proceedings, which could affect the Group's ability to collect receivables.

8. **If the Group's contingent liabilities materialize, its results of operations could be adversely affected.**

   As on the date of this Information Memorandum there are no contingent liabilities.

9. **Shortages of raw materials and labour or volatility of raw material prices may adversely affect the Group's business and results of operations.**

   Raw material cost is the largest component of the Group's operating costs. The Group requires sufficient quantities of high-quality raw materials in a timely manner and at acceptable prices in order to sustain its operations. The Group acquires a significant portion of these raw materials from the spot market, and, as a result, its operations and operating margins are vulnerable to changes in the supply and volatility in the prices of raw materials in the spot market.

   Any shortage of skilled/unskilled labour may also delay the execution of projects and adversely affect the operations of the company.

   For instance, the Group may not be able to obtain sufficient quantities of raw materials of the required quality, or at acceptable prices, in the future on the spot market. This may affect the Group's operating margins as it may not be able to pass on a short-term increase in prices of the raw materials it uses to the customers. The quality of the Group's products and customer acceptance of its products depends on the quality of the raw materials and the ability of suppliers to deliver these materials in a timely manner. The failure of the Group's counter-parties to deliver the raw materials in the necessary quantities or to adhere to specific delivery schedules, quality standards or technical specifications could adversely affect its ability to deliver orders on time and at the desired level of quality, giving rise to contractual penalties or liabilities for failure to perform contracts or a loss of customers and damage to reputation, any of which could materially and adversely affect the Group's business, cash flows, results of operations and prospects.

Materials are sourced from third parties and their price is subject to fluctuations. Any significant increase in the prices of these raw materials could materially affect these businesses, the results of operations and operating margins if such price increases cannot be totally or partially passed on to customers by way of higher selling prices.

The Group's inability to obtain high-quality raw materials in a timely and cost-effective manner may cause delays in production and delivery schedules, which may result in loss of customers and revenue, and, as a result, adversely affect its business, results of operations and operating margins.

10. **The Group's inability to identify and understand evolving industry trends and preferences that meet its customers' evolving demands may adversely affect the Group's business, results of operations, financial condition and prospects.**

Changes in competitive technologies may render certain of the Group's business obsolete or less attractive. The Group's ability to anticipate changes in technology and regulatory standards and to successfully develop and introduce new and enhanced products in a timely manner is a significant factor in its ability to remain competitive. This is particularly important in order to compete effectively in the Infrastructure and Real Estate Business. The Group cannot assure investors that it will be able to secure the necessary technological knowledge or capability, through technical assistance agreements or otherwise, which will allow the Group to develop its product portfolio in a manner that meets the demands of its customers, or that it will be able to install and commission the equipment needed to manufacture new products. If the Group is unable to obtain access to technology in a timely manner or at all, it may be unable to effectively implement its strategies, and its business, results of operations and prospects may be adversely affected. Moreover, the Group cannot assure investors that it will be able to achieve the technological advances that may be necessary for it to remain competitive or that certain of its products will not become obsolete.

The Group is also subject to the risks generally associated with new product introductions and applications, including lack of market acceptance, delays in product development and failure of products to operate properly. The Group cannot assure investors that it will be able to start new product programs in time, or that the transitioning of its manufacturing facilities and resources to full production under the new product programs will not impact production rates or other operational efficiency measures at its production facilities. In addition, the Group cannot assure investors that its customers will execute on schedule the launch of their new product programs for which it might supply certain parts or products. The Group's inability to successfully manage any of these risks could adversely affect its business, results of operations, financial condition and prospects.

11. **The Group's business may be adversely affected by competition.**

The Group's competitors include companies in India as well as a large number of international companies. A number of these competitors have a larger scale of operations, greater financial resources and a broader range of work experience. These competitors may also benefit from greater economies of scale and operating efficiencies. Emerging companies attempting to obtain a share of the existing markets also create downward pressure on the earning capacity of the Group's products. Further, in relation to its real estate business, the Group is dependent on the award of contracts, which are typically subject to a competitive process. While service quality, technical ability, performance record, experience, health and safety records and the availability of skilled personnel are key factors in the award of construction contracts, price is often the deciding factor in most tender awards, which creates a competitive pricing environment.

Certain changes in the competitive environment could also have a material adverse effect on the Group's business, prospects and operations. These changes could include significant capacity expansion by competitors, entry of new competitors into the Group's key markets, intensification of price competition from other producers, and, in particular, producers with access to cheaper feedstock, the adoption of new trade restrictions and the adoption of new environmental laws and regulatory requirements. The Group cannot assure investors that it will be able to compete successfully against either current competitors or new competitors in the future. Increased competition could result in significant price competition, reduced revenue, lower profit margins or loss of market share, any of which could materially and adversely affect its business, results of operations, financial condition and prospects.

12. **The Group may not possess the bid capacity and pre-qualification capability to bid for larger projects in relation to its Real Estate business and there is no assurance that it will be able to enhance, or maintain, its bid capacity and its pre-qualification capabilities, or that it will be able to continually secure projects, which may adversely affect its business, results of operations and prospects.**

The growth of the Group's Real Estate business is dependent on its ability to bid for and secure larger projects than those that it currently undertakes. Bidding for such projects is dependent on various criteria, including bid capacity and pre-qualification capability.

Bid capacity relates to the highest possible value of a single project that can be awarded to the Group. In addition to meeting bid capacity requirements, the Group may also be required to pre-qualify for the projects. This includes various factors such as the technical capability and experience of having executed similar projects. The Group generally bids for projects on a standalone basis and does not bid jointly with other parties. The Group's failure to satisfy the pre-qualification requirements for larger projects, or its failure to execute its existing construction projects on time and in accordance with the prescribed quality standards may result in the Group not being able to bid, or being disqualified from bidding, for certain projects. It is imperative to enhance the Group's bid capacity and pre-qualification capability in order to bid for larger projects. However, the Group cannot assure investors that it will be able to enhance, or maintain, its bid capacity and its pre-qualification capabilities, or that it will be able to continually secure projects, which may adversely affect its business, results of operations and prospects.

13. **Tender processes in relation to the Group's business may be subject to unexpected adjustments, delay or cancellation, thereby reducing or eliminating its ability to undertake new projects.**

Several projects in the Real Estate business are awarded through competitive bidding processes. There can be no assurance that the projects for which the Group bids will be tendered within a reasonable time, or at all. The tender processes may also be subject to change in qualification criteria, unexpected delays and uncertainties. In the event that new projects which have been announced, and which the Group plans to tender for, are not put up for tender within the announced time frame, or qualification criteria are modified such that the Group is unable to qualify, its business, results of operations, financial condition and prospects could be materially and adversely affected.

Further, the Group cannot assure investors that the revenue anticipated from its existing projects will be realized or, if realized, will be realized on time or result in profits. Projects may not achieve financial closure. In addition, project delays, cancellations or adjustments may occur from time to time due to a variety of reasons, including incidents of force majeure or legal impediments. Any delay in projects could materially and adversely affect the growth of the Group's order inflows and, as a result, its future earnings and profits.

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14. **Increase in prices of, shortages of, or delays or disruptions in the supply of building materials could harm our results of operations and financial condition.**

We procure building materials for our properties, such as steel, cement, flooring products, hardware, bitumen, sand and aggregates, doors and windows, bathroom fixtures and other interior fittings from third party suppliers. The prices and supply of such building materials depend on factors not under our control, including general economic conditions, competition, production levels, and import duties. Our ability to develop and construct properties profitably is dependent upon our ability to source adequate building supplies for use by our construction contractors. During periods of shortages in building materials, especially cement and steel, we may not be able to complete properties according to our construction schedules, at our estimated property development cost, or at all, which could harm our results of operations and financial condition. In addition, during periods where the prices of building materials significantly increase, we may not be able to pass these price increases on to our customers, which could reduce or eliminate the profits we intend to attain with regard to our properties. Prices of certain building materials, such as cement and steel, in particular are susceptible to rapid increases. Additionally, our supply chain for these building supplies may be periodically interrupted by circumstances beyond our control, including work stoppages and labor disputes affecting our suppliers, their distributors, or the transporters of our supplies, including poor quality roads and other transportation related infrastructure problems, inclement weather, and road accidents.

15. **The Group's inability to obtain, renew or maintain the permits and approvals required to operate its business may materially and adversely affect its business, results of operations and financial condition.**

The Group requires certain permits and approvals to operate its business and production facilities, including the permits required by relevant Real Estate Regulatory Authorities. The Group required to renew certain of these permits and approvals on a regular basis and may be required to obtain new permits and approvals. While the Group believes that it will be able to obtain such permits and approvals, it cannot assure investors that the relevant authorities will issue any such permits or approvals in the time frame anticipated by it, or at all. The Group's inability to renew, maintain or obtain the required permits and approvals, intellectual property and technology licenses in a timely manner, or at all, may interrupt its operations, or delay, or prevent the implementation of its capacity expansion programs and may materially and adversely affect its results of operations, financial condition and prospects. The Group cannot assure investors that there will be no change in the laws and regulations or their interpretation thereof, either by a court of law, regulatory authority or otherwise, which will require it to obtain additional approvals or consents. While the Group believes that it will be able to obtain such approvals and consents, as and when required by such changes, it cannot assure investors that the relevant authorities will issue any such approvals or consents in the time frame anticipated by it, or at all. The Group's inability to obtain the required consents, approvals, authorizations, orders, registrations, qualifications, clearances and filings with any authority may materially and adversely affect its results of operations, financial condition and prospects. For further details, see "Government Approvals" section of this Information Memorandum.

16. **The Group's success depends to a large extent on its ability to attract and retain key personnel.**

The Group's future success and business strategy substantially depends on the continued services and performance of senior members of management and to a large extent on its ability to identify, attract, hire, train, retain and motivate skilled personnel. If the Group loses the services of any of its key senior management personnel, it would be difficult to find and integrate replacement personnel in a timely manner and could significantly impair its ability to develop and implement its business strategies.

Competition for qualified personnel in the real estate is intense, given the limited supply of such personnel and because they are highly sought after by the Group's competitors. The Group may need to increase pay structures to attract and retain such personnel and it cannot assure investors that increased salaries will be successful in retaining such personnel. In addition, the Group may not be able to redeploy and retrain its employees to keep pace with continuing changes, evolving standards and changing customer preferences. Further, factors such as the loss of the services of senior management personnel, inability to recruit or train a sufficient number of experienced personnel, to manage attrition levels, or failure to hire and retain sufficient numbers of qualified personnel could adversely affect the Group's business, results of operations, financial condition and prospects.

17. The Group has entered into, and may continue to enter into, related party transactions.

The Group has from time to time engaged in a variety of transactions with its associated companies. The transactions it has entered into have involved, and any future transactions with related parties could potentially involve, conflicts of interest. Furthermore, it is likely that the Group will continue to enter into related party transactions in the future. The Group's policy on transactions with associated companies is that such transactions are conducted on an arm's length basis in the ordinary course of business.

Regulations in India require disclosure of related party transactions in a listed company's financial statements, as well as shareholders' approval under the Companies Act, 2013. Further, there can be no assurance that the terms of the transactions that the Group enters into with related parties will be, beneficial to the Group. For further details, please see "*Financial Statements - Notes to the Audited Financial Statements*".

18. The Group may not be able to obtain or maintain adequate insurance, which could materially and adversely affect its business, results of operations and financial condition.

The Group's operations are subject to hazards and other environmental risks, mechanical failure of equipment at its project sites and natural disasters. In addition, many of these operating and other risks may cause personal injury and loss of life, severe damage to or destruction of the Group's properties and the properties of others and environmental pollution and may result in suspension of operations and the imposition of civil or criminal penalties. If any or all of the Group's project sites are damaged in whole or in part and its operations are interrupted for a sustained period, there can be no assurance that the Group's insurance policies will be adequate to cover the losses that may be incurred as a result of such interruption or the costs of repairing or replacing the damaged facilities or any third party claims. If the Group suffers a large uninsured loss or any insured loss suffered by it significantly exceeds its insurance coverage, its business, results of operations and financial condition may be adversely affected.

In addition, the Group's insurance coverage is generally subject to annual renewal. In the event premium levels increase, it may not be able to obtain the same levels of coverage in the future as it currently has or it may only be able to obtain such coverage at substantially higher cost than it is currently paying. If the Group is unable to pass these costs to customers, the costs of higher insurance premiums could adversely affect its results of operations and financial condition. Alternatively, the Group may choose not to insure, which, in the event of any damage or destruction to its project sites, could materially and adversely affect its business, results of operations and financial condition.

19. We are dependent upon a few independent construction contractors and third party entities whom we do not control for the development and sale of our projects, and the inability or unwillingness or such third parties to provide their services to us on a timely and cost-efficient basis may adversely affect our results of operations.

We enter into agreements with independent construction contractors and third party entities to design, construct and sell our projects in accordance with our specifications and quality standards and under the time frames provided by us. We require the services of other third parties, including architects, engineers, and other suppliers of labour and materials. If a contractor fails to perform its obligations satisfactorily or within the prescribed time periods with regard to a project, we may be unable to develop the project within the intended timeframe, at the intended cost, or at all. If this occurs, we may be required to incur additional cost or time to develop the property, which could result in reduced profits or in some cases, significant penalties and losses. We cannot assure you that the services rendered by any of our independent construction contractors will always be satisfactory or match our requirements for quality.

Also, the timing and quality of construction of the projects we develop depends on the availability and skill of these third parties, as well as contingencies affecting them, including labour and raw material shortages and industrial action such as strikes and lockouts. We may only have limited control over the timing or quality of services and sophisticated machinery or supplies provided by such third parties and are highly dependent on the services of such third parties. We may not be able to identify appropriately experienced third parties and cannot assure you that skilled third parties will continue to be available at reasonable rates and in the areas in which we undertake our projects, or at all. As a result, we may be required to make additional investments or provide additional services to ensure the adequate performance and delivery of contracted services. Any consequent delay in project execution could adversely affect our profitability and reputation.

20. Work stoppages and other labour problems could adversely affect our business.

We operate in a labour-intensive industry and we or our contractors may hire casual labour in relation to our projects. If we or our contractors are unable to negotiate with the workmen or the sub-contractors, it could result in work stoppages or increased operating costs as a result of higher than anticipated wages or benefits. In addition, it may be difficult to procure the required labour for existing or future projects. These factors could adversely affect our business profitability and reputation

21. We may face stiff competition for procuring raw materials. Fluctuations and volatility in the prices of key raw materials may adversely affect the performance of the Company.

Some of the key raw materials for real estate development industry are cement, steel, bricks, sand, wood, aluminum doors and windows, sanitary wares, etc. and are subject to volatility of price on account of various economic factors which are beyond our control. If, for any reason, our primary suppliers of raw materials should curtail or discontinue their delivery of such materials to us in the quantities we need and at prices that are competitive, our ability to meet our material requirements for our projects could be impaired, our construction schedules could be disrupted, and we may not be able to complete our projects as per schedule.

22. Increase in prices of, shortages of, or delays or disruptions in the supply of building materials could harm our results of operations and financial condition.

We procure building materials for our properties, such as steel, cement, flooring products, hardware, bitumen, sand and aggregates, doors and windows, bathroom fixtures and other interior fittings from third party suppliers. The prices and supply of such building materials depend on factors not under our control, including general economic conditions, competition, production levels, and import duties. Our ability to develop and construct properties profitably is dependent upon our ability to source adequate building supplies for use by our construction contractors. During periods of shortages in building materials, especially cement and steel, we may not be able to complete properties according to our construction schedules, at our estimated property development cost, or at all, which could harm our results of operations and financial condition. In addition, during periods where the prices of building materials significantly increase, we may not be able to pass these price increases on to our customers, which could reduce or eliminate the profits we intend to attain with regard to our properties. Prices of certain building materials, such as cement and steel, in particular are susceptible to rapid increases.

Additionally, our supply chain for these building supplies may be periodically interrupted by circumstances beyond our control, including work stoppages and labor disputes affecting our suppliers, their distributors, or the transporters of our supplies, including poor quality roads and other transportation related infrastructure problems, inclement weather, and road accidents.

23. Delays in the completion of our development of projects or complying with our construction contract schedules may impact our business.

Property developments typically require substantial capital outlay during the construction period which may take an extended period of time to complete, and before a potential return can be generated. The time and costs required to complete a property development may be subject to substantial increases due to several factors, including shortages of, or price increases with respect to, construction materials (which may prove defective), equipment, technical skills and labor, purchase of land, construction delays, unanticipated cost increases, changes in the regulatory environment, adverse weather conditions, third party performance risks, environmental risks, changes in market conditions, delays in obtaining the requisite approvals and permits from the relevant authorities, court orders or notices or orders from regulatory authorities and other unforeseeable problems and circumstances. Any of these factors may lead to delays in, or prevent the completion of, a project and result in costs substantially exceeding those originally budgeted for. The cost overruns may not be adequately compensated by contractual indemnities, which may affect our business, financial condition and results of operations. In addition, any delays in completing our projects as scheduled could result in penalty payments to customers, dissatisfaction among our customers, resulting in negative publicity and lack of confidence among investors and potential residents. Additionally, we may not achieve the economic benefits expected of our development and failure to obtain expected economic benefits could adversely affect our business, financial condition and results of operations. In the event there are any delays in the completion of real estate development projects, our business, financial condition and results of operations would be adversely affected.

24. We may incur losses on account of non-performance by external agencies.

Our projects require the services of contractors, sub-contractors and various other parties including architects, engineers, and suppliers of labour and materials for our projects. External agencies as per the terms of their contract are required to complete the entrusted work within the given timeframe at agreed cost maintaining the quality of the work.

However, at times due to certain unavoidable circumstances beyond the control of these external agencies, the work is not completed on time, which may lead to us incurring losses for a particular contract and may lead to overall reduction in the profitability of a particular project. We carry out all major activities on our own and issue certain work orders for petty activities only which do not have a major effect on the completion of our projects.

25. Our inability to identify and acquire land in locations with growth potential affects our business.

Our ability to identify suitable parcels of land for development and subsequent sale forms an integral part of our business. Our strategy includes acquiring and developing land, therefore our ability to identify land in the right location is critical for a property development. Our decision to acquire land involves taking into account the size and location of the land, preferences of potential customers, economic potential of the region, the proximity of the land to civic amenities and urban infrastructure, the willingness of landowners to sell the land to us on terms which are favourable to us, the ability to enter into an agreement to buy land from multiple owners, the availability and cost of financing such acquisitions, encumbrances on targeted land, government directives on land use, and obtaining permits and approvals for land acquisition and development. Any failure can be undertaken by us and thereby affect our business prospects, financial condition and results of operations.

26. We are dependent on the performance of, and the conditions affecting, the real estate market in Gujarat and Rajasthan

Historically, we focused our real estate development activities in and around the state of Gujarat and

Rajasthan, western part of India. To date, most of our completed properties and the majority of our properties under development are located in and around Gujarat and Rajasthan. As a result, our business, financial condition and results of operations have been and will continue to be heavily dependent on the performance of, and prevailing conditions affecting, the real estate market in Gujarat and Rajasthan

The real estate market in Gujarat and Rajasthan may perform differently from, and be subject to market and regulatory developments different from, real estate markets in other parts of India. We cannot assure you that the demand for our properties in Gujarat and Rajasthan will grow, or will not decrease, in the future. Real estate properties take a substantial amount of time to develop and we could incur losses if we purchase land during periods, when land prices are high, and we have to sell or lease our developed properties when land prices are relatively lower. The real estate market in Gujarat and Rajasthan may be affected by various factors beyond our control, including prevailing local economic conditions, changes in supply and demand for properties comparable to those we develop, and changes in applicable governmental schemes. These and other factors may negatively contribute to changes in real estate prices, the demand for and valuation of our current and future properties under development, may restrict the availability of land in Gujarat and Rajasthan, and may adversely affect our business, financial condition and results of operations.

27. **Any delay in the implementation or failure in the operation of the Group's information systems could disrupt its operations and cause an unanticipated increase in costs.**

The Group has implemented various IT solutions to cover key areas of its operations. For instance, it has implemented systems to consolidate data and other key performance parameters at regional and global levels. Other significant IT solutions include systems designed to provide data security and to allow for collaboration of information across the network, as well as supply chain solutions to cover critical processes in relation to customers and suppliers across manufacturing facilities. Any delay in the implementation or failure in the operation of these information systems could result in material adverse consequences, including disruption of operations, loss of information and an unanticipated increase in costs. Further, these systems are potentially vulnerable to damage or interruption from a variety of sources, which could result in a material adverse effect on the Group's operations.

28. **Company's experience in real estate business and impact of credit rating**

Although the demerged company has requisite experience in real estate business the resultant company has just started the business with two real estate projects in pipeline. Further, any down grading in company's credit rating may increase its cost of borrowing and thereby impact the profitability of the company.

29. **The Company's ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures.**

The amount of future dividend payments, if any, will depend upon the Group's future earnings, financial condition, cash flows, working capital requirements, the terms and conditions of the Group's indebtedness and capital expenditures. Any declaration and payment as well as the amount of dividend will also be subject to the constitutional and contractual documents including the Group's financing documents and applicable laws and regulations in India, including, in case of any final dividend, the approval of shareholders. There can be no assurance that the Company will be able to pay dividends in the future.

NILA SPACES LIMITED

EXTERNAL RISK FACTORS

30. Change in global economic conditions or economic conditions in India could adversely affect Group's business and results of operation.

The financial condition and results of operations of the Group depend significantly on global economic conditions and the health of the Indian economy. Various factors may lead to a slowdown in the Indian or world economy which may in turn adversely affect the business, financial performance and operations of the Group.

The Group derives revenue from its operations from India and the performance and growth of the Group's business is significantly dependent on the performance of the Indian economy. In particular, the Group derives all of its revenue from India. In the past, the Indian economy has been affected by global economic uncertainties, liquidity crisis, domestic policies, global political environment, volatility in interest rates, currency exchange rates, commodity and electricity prices, rising inflation rates and various other factors.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including, but not limited to, macroeconomic conditions in the United States, in Europe and in certain emerging economies in Asia. Financial turmoil in Asia and elsewhere in the world in recent years has affected the Indian economy. For example, recent political events such as the proposed exit of the United Kingdom from the European Union have caused fluctuations in the global economy, including the Indian economy. Any worldwide financial instability, whether or not linked to political events, may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and its business.

Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby impact the Indian economy. Financial disruptions in the future could adversely affect the Group's business, future financial condition and results of operations.

The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections. The dislocation of the sub-prime mortgage loan market in the United States since September 2008, and the more recent European sovereign debt crisis, has led to increased liquidity and credit concerns and volatility in the global credit and financial markets. These and other related events have had a significant impact on the global credit and financial markets as a whole, including reduced liquidity, greater volatility, widening of credit spreads and a lack of price transparency in the global credit and financial markets.

Risk management initiatives undertaken by financial institutions in order to remedy the global economic slowdown could affect the availability of funds in the future or cause withdrawal of the Group's existing credit facilities. Further the Indian economy is undergoing many changes and it is difficult to predict the impact of certain fundamental economic changes on the Group's business. Economic conditions outside India, such as a slowdown or recession in the economic growth of other major countries, may also have an impact on the growth of the Indian economy. Additionally, an increase in trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and the Group's business. Any downturn in the macroeconomic environment in India could also adversely affect the business, results of operations, financial condition of the Group. Further, any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely impact the Group's ability to raise additional financing, the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on the Group's financial results and business prospects, its ability to obtain financing for capital expenditures and the price of its securities. Acts of terrorism, civil disturbance, communal conflicts, regional conflicts and other similar threats to security could adversely affect the Group's business, cash flows, results of operations and financial condition.

Increased political instability and regional conflicts, evidenced by the threat or occurrence of terrorist attacks, enhanced national security measures, conflicts in several countries and regions in which the Group operates, strained relations arising from these conflicts and the related decline in consumer confidence may hinder its ability to do business. Any escalation in these events or similar future events may disrupt the Group's operations or those of its customers and suppliers and could affect the availability of raw materials needed to produce its products or the means to transport those materials to its facilities and finished products to customers. These events have had and may continue to have an adverse impact on the global economy and customer confidence and spending in particular, which could in turn adversely affect the Group's revenue, operating results and cash flows. The impact of these events on the volatility of global financial markets could increase the volatility of the market price of securities and may limit the capital resources available to the Group and to its customers and suppliers.

31. Natural disasters could have a negative impact on the Indian economy and damage the Group's facilities.

The Group's project sites are vulnerable to natural disasters. In addition, natural disasters such as floods, earthquakes, epidemics or famines have in the past had a negative impact on the Indian economy. If any such event were to occur, the Group's business could be affected due to the event itself or due to its inability to effectively manage the effects of the particular event. Potential effects include the damage to infrastructure and the loss of business continuity, business information or inventories of raw materials or finished goods. In the event that the Group's project sites are affected by any of these factors, its operations may be significantly interrupted, which may have a material adverse effect on its business, results of operations, financial condition and prospects.

32. Political instability or significant changes in the economic liberalization and deregulation policies of the Government or in the government of the states where the Group operates could disrupt its business.

The Government has traditionally exercised and continues to exercise a significant influence over many aspects of the Indian economy. The Group's businesses, and the market price and liquidity of its securities may be affected by changes in exchange rates and controls, interest rates, government policies, taxation, social and ethnic instability and other political and economic developments in or affecting India.

In recent years, India has been following a course of economic liberalization and the Group's business could be significantly influenced by economic policies framed by the Government. Further, the Group's businesses are also impacted by regulation and conditions in the various states in India where it operates.

However, there can be no assurance that such policies will continue in the future. Government corruption, scandals and protests against certain economic reforms, which have occurred in the past, could slow the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in India could change as well.

33. We may raise additional equity capital which may dilute your existing shareholding.

Our growth and business strategies may require us to raise additional capital which may be met through a further issue of equity shares, or securities convertible into Equity Shares. Any issuance of Equity Shares to persons other than the existing equity shareholders will dilute your existing equity shareholding. Further, we may obtain funding from our Promoters through an equity infusion. This will also dilute your shareholding.

34. **The Group's business and activities may be regulated by the Competition Act and any adverse application or interpretation of the Competition Act could materially and adversely affect its business, financial condition and results of operations.**

The Competition Act seeks to prevent business practices that have or are likely to have an appreciable adverse effect on competition in India and has established the Competition Commission of India (CCI). Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which has or is likely to have an appreciable adverse effect on competition is void and attracts substantial penalties. Any agreement which, directly or indirectly, determines purchase or sale prices, limits or controls the production, supply or distribution of goods and services, or shares a market by way of geographical area or number of customers is presumed to have an appreciable adverse effect on competition. Provisions of the Competition Act relating to the regulation of certain acquisitions, mergers or amalgamations, which have a material adverse effect on competition and regulations with respect to notification requirements for such combinations, came into force on June 1, 2011. The effect of the Competition Act on the business environment in India is still evolving and unclear and it is difficult to predict its impact on the Group's growth and expansion strategies. The CCI has extra territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an appreciable adverse effect on competition in India. If the Group is affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act or any enforcement proceedings initiated by the CCI or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI, it may adversely affect its business, results of operations, financial condition or prospects.

35. **The Company's ability to raise foreign capital may be constrained by Indian law.**

As an Indian company, the Company subject to foreign exchange management regulations that regulate borrowing in foreign currencies. Such regulatory restrictions limit the Group's financing sources and hence could constrain its ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, there can be no assurance that the required approvals will be granted on favorable terms or at all. Limitations on raising foreign debt may have an adverse effect on the Group's business, financial condition and results of operations.

36. **Foreign investors are subject to foreign investment restrictions under Indian law that limit the Company's ability to attract foreign investors, which may adversely affect the market price of the Equity Shares.**

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the requirements specified by the RBI and other applicable governmental authorities. If the transfer of shares is not in compliance with such requirements or falls under any of the specified exceptions, then prior approval of the RBI and other applicable governmental authorities will be required. In addition, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no-objection or tax clearance certificate from the income tax authority. Additionally, the Indian government may impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the Indian government experiences extreme difficulty in stabilizing the balance of payments or where there are substantial disturbances in the financial and capital markets in India. These restrictions may require foreign investors to obtain the Indian government's approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. There can be no assurance that any approval required from the RBI or any other applicable government authority can be obtained on any particular terms or at all.

37. We are yet to receive or renew certain approvals or licenses required in the ordinary course of business, and the failure to obtain them in a timely manner or at all may adversely affect our operations.

We require certain statutory and regulatory permits, licenses and approvals to operate our business. We have made renewal applications for certain approvals or licenses that have expired or that are required for our business but have not yet received these approvals or licenses. If we fail to obtain the necessary approvals required by us to undertake our business, or if there is any delay in getting the necessary approvals, our business and our financial condition may be materially and adversely impacted. Also, we have not applied for any shops and establishment registration certificate for our corporate office. We cannot assure you that the relevant authority will not take any action against us in our inability to obtain the registration certificate. For details regarding the pending government approvals, please refer to the section titled “Risk Factors” of this Information Memorandum

38. Our Company has limited operating history in the development of real estate.

Our Company has forayed into the business of development of real estate since 2018 only and hence has a limited operating history in this sector. As such, this may involve risks and difficulties with which our Company may not be familiar. Our Company may not be successful in the business of development of real estate and we cannot provide you with any assurances as to the sustainability of our business and the timing and amount of any returns or benefits that we may receive from this business. Our inability to successfully expand our business may adversely affect our prospects and could constrain our long term growth prospects.

39. Our Company has not paid any dividends in the past in order to conserve the resources. However, the ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures.

Our Company has not paid annual dividends in the past in order to plough back the surplus. The management would put in place a distribution policy commensurate with future growth plans and available surplus. However, the ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures.

40. We may incur losses on account of non-performance by external agencies.

Our projects require the services of contractors, sub-contractors and various other parties including architects, engineers, and suppliers of labor and materials for our projects. External agencies as per the terms of their contract are required to complete the entrusted work within the given timeframe at agreed cost maintaining the quality of the work. However, at times due to certain unavoidable circumstances beyond the control of these external agencies, the work is not completed on time, which may lead to us incurring losses for a particular contract and may lead to overall reduction in the profitability of a particular project. We carry out all major activities on our own and issue certain work orders for petty activities only which do not have a major effect on the completion of our projects.

41. Our inability to identify and acquire land in locations with growth potential affects our business.

Our ability to identify suitable parcels of land for development and subsequent sale forms an integral part of our business. Our strategy includes acquiring and developing land, therefore our ability to identify land in the right location is critical for a property development. Our decision to acquire land involves taking into account the size and location of the land, preferences of potential customers, economic potential of the region, the proximity of the land to civic amenities and urban infrastructure, the willingness of landowners to sell the land to us on terms which are favorable to us, the ability to enter into an agreement to buy land from multiple owners, the availability and cost of financing such acquisitions, encumbrances on targeted land, government directives on land use, and obtaining permits and approvals for land acquisition and development. Any failure to identify and acquire suitable parcels of land for development in a timely manner may reduce the number of properties that can be undertaken by us and thereby affect our business prospects, financial condition and results of operations.

42. We are dependent on the performance of, and the conditions affecting, the real estate market in Gujarat and Rajasthan.

Historically, we focused our real estate development activities in and around the State of Gujarat and Rajasthan, western part of India. To date, most of our completed properties and the majority of our properties under development are located in and around. As a result, our business, financial condition and results of operations have been and will continue to be heavily dependent on the performance of, and prevailing conditions affecting, the real estate market in Gujarat and Rajasthan. The real estate market in Gujarat and Rajasthan may perform differently from, and be subject to market and regulatory developments different from, real estate markets in other parts of India. We cannot assure you that the demand for our properties in Gujarat and Rajasthan will grow, or will not decrease, in the future. Real estate properties take a substantial amount of time to develop and we could incur losses if we purchase land during periods, when land prices are high, and we have to sell or lease our developed properties when land prices are relatively lower. The real estate market in Gujarat and Rajasthan may be affected by various factors beyond our control, including prevailing local economic conditions, changes in supply and demand for properties comparable to those we develop, and changes in applicable governmental schemes. These and other factors may negatively contribute to changes in real estate prices, the demand for and valuation of our current and future properties under development, may restrict the availability of land in Gujarat and Rajasthan, and may adversely affect our business, financial condition and results of operations. If property prices fall in Gujarat and Rajasthan, our business, financial condition and results of operations could be materially and adversely affected.

43. We conduct due diligence and assessment exercises prior to acquisition of land for undertaking development, but we may not be able to assess or identify certain risks and liabilities.

We constantly acquire lands for our various development activities and these may be acquired either directly or through subsidiaries or entities identified by us for this purpose. We have an internal assessment process on land selection and acquisition which includes a due diligence exercise to assess the title of the land and preparation of feasibility reports to assess its development and marketability. Our internal assessment process is based on information that is available or accessible by us. There can be no assurance that such information is accurate, complete or current. Any decision based on inaccurate, incomplete or dated information may result in risks and liabilities associated with acquiring and owning such parcels of land, being passed onto us. This may adversely affect our business, financial condition and results of operations.

44. Our operations and the work force on the property sites are exposed to various hazards.

We conduct various site studies prior to the acquisition of any parcel of land and its construction and development. However, there are certain unanticipated or unforeseen risks that may arise due to adverse weather and geological conditions such as storms, outbreaks of disease, hurricanes, lightning, floods, landslides, rockslides and earthquakes and other reasons. Additionally, our operations are subject to hazards inherent in providing or hiring sub-contractors for architectural and construction services, such as risk of equipment failure, impact from falling objects, collision, work accidents, fire, or explosion, including hazards that may cause injury and loss of life, severe damage to and destruction of property and equipment, and environmental damage. If any one of these hazards or other hazards were to impact our business, our results of operations may be adversely affected.

45. We may experience difficulties expanding our business into new geographic areas.

As a part of our strategy we intend to expand our geographic reach to other locations in India. We initially concentrated our real estate business in the Gujarat region and later expanded our operations to include other States such as Rajasthan. The level of competition, regulatory practices, business practices and customs, customer tastes, behavior and preferences in cities where we plan to expand our operations may differ from those in the Gujarat and Rajasthan region and our experience in such states may not be applicable to new states. In addition, as we enter new markets, we are likely to compete with local developers who have an established local presence, are more familiar with local regulations, business practices and customs, and have stronger relationships with local contractors and relevant government authorities, all of which may collectively or individually give them a competitive advantage over us.

While expanding into various other regions, our business will be exposed to various additional challenges, including seeking governmental approvals from government bodies with which we have no previous working relationship, identifying and collaborating with local business partners, contractors and suppliers with whom we may have no previous working relationship, identifying and obtaining development rights over suitable properties, successfully gauging market conditions in local real estate markets with which we have no previous familiarity, attracting potential customers in a market in which we do not have significant experience, local taxation in additional geographic areas of India and adapting our marketing materials and operations to different regions of India in which other languages are spoken. We can provide no assurance that we will be successful in expanding our business to include other markets in India. Any failure by us to successfully carry out our plan to geographically diversify our business could have a material adverse effect on our revenues, earnings and financial condition and could constrain our long term growth and prospects.

46. **Land is subject to compulsory acquisition by the government and compensation in lieu of such acquisition may be inadequate.**

The right to own property in India is subject to restrictions that may be imposed by the Government. In particular, the Government under the provisions of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 and (the "Land Acquisition Act") has the right to compulsorily acquire any land if such acquisition is for a "public purpose", after providing compensation to the owner. However, the compensation paid pursuant to such acquisition may not be adequate to compensate the owner for the loss of such property. The likelihood of such acquisitions may increase as central and state governments seek to acquire land for the development of infrastructure projects such as roads, railways, airports and townships. Additionally, we may face difficulties in interpreting and complying with the provisions of the Land Acquisition Act, due to limited jurisprudence on them in the event our interpretation differs from or contradicts any judicial pronouncements or clarifications issued by the government. In the future, we may face regulatory actions or we may be required to undertake remedial steps. Any such action in respect of any of the projects in which we are investing or may invest in the future may adversely affect our business, financial condition or results of operations.

47. **Our business and growth plan could be adversely affected by the incidence and rate of taxes and stamp duties.**

As a property owning and development company, we are subject to the property tax regime in each state where our projects are located. These taxes could increase in the future, and new types of property taxes may be established which would increase our overall development and other costs. We also buy and sell properties throughout India; property conveyances are generally subject to stamp duty. If these duties increase, the cost of acquiring properties will rise, and sale values could also be affected. Additionally, if stamp duties were to be levied on instruments evidencing transactions which we believe are currently not subject to such duties, such as the grant or transfer of development rights, our acquisition costs and sale values would be affected, resulting in a reduction of our profitability. Any such changes in the incidence or rates of property taxes or stamp duties could have an adverse effect on our financial condition and results of operations. Also, the taxation system within India still remains complex. Each state in India has different local taxes and levies including GST. Changes in these local taxes and levies may impact our profits and profitability. Any negative changes in the regulatory conditions in India or our other geographic markets could adversely affect our business operations or financial conditions. For further details, please refer to the chapter titled "Statement of Tax Benefits" of this Information Memorandum.

48. **Our established brand name may be adversely affected by events beyond our control.**

We believe the "Nila" brand is recognizable amongst the populace in India due to its long presence in the Indian market and the Infrastructure and Real Estate business in which the Nila group operates. However, there can be no assurance that this established brand name will not be adversely affected in the future by events such as actions that are beyond our control, including customer complaints, developments in other businesses that use this brand or adverse publicity from any other source. Any damage to this brand name, if not immediately and sufficiently remedied, could have an adverse effect on our business, financial condition and results of operations.

49. **The cyclical nature of the Indian real estate market could cause us to experience fluctuations in property values over time.**

Historically, the Indian real estate market has been cyclical, a phenomenon that can affect the optimal timing for both the acquisition of sites and the sale of our projects. We cannot assure you that real estate market cyclicality will not continue to affect the Indian real estate market in the future. As a result, we may experience fluctuations in property values over time which in turn may adversely affect our business, financial condition and results of operations

50. **The Company is subject to interest rate risk.**

To the extent that our Company incurs floating rate indebtedness for its projects in the real estate sector, changes in interest rates may increase its cost of borrowing, impacting its profitability and having an adverse effect on its ability to pay dividends to its shareholders. Interest rates are highly sensitive to many factors, including governmental, monetary and tax policies, domestic and international economic and political conditions, and other factors beyond the Company's control. Interest rate increases could result in our Company's interest expense exceeding the income from its property portfolio, which may result in operating losses for the Company.

51. **A slowdown in economic growth in India could cause our business to suffer.**

Our performance and growth are dependent on the health of the Indian economy. The economy could be adversely affected by various factors such as political or regulatory action, including adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities, interest rates, commodity and energy prices and various other factors. Any slowdown in the Indian economy may adversely impact our business and financial performance and the price of our Shares. The Indian securities markets are smaller than securities markets in more developed economies. Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities. These exchanges have also experienced problems that have affected the market price and liquidity of the securities of Indian companies, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading, limited price movements and restricted margin requirements. Further, disputes have occurred on occasion between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. If similar problems occur in the future, the market price and liquidity of the Shares could be adversely affected.

52. **Financial instability in Indian financial markets could adversely affect our results of operations and financial condition.**

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in Asian emerging market countries. Financial turmoil in Asia, the United States of America, Europe and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors" reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other markets may increase volatility in Indian financial markets and, indirectly, in the Indian economy in general.

53. **Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.**

    Terrorist attacks and other acts of violence or war may adversely affect the Indian markets on which our Equity Shares will trade. These acts may result in a loss of business confidence, make travel and other services more difficult and have other consequences that could have an adverse effect on our business. In addition, any deterioration in international relations, especially between India and its neighboring countries, may result in investor concern regarding regional stability which could adversely affect the price of our Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse impact on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse impact on our business and the market price of our Equity Shares.

54. **Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.**

    The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the real estate sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

55. **Restrictions on foreign investment in the real estate sector may hamper our ability to raise additional capital.**

    The Consolidated FDI Policy (the "Policy") imposes certain conditions on investment in real estate sector in India. It permits foreign direct investment of up to 100% subject to the project fulfilling certain specified conditions. Further, while the Government of India has permitted FDI of up to 100% without prior regulatory approval in townships, housing, built-up infrastructure and construction and development projects, the same is subject to such investment with certain restrictions. Our Company's inability to raise additional capital as a result of these and other restrictions may adversely affect the business and prospects of our Company.

56. **Any downgrading of India's debt rating by an international rating agency could have a negative impact on our business.**

    Any adverse revision to India's credit ratings for domestic or international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such funding is available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

57. **Any future issuance of Equity Shares may dilute the shareholding of the shareholders and sales of our Equity Shares by major shareholders may adversely affect the trading price of the Equity Shares.**

    Any future equity issuances by us, may lead to the dilution of shareholding of the shareholders in our Company. Any future equity issuances by us or sales of our Equity Shares by major shareholders may adversely affect the trading price of the Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

The price of our Equity Shares may be volatile. The trading price of our Equity Shares may fluctuate after the listing due to a variety of factors, including our results of operations, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian capital markets, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. In addition, if the stock markets experience a loss of investor confidence, the trading price of our Equity Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Each of these factors, among others, could materially affect the price of our Equity.

58. Our contingent liabilities could adversely affect our financial condition.

The launch of new projects that prove to be unsuccessful could impact our growth plans and may adversely impact earnings. As part of our strategy, we introduce new project developments in the Indian market. Each of the elements of new project initiatives carries significant risks, as well as the possibility of unexpected consequences, including (1) acceptance by and sales of the new project initiatives to our customers may not be as high as we anticipate (2) our marketing strategies for the new projects may be less effective than planned and may fail to effectively reach the targeted consumer base or engender the desired consumption; (3) we may incur costs exceeding our expectations as a result of the continued development and launch of the new projects; (4) we may experience a decrease in sales of certain of our existing projects as a result of the introduction of nearby new projects; and (5) any delays or other difficulties impacting our ability, or the ability of our third party contractors and developers, to develop and construct projects in a timely manner in connection with launching the new project initiatives. Each of the risks referred to above could delay or impede our ability to achieve our growth objectives or we may not be successful in achieving our growth objectives at all through these means, which could have an adverse effect on our business, results of operations and financial condition.

INDUSTRY RISK

The Company's prospective business is heavily dependent on the performance of the real estate market in India, particularly in the region in which it intends to operate, and could be adversely affected if market conditions deteriorate. Real estate projects take a substantial amount of time to develop and the real estate market both for land and developed properties is relatively illiquid and further there may be little or insufficient demand for land or developed properties at the expected rental or sale price, as the case may be, which may affect Company's business, results of operations and financial condition.

Company's business may also be adversely affected by regulatory developments in the regions in which it operate or seek to develop properties such as land use regulations, zoning laws, taxes and environmental regulations, as well as political and social developments that discourage customers from investing or operating in real estate in those areas or discourage developers from selling their properties or reduce the incentives available for particular or particular types of developments.

Historically, the Indian real estate market has been cyclical, a phenomenon that can affect the optimal timing for both the acquisition of sites and the sale or rental of properties. Company cannot assure that real estate market cyclicality will not continue to affect the Indian real estate market in the future. As a result, Company may experience fluctuations in property values and rental income over time which in turn may adversely affect its business, financial condition and results of operations.

Company's performance and growth are dependent on the health of the Indian economy. The economy could be adversely affected by various factors such as political or regulatory action, including adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities, interest rates, commodity and energy prices and various other factors. Any slowdown in the Indian economy may adversely impact company's business and financial performance and the price of company's equity shares.

OPERATING RISK

Under its business model, revenues and profits are derived primarily from the sale of properties and the leasing of commercial and residential properties. While rental income can be relatively stable, revenues from sales are dependent on various factors such as the size of the developments and the extent to which they qualify for percentage of completion treatment under the revenue recognition policies and general market conditions etc. The combination of these factors may result in significant variations in revenues and profits of the Company. Therefore, company believes that period-to-period comparisons of its results of operations are not necessarily meaningful and should not be relied upon as indicative of company's future performance. If in the future company's results of operations are below market expectations, the price of company's equity shares could decline.

Company's ability to develop its Real Estate project undertaken/to be undertaken is subject to a number of risks and contingencies. If any of these risks materialize, company may not be able to develop its Real Estate project undertaken/to be undertaken, which could have a material adverse effect on its business, results of operations and financial condition.

PROMINENT NOTES

1. As on March 31, 2018, the net worth of our Company on a standalone basis was INR 117.66 Crores and on a consolidated basis was INR 115.79 Crores.

2. For details of our transactions with related parties during the year ended March 31, 2018 as per Ind-AS 24, the nature of such transactions and the cumulative value of such transactions, please see "*Financial Statements – Related Party Transactions*" and "*Financial Statements – Related Party Transactions*" on page 49 of the Financial Statements.

3. No selective or additional information will be available for a section of investors in any manner whatsoever.

SECTION III – INTRODUCTION

GENERAL INFORMATION

Our Company (Corporate Identification Number U45100GJ2000PLC083204) was incorporated on 3rd day of May 2000 as Gee Tele Network Limited, a public limited company, with the Registrar of Companies, Mumbai, under the provisions of the Companies Act, 1956. Its registered office was shifted from the State of Maharashtra to the State of Gujarat on 29 day of December 2014. Its name was then changed to Parmannday Consultancy Limited on 3rd day of March 2017, Parmananday Superstructure Limited on 12th day of October 2017 and it was further changed to Nila Spaces Limited with effect from 27th November 2017. The Hon'ble National Company Law Tribunal, Bench, at Ahmedabad vide its order dated 9th May 2018, has approved the Scheme of Arrangement between Nila Infrastructures Limited and Nila Spaces Limited and their respective shareholders and creditors ('the Scheme').

Registered Office of our Company:

Nila Spaces Limited

First Floor, Sambhaav House,
Opp. Chief Justice's Bungalow,
Bodakdev, Ahmedabad – 380 015,
Gujarat, India
Email: secreterial@nilaspaces.com
Website: www.nilaspaces.com
CIN: U45100GJ2000PLC083204

Address of the RoC

Office of the Registrar of Companies
ROC Bhavan
Opposite Rupal Park Society
Behind Ankur Bus Stop Naranpura
Ahmedabad 380 013

Board of Directors:

The Board of Directors as on the date of filing of the Information Memorandum are:

Sr No	Name of Directors
1	Mr. Deep S. Vadodaria
2	Mr. Prashant H Sarkhedi
3	Mr. Jasvinder Singh Rana
4	Mr. Anand Patel
5	Ms. Rajal Mehta

For further details of the Board of Directors of our Company, please refer to the section titled "Management".

Chief Financial Officer

Ms. Sonal Jain
First Floor, Sambhaav House,
Opp. Chief Justice's Bungalow,
Bodakdev, Ahmedabad – 380 015,
Gujarat, India

Company Secretary and Compliance Officer:

Ms. Gopi Dave
Membership Number: A46865

First Floor, Sambhaav House,
Opp. Chief Justice's Bungalow,
Bodakdev, Ahmedabad – 380 015,
Gujarat, India

Legal Advisor

Umesh Ved and Associates
Company Secretaries
304 Shoppers Plaza 5,
Opp. Municipal Market, Off CG Road,
Navrangpura, Ahmedabad-380009

Tel: 079 3007 0889
E-mail: umesh@umeshvedcs.com

Authority for Listing

The Hon'ble National Company Law Tribunal, Bench, at Ahmedabad, vide its order dated 9 May 2018 has approved the Composite Scheme of Arrangement between Nila Infrastructures Limited and Nila Spaces Limited and their respective shareholders and creditors ('the Scheme'). Pursuant to the Scheme, the Real Estate Undertaking of the Nila Infrastructures Limited is transferred to and vested into Nila Spaces Limited (wholly owned subsidiary of our Company). The Scheme was made effective from April 1, 2017. In accordance with the Scheme, the equity shares of Nila Spaces Limited issued pursuant to the Scheme shall be listed and admitted to trading on BSE and NSE. Such admission and listing is not automatic and will be subject to fulfillment by our Company of the listing criteria of BSE and NSE for such issues and also subject to such other terms and conditions as may be prescribed by BSE and NSE at the time of the application by our Company seeking listing.

Eligibility Criteria

There being no initial public offering or rights issue, the eligibility criteria of SEBI (Issue of Capital and Disclosure Requirements) Regulation 2009 do not become applicable. However, the Company has sought relaxation by making an application to SEBI under sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957 as per the SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017. Our Company has submitted the Information Memorandum, containing information about itself, making disclosures in line with the disclosure requirement for public issues, as applicable to BSE and NSE for making the said Information Memorandum available to public through their websites www.bseindia.com and www.nseindia.com. Our Company has made the said Information Memorandum available on its website i.e. www.nilaspaces.com. Our Company shall publish an advertisement in the newspapers containing its details as per the SEBI Circular no. CFD/DIL3/CIR/2017/21 dated 10 March 2017 with the details required as in terms of para 5 of part III(A) of Annexure I of the said Circular. The advertisement shall draw specific reference to the availability of the Information Memorandum on its website.

General Disclaimer from our Company

Our Company accepts no responsibility for statements made otherwise than in the Information Memorandum or in the advertisements published in terms of para 5 of part III(A) of Annexure I of SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017 or any other material issued by or at the instance of our Company and anyone placing reliance on any other source of information would be doing so at his or her own risk. All information shall be made available by our Company to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner.

Auditors of our Company

M/s J S Shah & Company

15 Municipal Shopping Centre,
Nr. BSNL Telephone Office,
Kankaria,
Ahmedabad-380 022

Registrar

MCS Share Transfer Agent Limited

201, Shatdal Complex, 2nd Floor,
Ashram Road, Opp. Bata Showroom,
Ahmedabad-380009
Phone No. 079- 26580461/462/463
Email: mcsstaahmd@gmail.com
Website: www.mcsregistrars.com
CIN: U67120WD2011PLC165872
Contact Person: Mr. Jagdish Patel
SEBI Regd. No. INR000004108

CAPITAL STRUCTURE

SHARE CAPITAL

A. Share Capital of our Company Pre-Scheme of Arrangement

Particulars	Amount in INR
Authorised Capital:	
1,50,000 equity shares of INR 10/- each	15,00,000
Total	**15,00,000**
Issued, Subscribed and Paid-up Capital:	
79,000 equity shares of INR 10/- each fully paid-up	7,90,000
Total	**7,90,000**

B. Share Capital of our Company Post-Scheme of Arrangement

Particulars	Amount in INR
Authorised Capital:	
45,00,00,000 equity shares of INR 1/- each	45,00,00,000
Total	**45,00,00,000**
Issued, Subscribed and Paid-up Capital:	
39,38,89,200 equity shares of INR 1/- each fully paid-up	39,38,89,200
Total	**39,38,89,200**

Note: The post scheme capital structure is as of 29th June, 2018.

Notes to the Capital Structure

1. Share Capital History

Equity share capital history of our Company

Sr. No.	Date of Allotment	No. of shares	Cumulative No. of shares	Face Value (Rs.)	Premium (Rs.)	Cumulative Paid up Capital (Rs.)	Nature of Allotment	Consideration
1.	3 May 2000	70	70	10/-	-	700	Subscriber to the Memorandum	Subscribers to the Memorandum and Articles of Association
2.	5 December 2002	49,930	50,000	10/-	-	5,00,000	Right issue	Right Issue of Shares
3.	31 March 2008	14,500	64,500	10/-	-	6,45,000	Right Issue	Right Issue of Shares
4.	28 March 2014	14,500	79,000*	10/-	-	7,90,000	Right Issue	Right Issue of Shares

2. As per clause 12.1 of the Scheme, our Board of Directors has passed necessary resolutions on 29 June 2018 to allot 39,38,89,200 (Thirty nine crores Thirty Eight Lacs Eighty Nine Thousand Two Hundred) equity shares of Re. 1 (Rupee One) each to the eligible shareholders of Nila Infrastructures Limited as on15 June 2018, being the Record Date.
*And the pre-merger entire shareholding of 79,000 shares of Nila Space Limited held by Nila Infrastructure Limited has been cancelled.

3. Lock-in of equity share: Since, the entire pre-merger share capital of our Company has been cancelled, requirements of lock-in of equity share is not applicable to us. However 2,25,00,000 equity shares of Re.1 (Rupee One) allotted to the promoters of Nila Infrastructures Limited are under Lock-in and the corresponding 2,25,00,000 equity shares of Re. 1 (Rupee One) of Nila Spaces shall be Locked-in till the period of Lock-in under Nila Infrastructures Limited continues

Shareholding pattern before and after the Scheme:

4. **The shareholding pattern of our Company prior to the allotment of shares under the Scheme is as under:**

Sr. No.	Name of Shareholder	No. of Equity Shares	Amount (in INR)	% of Holding
1	Nila Infrastructures Limited	78,400	7,84,000	99.22%
2	Mr. Manoj B Vadodaria jointly with Nila Infrastructures Limited (Nominee)	100	1000	0.13%
3	Mr. Kiran B Vadodaria jointly with Nila Infrastructures Limited (Nominee)	100	1000	0.13%
4	Mr. Deep S Vadodaria jointly with Nila Infrastructures Limited (Nominee)	100	1000	0.13%
5	Mr. Prashant H Sarkhedi jointly with Nila Infrastructures Limited (Nominee)	100	1000	0.13%
6	Mr. Anand Patel jointly with Nila Infrastructures Limited (Nominee)	100	1000	0.13%
7	Mr. Jignesh Patel jointly with Nila Infrastructures Limited (Nominee)	100	1000	0.13%
	Total Share Capital	**79,000**	**7,90,000**	**100.00%**

The shareholding pattern of our Company post allotment of shares under the Scheme as on 30 June 2018 including the shareholding pattern of Promoter and Promoter Group, Public shareholder, Non Promoter -Non Public Shareholder as on 30 June 2018

SN	Category & Name of the Shareholders	Nos. Of shareholders	No. of fully paid up equity shares held	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
						No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
A	**Statement showing shareholding pattern of the Promoter and Promoter Group**									
(1)	**Indian**									
a	Individual /HUF	11	243825187	243825187	61.90	22500000	9.23	--	--	243825187
	Manoj B Vadodaria	*AALPV5038N*	*53154712*	*53154712*	*13.49*	*9000000*	*16.93*	--	--	*53154712*
	Nila M Vadodaria	*AAKPV0644B*	*43955267*	*43955267*	*11.16*	--	--	--	--	*43955267*
	Alpa K. Vadodaria	*AAXPV2285P*	*36800000*	*36800000*	*9.34*	--	--	--	--	*36800000*
	Kiran B. Vadodaria	*AAMPV2793B*	*38608100*	*38608100*	*9.80*	*6750000*	*17.48*	--	--	*38608100*
	Deep S. Vadodaria	*ACWPV7910N*	*31752108*	*31752108*	*8.06*	*6750000*	*21.26*	--	--	*31752108*
	Shailesh B. Vadodaria	*AAQPV5049Q*	*12960000*	*12960000*	*3.29*	--	--	--	--	*12960000*
	Mina S. Vadodaria	*AAQPV5048R*	*8695000*	*8695000*	*2.21*	--	--	--	--	*8695000*
	Rajesh B. Vadodaria	*AAMPV1353P*	*5000000*	*5000000*	*1.27*	--	--	--	--	*5000000*
	Chhayaben R. Vadodaria	*AAVPV6692E*	*4300000*	*4300000*	*1.09*	--	--	--	--	*4300000*
	Siddarth R. Vadodaria	*ADHPV3545R*	*4300000*	*4300000*	*1.09*	--	--	--	--	*4300000*
	Karan R. Vadodaria	*AELPV4066N*	*4300000*	*4300000*	*1.09*	--	--	--	--	*4300000*
b	Central Government/ State Government(s)	--	--	--	--	--	--	--	--	--
c	Bodies Corporate	--	--	--	--	--	--	--	--	--
d	Financial Institutions/ Banks	--	--	--	--	--	--	--	--	--
e	Any Others(Specify)	--	--	--	--	--	--	--	--	--
	Sub Total A(1)	**11**	**243825187**	**243825187**	**61.90**	**22500000**	**9.23**	**0**	**0**	**243825187**
(2)	**Foreign**									
a	Individuals (Non-Residents	--	--	--	--	--	--	--	--	--

	Individuals/ Foreign Individuals)									
b	Government									
c	Foreign Portfolio Investors	--	--	--	--	--	--	--	--	--
d	Institutions	--	--	--	--	--	--	--	--	--
e	Any Others(Specify)	--	--	--	--	--	--	--	--	--
	Sub Total A(2)	--	--	--	--	--	--	--	--	--
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	**11**	**243825187**	**243825187**	**61.90**	**22500000**	**9.23**	**0**	**0**	**243825187**
B	**Statement showing shareholding pattern of the Public Shareholder**									
(1)	**Institutions**									
(a)	Mutual Funds	2	8456740	8456740	2.15	--	--	--	--	8456740
(b)	Venture Capital Funds	--	--	--	--	--	--	--	--	--
(c)	Alternate Investment Funds	--	--	--	--	--	--	--	--	--
(d)	Foreign Venture Capital Investors	--	--	--	--	--	--	--	--	--
(e)	Foreign Portfolio Investors	4	22315000	22315000	5.67	--	--	--	--	22315000
	Elara India Opportunities Fund Limited	*AABCE6307 N*	*12315000*	*12315000*	3.13	--	--	--	--	*12315000*
	Antara India Evergreen Fund Ltd	*AABCI6920P*	*5660000*	*5660000*	1.44	--	--	--	--	*5660000*
(f)	Financial Institutions/ Banks	3	2352426	2352426	0.60	--	--	--	--	2352426
(g)	Insurance Companies	--	--	--	--	--	--	--	--	--
(h)	Provident Funds/ Pension Funds	--	--	--	--	--	--	--	--	--
(i)	Any Other (specify)	--	--	--	--	--	--	--	--	--
	Sub Total B (1)	**9**	**33124166**	**33124166**	**8.41**	**--**	**--**	**--**	**--**	**33124166**
(2)	**Central Government/ State Government(s)/**	--	--	--	--	--	--	--	--	--

	President of India									
	Sub-Total (B) (2)	--	--	--	--	--	--	--	--	--
(3)	**Non-institutions**									
(a(i))	Individuals - i.Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	32553	65295855	65295855	16.58	--	--	--	--	58154253
(a(ii))	Individuals - ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	23	16381748	16381748	4.16	--	--	--	--	15657748
(b)	NBFCs registered with RBI	--	--	--	--	--	--	--	--	--
(c)	Employee Trusts	--	--	--	--	--	--	--	--	--
(d)	Overseas Depositories (holding DRs) (balancing figure)	--	--	--	--	--	--	--	--	--
(e)	Any Other (specify)	1733	35262244	35262244	8.95	--	--	--	--	34990244
1	*Bodies Corporate*	*512*	*16443798*	*16443798*	*4.17*	--	--	--	--	*16195798*
2	*Non-Resident Indian (NRI)*	*353*	*8226087*	*8226087*	*2.09*	--	--	--	--	*8202087*
	Shobha Imtiyaz Desai	*ALYPD3306P*	*6243657*	*6243657*	*1.59*	--	--	--	--	*6243657*
3	*Trusts*	*1*	*7500*	*7500*	*0.00*	--	--	--	--	*7500*
4	*HUF*	*866*	*6616759*	*6616759*	*1.68*	--	--	--	--	*6616759*
5	*IEPF*	*1*	*3968100*	*3968100*	*1.01*	--	--	--	--	*3968100*
	Sub-Total (B) (3)	34309	116939847	116939847	29.69	--	--	--	--	108802245
	Total public Shareholding (B =B1+B2+B3)	34318	150064013	150064013	38.10	--	--	--	--	141926411
	Total (A+B)	**34329**	**393889200**	**393889200**	**100**	**22500000**	**5.71**	--	--	**385751598**

6. **Top ten public shareholders of our Company 10 days prior to and as on the date of this Information Memorandum i.e. as on 29 September 2018**

Sr No	Shareholder's Name	Shares	Percentage
1	Elara India Opportunities Fund Limited	12315000	3.1265
2	Hdfc Trustee Co Ltd A/C Hdfc Housing Opportunities	7194171	1.8264
3	Shobha Imtiyaz Desai	6243657	1.5851
4	Antara India Evergreen Fund Ltd	5660000	1.4370
5	Tushar Rameshchandra Mehta	3397563	.8626
6	Jitendra Vallabh Sanghavi	2572500	.6531
7	Elara Capital Mauritius Ltd	2500000	.6347
8	Axis Bank Limited	2249991	.5712
9	Nisha Jignesh Mehta	1990000	.5052
10	Plutus Terra India Fund	1840000	.4671
	Total	**4,59,62,882**	**11.6689%**

7. **Details of Equity Shares held by our Directors**

Except as stated below, there are no other Directors who hold Equity Shares in our Company as on the date of this Information Memorandum

Particulars	No. of shares
Mr. Deep S. Vadodaria	3,17,52,108
Mr. Prashant H. Sarkhedi	1,87,500
Mr. Jasvinder Singh Rana	0
Mr. Anand Patel	0
Ms. Rajal Mehta	0
Total	**3,19,39,608**

8. There shall be only one denomination of equity shares of our Company, subject to applicable regulations and our Company shall comply with such disclosure and accounting norms, specified by SEBI from time to time.

9. The Promoters of our Company, their relatives and associates and the directors of our Company have not purchased or sold or financed, directly or indirectly, any equity shares of our Company from the date of approval of the Scheme till the date of submission of this Information Memorandum.

10. There shall be no further issue of capital by our Company whether by way of issue of bonus shares, preferential allotment, and rights issue or in any other manner during the period commencing from the date of approval of the Scheme till listing of the Equity Shares allotted as per the Scheme.

11. Our Company has 39,38,89,200 Equity Shareholders as on date of filing of this Information Memorandum.

12. Our Company presently does not have any intention or proposal to alter its capital structure for a period of six months from the date of the Scheme, by way of split or consolidation of the denomination of Equity Shares or further issue of equity (including issue of securities convertible into or exchangeable for, directly or indirectly, for our Equity Shares) whether on a preferential basis or bonus or rights issue or further public offering or qualified institutions placement or otherwise.

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

To
The Board of Directors
Nila Spaces Limited,
Off. Ashram Road,
Ahmedabad – 380009
Gujarat

Sub: Statement of possible tax benefits ('the Statement') available to Nila Spaces Limited ('the Company') and its Shareholders prepared in accordance with the requirement in Schedule VIII – Clause (VII) (L) of Securities and Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2009, as amended ('the Regulations')

We report that the enclosed Annexure prepared by the Company, states the special direct tax benefits available to the Company and to its shareholders under the Income-tax Act, 1961 ("the Act") and Income-tax Rules, 1962 (together "tax laws"), presently in force in India. These benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the tax laws. Hence, the ability of the Company or its shareholders to derive these special direct tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face and accordingly, the Company or its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure cover only special direct tax benefits available and do not cover any general tax benefits available to the Company or its Shareholders. Further, the preparation of the enclosed Annexure and its contents is the responsibility of the Management of the Company. We are informed that, this statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed Qualified Institutional Placement ("the Offer") by the Company particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail. Neither we are suggesting nor advising the investor to invest money based on this statement.

We do not express any opinion or provide any assurance as to whether:

i) the Company or its shareholders will continue to obtain these benefits in future; or
ii) the conditions prescribed for availing the benefits have been/would be met with.

J. S. SHAH & CO. AHMEDABAD 380028 CHARTERED ACCOUNTANTS
28/08/18

The contents of the enclosed Statement are based on the information, explanation and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

We hereby give consent to include this statement of special tax benefits in the Offer Document and in any other material used in connection with the Offer, and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For **J S SHAH & Co**
Chartered Accountants
ICAI firm registration number: 132059W

J. S. SHAH & CO. AHMEDABAD 380028 CHARTERED ACCOUNTANTS

CA Jaimin Shah
Membership No.: 138488

Place: Ahmedabad
Date: 28/08/2018

ANNEXURE TO THE STATEMENT OF POSSBILE TAX BENEFITS

Outlined below are the Special tax benefits available to the Company and its shareholders under the direct tax laws in force in India (*i.e.* applicable for the Financial Year 2017-18 relevant to the Assessment Year 2018-19). These benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its shareholders to derive the Special tax benefits is dependent upon fulfilling such conditions, which based on business imperatives it faces in the future, it may or may not choose to fulfill.

A. Special Tax Benefits to the Company

The Company and some of its subsidiary are entitled for tax holiday section 80IA of the Act. As Per section 80 IA of income tax Act 1961, (IT Act) , a deduction of an amount equal to one hundred percent of the profit and gains derived by undertaking or an enterprise from business of Infrastructure facility, shall be allowed. Such deduction is available for ten consecutive assessment years out of fifteen assessment years beginning from the years in which the undertaking begins operating and maintaining infrastructure facility.

As per Section 80IBA of the IT Act ,if the gross total income of the company includes any profits and gains derived from the business of developing and building housing projects, there shall, subject to the completion of certain conditions, be allowed, a deduction of an amount equal to hundred per cent of the profits and gains derived from such business. The project should be approved by the competent authority after the 1st day of June, 2016, but on or before the 31st day of March, 2019. The company is entitled to claim exemption under Section 80IBA.

However aforesaid deduction are not available while computing tax liability of the company under Minimum Alternative Tax (MAT). Nonetheless such MAT Paid/payable on the books profits of the company computed in terms of provisions of IT Act read with the Companies Act, 2013 would be eligible for credit against tax liability arising under normal provision of tax.

B. Special Tax BenefitstotheShareholders of the Company undertheAct

There are no special tax benefits available to the shareholders under the Act.

Notes:

1) All the above benefits are as per the current tax law and any change or amendment in the laws/regulation, which when implemented would impact the same.
2) The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefits under any other law.
3) In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/ her participation in the Offer.

J. S. SHAH & CO. AHMEDABAD 380028 CHARTERED ACCOUNTANTS

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4) The above statement of special tax benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the applicable provisions of the Act.Investors are advised to consult their tax advisors with respect to the applicable provisions of the Act.

J. S. SHAH & CO.
AHMEDABAD
380028
CHARTERED ACCOUNTANTS

28/08/18

SECTION IV – ABOUT US

BUSINESS OVERVIEW

NILA SPACES LTD. is a latest enterprise of Ahmedabad headquartered Sambhaav Group, pursuant to the Scheme of Arrangement for Demerger (the "Scheme") of Real Estate (RE) Undertaking of Nila Infrastructures Ltd (the "Demerged Company"/NI Ltd) into Nila Spaces Ltd (the "Resultant Company") under section 230 to 232 and other applicable provisions of the Companies Act, 2013 with Appointed Date of April 1, 2017.

In the process of executing projects for various Government/Semi Government entities, NI Ltd fathomed the size and scale of government's initiatives - "Housing for All by 2022", and "Smart cities". While, the government initiated the supply-side measures, it has simultaneously addressed the demand-side, too; by boosting the affordability with the reduction/subsidy in interest on housing loans, enhancement of ceiling for interest deduction, etc. Further, with implementation of path-breaking regulations - RERA and GST Act; the real estate business started getting the much needed impetus as an industry. The latest accordance of much coveted status of "Infrastructure" to Affordable Housing has since set the right atmosphere. Hence, with such collective positive transformation of critical dynamics of the real-estate industry; it was thought prudent to provide an undisturbed attention to the real-estate business by demerging it into a separate entity. The independent Real Estate Business would ensure a focused strategy and specialization for sustainable growth of the Real Estate Business while it would also support the initiatives taken by the Government to provide affordable housing.

NI Ltd has been scaling new heights since its inception in the year 1990. In its journey of 28+ years, NI Ltd has built for itself an enviable position engaging in turnkey civic urban infrastructure developments besides soaring high in new generation lifestyles in the real estate space. The name Nila is synonymous with excellence. As a Sambhaav Group company and headquartered at Ahmedabad, NI Ltd has evolved over the years from its primary identity of a realty company to one which is now predominantly involved in the Affordable Housing. NI Ltd is a public limited company listed on the Bombay Stock Exchange (BSE) as well as the National Stock Exchange (NSE) and is ISO 9001:2015 accredited.

Nila Spaces Limited is a progressive Real-Estate company that believes in changing the paradigm of the industry by adopting innovative technologies, benchmark quality, robust engineering and uncompromising business ethics. Since its inception, Nila Spaces Limited has functioned with marked distinction in the real estate arena and has demonstrated timeless values and transparency in all spheres of business conduct. Every challenge to provide unswerving real estate to contribute to the growth of the home buyer has been met with tenacity and unmatched dedication.

Nila Spaces Limited is committed to creating landmarks of excellence:

With its various developmental services the company aims to make a difference in empowering people and enriching their lives. Understanding the need to lay a strong foundation of stellar class real estate, Nila Spaces Limited has always been driven to go beyond those needs. With high levels of dynamism and perseverance, the company developed expertise in implementing projects over the span of several years. Nila Spaces Limited has put its extensive land bank to use by coming up with residential real estate schemes that range from affordable flats to premium apartments. Nila Spaces Limited is developing an estimated 7 lakh sqft of prime real estate with large land reserves in-and-around Ahmedabad. At present we are executing two projects at Ahmedabad (one each at Old Ranip and Shahibaug). We have a land bank of over 18 acres with an estimated saleable area of NNN lakh sq ft. We have completed more than NNN lakh sqft real estate projects over last 28+ years.

The company is managed by highly qualified professionals who are fully engrossed to ensure that the company maintains its high standards in quality construction, timely delivery and customer satisfaction. The company has always strived hard to keep its commitments and thus enjoys an extremely resonant reputation in the construction industry.

Diversified presence across products, end markets and geographies

The Group operates in various sectors like real estate and Infrastructure business. The Group's income is diversified across a range of geographies and industries and it has relatively low levels of customer concentration. The Group believes that its diversified income is a competitive strength as it provides a hedge against cyclicality and other adverse developments within any particular industry sector or geography affecting any one of its customers. The Group believes that this diversified business model will help in reducing volatility in its income, profits and cash flows.

Effective cash management leading to strong cash flows

Being one of the major infrastructural and real estate developer in Gujarat, the Group is also committed to ensuring each of its core businesses remains competitive and profitable. The Group believes that it has been able to achieve cost efficiencies in its operations across its businesses.

Senior management team with strong operating experience

The Group's senior management has significant experience in the Infrastructure and Real Estate sector and it believes that this experience is a key competitive advantage, enabling the senior management to make critical business decisions that result in faster and more efficient implementation of ideas and projects. The Group's management team has a track record of growth and significant domain knowledge in their industries and relevant experience in the geographies in which the Group operates. The Group's management team has diverse strengths including in relation to operations management, process excellence, building infrastructure, technology management, scaling businesses and growing the business in a disciplined and planned manner.

Business Segments

Nila Spaces Limited Operates in one segment i.e. Real Estate segment: Development of buildings for purpose of sale.

Indian Real Estate Sector

The real estate sector in India has come a long way by becoming one of the fastest growing markets in the world. It is not only successfully attracting domestic real estate developers, but foreign investors as well. The growth of the industry is attributed mainly to a large population base, rising income level, and rapid urbanization. The sector comprises of four sub-sectors- housing, retail, hospitality and commercial.

The real estate sector has transformed from being unorganized to a dynamic and organized sector over the past decade. Government policies have been instrumental in providing support after recognizing the need for infrastructure development in order to ensure better standard of living for its citizen. In addition to this, adequate infrastructure forms a prerequisite for sustaining the long-term growth momentum of the economy. The Indian real estate sector is one of the most globally recognized sectors. It comprises four sub sectors housing, retail, hospitality, and commercial. The growth of this sector is well complemented by the growth of the corporate environment and the demand for office space as well as urban and semi-urban accommodations.

Challenges

The key challenges that the Indian real estate is facing today are:

- lack of clear land titles,
- absence of title insurance,
- absence of industry status,
- lack of adequate sources of finance,
- shortage of labour,
- rising manpower and material costs,
- approvals and procedural difficulties.

Competition

The Group's competitors largely consist of disparate entities with a large number of Infrastructure and Real Estate developer companies located across India.

Power

As of the date of this Information Memorandum, the Group purchases electricity from various Indian electricity boards.

Environmental Protection

The Group is subject to regulation by various pollution control boards in India. These state pollution control boards, from time to time, inspect the Group's compliance with relevant environmental laws and regulations. The Group is committed to maintaining appropriate environmental controls that generate minimal waste and emissions. All the Group's Infrastructure and Real Estate business are in compliance with all material environmental regulations.

Maintenance

The Group has a major maintenance schedule for its equipment in order to stagger maintenance shutdowns of its major equipment to allow for consistent levels of operations. The Group determines the appropriate major maintenance schedule for each equipment on the basis of manufacturers' recommendations, the results of regular equipment checks and, in some cases, continuous computer monitoring of the equipment. Minor maintenance not requiring facility shutdown is carried out by the Group's maintenance staff on an ongoing basis.

Employees

As of 31st March, 2018, the demerged company and resultant company collectively had 83 employees

Insurance

The Group's plant, property, equipment and stocks are adequately insured against major risks. The Company shall take Director and officer liability insurance to provide coverage against the probable liabilities arising on them, if any.

NILA
SPACES
LIMITED

HISTORY AND CERTAIN CORPORATE MATTERS

Corporate Profile and Brief History

Our Company (Corporate Identification Number U45100GJ2000PLC083204) was incorporated on 3rd day of May 2000 as Gee Tele Network Limited, a public limited company, with the Registrar of Companies, Mumbai, under the provisions of the Companies Act, 1956. Its registered office was shifted from the State of Maharashtra to the State of Gujarat on 29 day of December 2014. Its name was then changed to: (a) Parmannday Consultancy Limited on 3rd day of March 2017, Parmananday Superstructure Limited on 12th day of October 2017 and it was further changed to Nila Spaces Limited with effect from 27th November 2017 with its registered office at in the premises of Nila Infrastructures Limited, First Floor, Sambhaav House, Opp. Chief Justice's Bungalow, Bodakdev, Ahmedabad – 380 015, Gujarat, India..

The objects for which our Company has been established are set out in the Memorandum of Association. The main objects is set out hereunder:

- To undertake and/or direct all types of construction and the maintenance of and to acquire by purchase, lease, exchange, hire or otherwise, lands, properties, buildings and estates of any tenure or any interest therein, to sell, lease, let, mortgage or otherwise dispose of the same and to purchase, construct and sell for self or for any person freehold or leasehold lands, house properties, buildings, offices, factories, workshops, godowns, farm houses. Farms and any kind of landed properties or any share/interest therein and to carry on the business of land and estate agent on commission or otherwise without commission.

- To carry on the business of and act as promoters, organizers and developers of lands, estates, properties, co-operative housing societies, associations, housing schemes, affordable housing projects, shopping office complexes, townships, farms, farm houses, holiday resorts, hotels, motels and to deal with and improve such properties either as owner or as agents.

- To carry on the business of any or all of the infrastructure activities such as construction, development, maintenance and operations of all types of infrastructural projects or facilities including but not limited to housing projects, commercial space projects, civil construction projects, of any Government, Semi Government or Private Bodies on EPC, PPP or any other basis or for own business.

As on date, our Company have the following Subsidiaries, Associates and Joint Ventures

- Mega City Cinemall Private Limited
- Nilsan Realty LLP
- Nila Projects LLP
- Fungdi Land Developers LLP

SCHEME OF ARRANGEMENT

Rationale as provided in the Scheme:

(a) The Demerged Company has, over a period of time, become an Infrastructure Company with specific focus on Civic Urban Infrastructure. It has been one of the first participants in Affordable Housing projects under the Pradhan Mantri Awas Yojana ('PMAY') and, over-a-period of time, has become a specialist with already satisfactory delivery of substantial units and/or built up area. The proposed demerger of Real Estate Business is expected to provide an absolute focus on Infrastructure business and make it a pure-play Infrastructure Company. It shall provide an impetus to the financials and make a strong case of improved credit profile. The leaner capital structure and commensurate assets shall boost the business prospects of the Demerged Company and provide for value unlocking/wealth creation of the investors in the long-run

(b) The Demerged Company is carrying on the activities of Infrastructure Business and the Real Estate Business. Under the Infrastructure Business, the Demerged Company is engaged in the construction of affordable housing units through Engineering, Procurement and Construction (EPC) and Public Private Partnership (PPP) model and leasing of various properties. Further, the Demerged Company is also carrying on the business of Civic Urban Infra Projects through EPC and PPP model. The said Infrastructure Business has been the major contributor to the overall revenue of the Demerged Company as on date.

(c) The Demerged Company, as a private developer, has completed various real estate projects in the State of Gujarat, while it is also in the process, through the Resulting Company, to leverage the skills, resources, and experience in development and marketing of real estate projects.

(d) The proposed demerger of Real Estate Business of the Demerged Company into the Resulting Company shall result into an asset light business model for the Demerged Company and is expected to result into the improvement of the credit ratings and financial ratios. Thus, it should in turn boost the growth of the Demerged Company in future which shall be in the best interest of all the stakeholders of the aforesaid Companies.

(e) Further, while working with the Government / Semi Government on various projects in past under EPC, EPC + PPP, PPP model, the Demerged Company has gathered an inherent potential of carrying out its own real estate projects. Further, initiatives of the Government such as "Housing for All by 2022" and "Smart Cities" projects clearly indicate that the Government recognizes urbanization as a feature of modernity. The mammoth and ambitious goal of Government of India of providing affordable housing to all its citizen by 2022 coupled with overall growth in economy and path-breaking regulatory developments such as The Real Estate (Regulation and Development) Act, 2016 ('RERA') and Goods and Service Tax Act, 2017 ('GST') will provide much needed impetus to the real estate industry in India.

(f) Hence, keeping in mind the favorable regulatory developments for the real estate industry, the management of the Demerged Company believes that the proposed demerger of the Real Estate Business would also ensure a focused strategy and specialization for sustainable growth of the Real Estate Business while it would also support the initiatives taken by the Government to provide affordable housing. Thus, with the proposed scheme, the stakeholders may look forward to the benefits of unlocking and maximizing value.

(g) Thus, segregating the business would enable independent business opportunities, attracting different sets of investors, strategic partners, lenders and other stakeholders and would bring about synergy of operations and greater internal control on business processes / ease in decision making.

Salient Features of the Scheme:

Scheme of Arrangement ("Scheme") involving demerger of Real Estate Undertaking of Nila Infrastructures Limited into Nila Spaces Limited, being wholly owned subsidiary of Nila Infrastructures Limited and issue of equity shares of Nila Spaces Limited to the shareholders of Nila Infrastructures Limited.

Real Estate Undertaking means the entire undertaking of Nila Infrastructures Limited pertaining to its Real Estate Business and includes all assets (whether moveable or immoveable) and liabilities pertaining to Real Estate Business.

The proposed Scheme envisages creation of an independent listed company, namely, Nila Spaces Limited, in the business of Real Estate by demerger of Real Estate Undertaking of Nila Infrastructures Limited into Nila Spaces limited, being wholly owned subsidiary of Nila Infrastructures Limited.

Nila Spaces Limited will constitute the Real Estate Business of Nila Infrastructures Limited, and Nila Infrastructures Limited will continue to carry on the Infrastructure business.

Nila Spaces Limited would achieve listing and all the existing shareholders of Nila Infrastructures Limited would be allotted shares in Nila Spaces Limited in the same proportion in which they hold shares in existing Nila Infrastructures Limited.

Post implementation, Nila Spaces Limited will be listed on BSE and NSE with mirror shareholding.

The appointed date for the demergers of the Real Estate Undertaking of Nila Infrastructures Limited into Nila Spaces Limited, means April 1, 2017.

The effective date of the Scheme is 17 May 2018.

NILA SPACES LIMITED

MANAGEMENT

As of the date of this Information Memorandum, our Company has 5 directors, of which 2 Directors are independent, non-executive Directors, of which 1 is woman Director. Pursuant to the provisions of the Companies Act, 2013 at least two-thirds of the total number of Directors excluding the independent Directors are liable to retire by rotation, with one-third of such number retiring at each annual general meeting. A retiring director is eligible for re-election. Further, the independent Directors may be appointed for a maximum of two terms of up to five consecutive years each. Any re-appointment of independent Directors shall, *inter alia*, be on the basis of the performance evaluation report and approved by the shareholders by way of a special resolution. The quorum for meetings of our Board is one-third of the total number of Directors, or two Directors, whichever is higher.

The following table sets forth details regarding our Board as of the date of this Information Memorandum:

Name, Designation, Term, DIN, Occupation, and Address	**Age (in years)**	**Other Directorships**
Name : Deep S.Vadodaria Designation : Non-Executive Director DIN : 01284293 Occupation : Business Man Address : 3, Anjani Avenue Bungalows, Sambhav House Compound, Opp Chief Justice Bungalow, Bodakdev, Ahmedabad-9	34	1. Gujarat News Broadcasters Private Limited 2. Sarathi Industrial Park Private Limited 3. Romanovia Industrial Park Private Limited 4. Nila Terminals (Amreli) Private Limited 5. Vyapnila Terminals (Modasa) Private Limited
Name : Jasvinder Singh Rana Designation: IAS (Retd.) - Chairman & Independent Director DIN : 01749361 Occupation : Business Man Address : B/1004, Asavari Tower, B/H F.R.,Satellite,Ahmedabad-380015	67	
Name : Prashant H Sarkhedi Designation : MBA,CFA – Non Executive Non Independent Director DIN : 00417386 Occupation : Corporate Executive Address : B/43 Neeldeep Avenue , Opp Priyadarshini Tower Lane, Ahmedabad-30015	47	1. Design Solutions Limited 2. Ved Technoserve India Private Limited

NILA SPACES LIMITED

Name : Anand Patel Designation : Whole Time Director DIN : 07272892 Occupation : Service Address : 5/B Swati Society,Nr.Lakhudi talav,Ahmedabad-380014	61	1. Awaas Seva Pvt. Ltd.
Name : Rajal Mehta Designation : Independent Director DIN : 08182658 Occupation : Service Address : A 502, Rudra Plaza Appt, Bodakdev, Ahmedabad - 380054	37	

Relationship between the Directors

None of our Directors are related to each other

Brief Profiles

Deep S Vadodaria

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.

Jasvinder Singh Rana

Mr. Jasvinder Singh Rana is an ex-IAS officer and has held important positions in government and various public sector units. He possessed varied experience managing government organizations. He was ex MD of GSRTC.

Prashant H Sarkhedi

Mr. 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.

Anand Patel

Mr. 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.

Rajal Shah

Ms. Rajal is an eminent Strategic Planner & 3600 Marketing Consultant with professional educational background of Engineering & MBA. She is engaged in discovering her quest towards the business which she was passionate about from her childhood. She is the founder-CEO of “SMART TOUCH” – a strategic consultancy boutique engaged in exclusive consultancy especially in Real-Estate, FMCG, Health, and Education. Various reputed corporate clients (e.g. Rajani Group of Companies, Ban Labs, Samay Group, ICFAI Business School, & ICRI) as well as public sector undertakings have benefitted from her 15+ years of rich experience. She is a Specialist in perfecting the brand-image and business development based on her skillful ideas, planning, and implementation.

Confirmations

None of our Directors hold current and/or past directorship(s) for a period of five years preceding the date of filing of this Information Memorandum in listed companies, whose shares have been or were suspended from being traded on the BSE or the NSE.

Further, none of our Directors are associated with the securities market, in any manner and there is or has been no action taken by SEBI against our Directors or any entity in which our Directors are involved in as promoters or directors.

Remuneration of Directors

Executive Directors

No remuneration had been paid to any Executive Director for the year ended March 31, 2018.

Non-Executive Directors

For the year ended March 31, 2018, the non-executive Directors were paid an amount of NIL as sitting fees for attending each meeting of the Board and committee(s) thereof. The executive Directors are not paid sitting fees for attending meetings of the Board. Other than sitting fees, there were no material pecuniary relationships or transactions between our Company and our Independent and Non-Executive Directors.

Details of service contracts entered into with Directors

There are no service contracts entered into with the Directors by our Company providing for benefits upon termination of employment.

Arrangement or understanding with major shareholders, peers, suppliers or others

As of the date of this Information Memorandum, there are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which our Company has appointed a director or a member of the senior management.

PROMOTERS, PROMOTER GROUP AND GROUP COMPANIES

PROMOTERS AND PROMOTER GROUP

Our Promoters and Promoter Group together hold 24,38,25,187 equity shares, equivalent to 61.90% of our paid-up equity share capital as of 19th September, 2018. The promoters and promoter group members of our Company are as below (The promoter and promoter group of our company includes only natural persons and no corporate entities):

Name	Category of Promoter/ Promoter Group	Brief profile
Manoj B Vadodaria	Promoter	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 B. Vadodaria	Promoter	Mr. Kiran B Vadodaria is CMD of Sambhaav Media Limited (SML), a BSE and NSE Listed Corporate entity. SML has a track record of value based, objective, balanced journalism acting as a reference post in Gujarati print and electronic media. He has steered through SML journey of more than 30 years. He was elected as President of Indian Newspaper Society (INS), the reputed, prominent and influential media associations for 2014-15. Currently, he is INS Executive Committee member. He has also held post of President of Gujarat Daily Newspaper Associations (GDNAS). He was Chairman of Gujarat Regional Committee and a Member of National Integration Council of Government of India and served on the Board of the United Bank of India as an Independent director during 2011-2014. He has demonstrated his experience and insight based judgment at several issues and matters of national and societal interest. He possesses powerful entrepreneurial abilities reflected in his decisions of expansion, acquisition, diversification of media activities. Kiran Vadodaria is well respected in societal circles and recognized as a balanced personality in media, political and social spheres. He earned his BE (Mechanical) from the reputed LD College of Engineering, Ahmedabad and has served as President of the College Alumni associations. He has widely travelled in India and overseas.
Deep S. Vadodaria	Promoter Group	Deep S Vadodaria is an original thinker with an immense reasoning power. With problem-solving attitude, he address complex issues is in own distinctive manner. With his excellent operational and project execution skills; he is driving the company to new horizons. His Idiosyncratic leadership is structured on a well-defined 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.
Shailesh B.Vadodaria	Promoter Group	Brother of Mr.Manoj Vadodaria and Mr. Kiran Vadodaria. Belongs to the promoter group
Rajesh B. Vadodaria	Promoter Group	Brother of Mr.Manoj Vadodaria and Mr. Kiran Vadodaria. Belongs to the promoter group
Nila M Vadodaria	Promoter Group	Wife of Mr.Manoj Vadodaria and belongs to the Promoter Group
Alpa K. Vadodaria	Promoter Group	Wife of Mr. Kiran Vadodaria and belongs to the Promoter Group
Mina S. Vadodaria	Promoter Group	Wife of Mr.Shailesh.B.Vadodaria and belongs to the promoter group
Chhayaben R. Vadodaria	Promoter Group	Wife of Mr. Rajesh B. Vadodaria and belongs to the promoter group
Siddarth R. Vadodaria	Promoter Group	Son of Mr. Rajesh B. Vadodaria and belongs to the promoter group
Karan R. Vadodaria	Promoter Group	Son of Mr. Rajesh B. Vadodaria and belongs to the promoter group
Nila Infratructure Limited	Promoter Group	More than 10% Shareholding of the Promoters in the Company

Sambhaav Media Limited	Promoter Group	More than 10% Shareholding of the Promoter in the Company
VED Technoserve India Private Limited	Promoter Group	Wholly owned subsidiary of Sambhaav Media Limited
Nila Terminals (Amreli) Private Limited	Promoter Group	Wholly owned subsidiary of Nila Infrastructure Limited
Vyapnila Terminals (Modasa) Private Limited	Promoter Group	Nila Infrastructure Limited holds more than 10% Shareholding in the company
Romanovia Industrial Park Private Limited	Promoter Group	Nila Infrastructure Limited holds more than 10% Shareholding in the company
Kent Residential & Industrial Park LLP	Promoter Group	Nila Infrastructure Limited holds more than 10% holding in the company

Interests of Promoters

Our Promoters are interested in our Company to the extent of the Equity Shares held by them and the remuneration received from our Company. For details of our Promoters' shareholding in our Company, please see the sections entitled "Capital Structure" of this Information Memorandum.

Our Promoters are not interested in the properties acquired or proposed to be acquired by our Company in the past two years before filing of the Information Memorandum which create any conflict of business.

Except as stated otherwise in the Information Memorandum, our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of the Information Memorandum or proposes to enter into any such contract in which our Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them other than stated in the section entitled "Related Party Transactions" on page 49 of the financials.

Other than our Holding, Subsidiaries and Associates, our Promoters do not have any interest in any venture that is involved in any activities similar to those conducted by our Company.

Payment or Benefits to Promoters

Except as stated otherwise in the financial statement on page 49, there has been no payment or benefit provided to our Promoters or Promoter Group by our Company during the two years preceding the date of the Information Memorandum, nor is there any intention to pay or give any benefit to our Promoters or Promoter Group as on the date of the Information Memorandum.

Confirmations

Our Promoters and our Group Companies have not been declared as willful defaulters by the RBI or any other governmental authority. Further, there are no violations of securities laws committed by our Promoters in the past and no proceedings for violation of securities laws are pending against them.

Except as disclosed in section entitled "Outstanding Litigation, defaults and material developments" of this Information Memorandum our Promoters and Promoter Group entities have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Except as disclosed in section entitled "Outstanding Litigation, defaults and material developments" of this Information Memorandum our Promoters are not, and have never been, a promoter, director or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

We confirm that company registration number and address of registered office, where applicable, have been submitted to BSE and NSE at the time of filing the Information Memorandum with the Stock Exchanges.

NILA SPACES LIMITED

GROUP COMPANIES (Holding, Subsidiary and Associates)

The following table enumerates our group companies, brief description of the business and nature and extent of interest of the Promoters:

Sr. No	Name of the Company	Subsidiary/ Associate/JV of Promoters	Country of Incorporation	Nature of business activity
1.	Mega City Cinemall Private Limited	Associate	India	Malls and Multiplex
2.	Nila Projects LLP	Joint Venture	India	Real Estate
3.	Nilsan Realty LLP	Joint Venture	India	Real Estate
4.	Fungdi Land Developers LLP	Joint Venture	India	Real Estate

ENTITIES OVER WHICH THE PROMOTER (INDIVIDUAL OR CORPORATE) EXERCISES SIGNIFICANT INFLUENCE:

Sr. No.	Name of the Company	Nature of interest of the promoter	Nature of business activity
1.	Sambhaav Media Limited BSE: 511630 NSE: SAMBHAAV	Promoters Hold 62.93% shareholding as on 31.03.2018	Print and Electronic Media
2.	Nila Infrastructures Limited BSE: 530377 NSE: NILAINFRA	Promoters Hold 61.90% shareholding as on 31.03.2018	Infrastructures

NILA SPACES LIMITED

Nila Spaces Limited was incorporated on 3rd day of May 2000 as Gee Tele Network Limited, a public limited company, with the Registrar of Companies, Mumbai, under the provisions of the Companies Act, 1956. Its registered office was shifted from the State of Maharashtra to the State of Gujarat on 29 day of December 2014. Its name was then changed to (a) Parmannday Consultancy Limited on 3rd day of March 2017, Parmananday Superstructure Limited on 12th day of October 2017 and it was further changed to Nila Spaces Limited on 27th November 2017.

Financial Performance – Standalone

Rs.in lakhs, except for earning per share data

Parameter	As of March 31, 2018	As of March 31, 2017	As of March 31, 2016
Equity Capital	3938.89	7.90	7.90
Reserves	7827.22	(5.20)	(5.28)
Turnover with Other Income	2879.86	0.18	-
Profit after tax	216.89	(0.08)	(0.15)
Earnings per share	0.06	0.10	(0.20)

RELATED PARTY TRANSACTIONS

For details of related party transactions, see Financial Statements.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by our Board of Directors approval and it will be at their discretion and will depend on number of factors, including but not limited to our earnings, capital requirements and overall financial position. Our Company, since its incorporation, has not declared or paid any dividend.

Independent Auditor's Report

To the Members of Nila Spaces Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Nila Spaces Limited ('the Holding Company'), its subsidiary company (the Holding Company and its subsidiary company are together referred to as the 'Group'), its associate and its joint ventures, as listed in annexure I, which comprise the consolidated balance sheet as at 31 March 2018, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of cash flows and the consolidated statement of changes in equity for the year then ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated Ind AS financial statements').

Management's Responsibility for the Consolidated Ind AS 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 state of affairs, consolidated profit / loss (including other comprehensive income), consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Our responsibility is to express an opinion on these consolidated Ind AS 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.

J. S. SHAH & CO. AHMEDABAD 380028 CHARTERED ACCOUNTANTS

Other Matters

1. The comparative financial information of the Group, its associate and joint ventures for the year ended 31 March 2017 and the transition date opening balance sheet as at 1 April 2016 included in these consolidated Ind AS financial statements, are based on the previously issued statutory consolidated financial statements prepared 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 Companies (Accounts) Rules, 2014, audited by the predecessor auditor whose report for the year ended 31 March 2017 and 31 March 2016 dated 26 May 2017 and 26 May 2016 respectively expressed an unmodified opinion on those consolidated financial statements, are adjusted for the differences in the accounting principles adopted by the Group, its associates and joint ventures on transition to the Ind AS, which have been audited by us with respect to the Holding Company and by other auditors with respect to the subsidiary company, associate and joint ventures.

2. The consolidated Ind AS financial statements also include the Group's share of loss (including other comprehensive income) of INR 76.83 lakhs for the year ended 31 March 2018, as considered in the consolidated Ind AS financial statements, in respect of one associate and three joint ventures. 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 Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary company, associate and joint ventures and our reports in terms of section 143(3) of the Act, in so far as it relates to the aforesaid subsidiary company, associate and joint ventures is based solely on the reports of the other auditors.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1 As required by Section 143 (3) of the Act based on our audit and on the consideration of report of other auditors on separate financial statements of subsidiary, associate and joint ventures 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 purposes of our audit of the aforesaid consolidated Ind AS financial statements

(b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the report of other auditors;

J. S. SHAH & CO.
AHMEDABAD
380028
CHARTERED ACCOUNTANTS

Independent Auditor's Report *(Continued)*

Nila Spaces Limited

Auditor's Responsibility

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 Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS 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 the 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 Ind AS financial statements.

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of the report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS 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 subsidiary company, associate and joint ventures, the aforesaid consolidated Ind AS 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 and its associate and joint ventures as at 31 March 2018, and their consolidated profit (including other comprehensive income), consolidated changes in equity and consolidated cash flows for the year ended on that date.

J. S. SHAH & CO.
AHMEDABAD
380028
CHARTERED ACCOUNTANTS

Independent Auditor's Report *(Continued)*

Nila Spaces Limited

Report on Other Legal and Regulatory Requirements ***(Continued)***

(c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of cash flows and the statement of changes in equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules thereunder;

(e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company, associate and joint ventures, none of the directors of the Group companies is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act;

(f) With respect to adequacy of the internal financial controls with reference to the financial statements of the Holding Company and one joint venture to which requirements of the Act are applicable and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and

(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 and based on the consideration of the report of the other auditors, as noted in the 'Other Matters' paragraph:

i. The group does not have any pending litigations as at 31 March 2018

ii. The group did not have nay long-term contracts, including derivative contracts, for which there were any material forseeable losses

iii. the disclosures in the consolidated Ind AS financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018. However amounts as appearing in the audited consolidated Ind AS financial statements for the period ended 31 March 2017 have been disclosed.

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

J. S. SHAH & CO. AHMEDABAD 380028 CHARTERED ACCOUNTANTS

Jaimin Shah
Partner
Membership No: 138488

Ahmedabad
30 May 2018

Independent Auditor's Report *(Continued)*

Nila Spaces Limited

Annexure - I

Sr. no.	Name of entity	Relationship
1	Nila Project LLP	Joint venture
2	Nilsan Reality LLP	Joint venture
3	Fangdi Land Developers LLP	Joint venture
4	Mega City Cinemall Pvt. Ltd.	Joint venture

J. S. SHAH & CO.
AHMEDABAD
380028
CHARTERED ACCOUNTANTS

Annexure "A" to the Independent Auditor's Report – 31 March 2018
(Referred to in our report of even date)

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

In conjunction with our audit of the consolidated Ind AS financial statements of Nila Spaces Limited ('the Holding Company') as of and for the year ended 31 March 2018, we have audited the internal financial controls with reference to financial reporting of the Holding Company and one joint venture, to which requirements of the Act are applicable as of date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and one joint venture, to which requirements of the Act are applicable, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial reporting criteria established by the respective 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with financial reporting of the Holding Company and one associate, to which requirements of the Act are applicable 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, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, 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 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 with reference to financial reporting was established and maintained and if such controls operated effectively in all material respects.

Nila Spaces Limited

Annexure "A" to the Independent Auditor's Report – 31 March 2018 *(Continued)*

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statement and their operating effectiveness. Our audit of internal financial controls with reference to financial statement included obtaining an understanding of internal financial controls with reference to financial statement, 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 and the audit evidence obtained by other auditors of joint venture to which requirements of the Act are applicable, in terms of their reports referred to in

J. S. SHAH & CO.
AHMEDABAD
CHARTERED ACCOUNTANTS

the other matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company and one associate.

A company's internal financial controls with reference to financial statement is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statement 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 with reference to financial statement to future periods are subject to the risk that the internal financial control with reference to financial statement 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, to the best of our information and according to explanations given to us, the Holding Company and one joint venture to which requirements of the Act are applicable, have, in all material respects, an adequate internal financial controls system with reference to financial statement and such internal financial controls with reference to financial statement were operating effectively as at 31 March 2018, based on the internal control with reference to financial staement criteria established by the Holding Company and one associate to which requirements of the Act are applicable, considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matter

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statement insofar as it relates to one joint venture to which requirements of the Act are applicable, is solely based on the corresponding report of the auditors of one associate.

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

J. S. SHAH & CO. AHMEDABAD 380028 CHARTERED ACCOUNTANTS

Jaimin Shah
Partner
Membership No: 138488

Ahmedabad
30 May 2018

Nila Spaces Limited

Consolidated Balance Sheet
as at 31 March 2018

(₹ in lakhs)

Particulars	Note	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
ASSETS				
Non-current assets				
(a) Investment in equity accounted investee	4	2,607.07	2,446.58	2,126.26
(b) Financial assets				
(ii) Investments	5	-	2.94	3.06
(iii) Loans	6	247.63	0.32	169.73
Total non current assets		2,854.70	2,449.84	2,299.05
Current assets				
(a) Inventories	9	11,846.57	8,220.37	7,609.09
(b) Financial assets				
(i) Trade receivables	10	39.36	235.06	1,650.48
(ii) Cash and cash equivalents	11	0.65	0.13	0.15
(iii) Loans	6	2,563.05	5,834.91	6,080.00
(iv) Other financial assets	7	-	2,908.09	-
(c) Other current assets	8	1,629.93	1,853.67	1,938.35
Total current assets		16,079.56	19,052.23	17,278.07
Total assets		18,934.26	21,502.07	19,577.12
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	12	3,938.89	7.90	7.90
(b) Other Equity	13	7,640.28	14,339.30	13,610.30
Total equity		11,579.17	14,347.20	13,618.20
Liabilities				
Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	14	4,758.41	6,584.03	4,515.99
(ii) Other financial liabilities	15	2.16	1.84	1.84
Total non current liabilities		4,760.57	6,585.87	4,517.83
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	14	-	-	-
(ii) Trade payables	16	47.61	305.84	393.22
(iii) Other financial liabilities	15	-	128.83	564.90
(b) Other current liabilities	17	2,461.76	134.34	482.97
(c) Current tax liability	18	85.15	-	-
Total current liabilities		2,594.52	569.01	1,441.09
Total liabilities		7,355.09	7,154.88	5,958.92
Total equity and liabilities		18,934.26	21,502.07	19,577.12

The accompanying notes 1 to 31 form an integral part of these standalone financial statements.
As per our report of even date attached

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

J. S. SHAH & CO. CHARTERED ACCOUNTANTS AHMEDABAD 380028

Jaimin Shah
Partner
Membership No: 138488

For and on behalf of the Board of Directors of Nila Spaces Limited
CIN No. :U45100GJ2000PLC083204

Deep Vadodaria
Chairman
DIN : 01284293

Prashant Sarkhedi
Director
DIN : 00417386

Place : Ahmedabad
Date : 30 May 2018

Nila Spaces Limited

Consolidated Statement of Profit and Loss

for the year ended 31 March 2018

(₹ in lakhs)

Particulars	Note	For the year ended 31 March 2018	For the year ended 31 March 2017
Income			
Revenue from operations	19	1,977.80	2,855.61
Other income	20	902.06	1,046.25
Total income		**2,879.86**	**3,901.86**
Expenses			
Cost of material consumed and project expenses	21	1,803.15	1,670.57
Employee benefits expense	22	75.66	80.33
Finance costs	23	638.19	885.43
Other expenses	24	60.80	58.86
Total expenses		**2,577.80**	**2,695.19**
Profit before share of (loss) from joint ventures and associate and tax		**302.06**	**1,206.67**
Share of (loss) from joint ventures and associate		(76.83)	(60.11)
Profit before tax		**225.23**	**1,146.56**
Tax expense:			
Current tax		85.17	417.57
Profit for the year		**140.06**	**729.00**
Other comprehensive income for the year- net of tax		-	-
Total comprehensive income for the year		**140.06**	**729.00**

Earnings per equity share (Face value ₹ 1 per share P.Y ₹ 10 per share)	25		
Basic		0.04	922.78
Diluted		0.04	922.78

The accompanying notes 1 to 27 form an integral part of these standalone financial statements.

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

Jaimin Shah
Partner
Membership No: 138488

J. S. SHAH & CO. AHMEDABAD 380028 CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of Nila Spaces Limited
CIN No. :U45100GJ2000PLC083204

Deep Vadodaria
Chairman
DIN : 01284293

Prashant Sarkhedi
Director
DIN : 00417386

Place : Ahmedabad
Date : 30 May 2018

Nila Infrastructures Limited

Consolidated Statement of Changes in Equity
for the year ended 31 March 2018

(₹ in lakhs)

Equity share capital

Particulars	Note	
Balance as at 1 April 2016		7.90
Changes during the year		-
Balance as at 31 March 2017	11	7.90
Shares cancel during the year		(7.90)
Changes during the year (refer note 30 (B))		3,938.89
Balance as at 31 March 2018	11	3,938.89

Other Equity

Particulars	Note	Reserves and Surplus				Total
		Retained earnings	Capital reserve	Securities premium account	General reserve	
Balance as at 1 April 2016		(61.11)	13,665.61	5.80	-	13,610.30
Total comprehensive income for the year ended 31 March 2017						
Profit for the year		0.08		-	-	0.08
Items of other comprehensive income						
Profit for the year transferred to capital reserve	11	-	728.91	-	-	728.91
Balance as at 31 March 2017		(61.03)	14,394.52	5.80	-	14,339.30
Total comprehensive income for the year ended 31 March 2017						
Profit for the year	11	140.06	-	-	-	140.06
Total comprehensive income for the year		140.06	-	-	-	140.06
Issue of equity shares (refer note 30 (B))	11		(3,938.89)		7.90	(3,930.99)
Changes on account of scheme of arrangement (refer note 30 (A))	11		(2,908.09)		-	(2,908.09)
Balance as at 31 March 2018		79.03	7,547.54	5.80	7.90	7,640.27

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

Jaimin Shah
Partner
Membership No: 138488

Place : Ahmedabad
Date : 30 May 2018

J. S. SHAH & CO. AHMEDABAD 380028 CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Nila Spaces Limited
CIN No. :U45100GJ2000PLC083204

Deep Vadodaria
Chairman
DIN : 01284293

Prashant Sarkhedi
Director
DIN : 00417386

Nila Spaces Limited

Consolidated Statement of Cash Flow
for the year ended 31 March 2018

(₹ in lakhs)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Cash flow from operating activities		
Profit before tax	225.23	1,146.56
Adjustments for:		
Finance cost	638.19	885.43
Interest income	(901.71)	(1,046.06)
Operating profit before working capital changes	(38.29)	985.93
Changes in working capital adjustments		
(Increase) in loans	0.01	-
Decrease in trade receivables	-	0.43
(Increase)/decrease in other financial assets	-	(2,908.09)
(Increase) in inventories	0.01	(0.01)
Increase in trade payables	(21.31)	20.92
(Decrease) in other financial liabilities	(0.01)	(20.93)
Increase in other current liabilities	-	(0.65)
Cash generated from operations	(59.58)	(1,922.40)
Less: Income taxes paid (net)	(0.02)	(417.57)
Net cash flow from operating activities [A]	(59.60)	(2,339.97)
Cash flow from investing activities		
Purchase of investments	79.76	60.19
Loans given to others (net)	0.01	-
Interest income	901.71	1,046.06
Net cash flow (used in) investing activities [B]	981.48	1,106.25
Cash flow from financing activities		
Proceeds from issue of equity shares	(280.99)	2,119.14
Proceeds from / (repayment) of long term borrowings (net)	(2.17)	-
Finance costs paid	(638.19)	(885.43)
Net cash flow (used in) financing activities [C]	(921.35)	1,233.71
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	0.52	(0.02)
Cash and cash equivalents at beginning of the year (see note 2)	0.13	0.15
Cash and cash equivalents at end of the year (see note 2)	0.65	0.13

Notes:

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

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

Cash and cash equivalents as per above comprise of the following:

(₹ in lakhs)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Cash on hand	0.65	0.01
Balance with banks	-	0.12
	0.65	0.13

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

Reconciliation of liabilities arising from financing activities

(₹ in lakhs)

Particulars	As at 1 April 2017	Changes as per Standalone Statement of Cash Flows	Non cash changes			As at 31 March 2018
			Acquisition	Changes from losing control of subsidiaries	Fair value changes	
Long term borrowings	6,584.03	(1,825.62)	-	-	-	4,758.41

As per our report of even date attached

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

J. S. SHAH & CO.
AHMEDABAD
380028
CHARTERED ACCOUNTANTS

Jaimin Shah
Partner
Membership No: 138488

For and on behalf of the Board of Directors of
Nila Spaces Limited
CIN No. :U45100GJ2000PLC083204

Deep Vadodaria
Chairman
DIN : 01284293

Prashant Sarkhedi
Director
DIN : 00417386

Place : Ahmedabad
Date : 30 May 2018

1. Group overview

Nila Spaces Limited is ('the Company) based in Ahmedabad, Gujarat with its Registered Office situated at 1st Floor, Sambhaav House, Opp. Chief Justice Bungalow, Bodakdev, Ahmedabad - 380015. Parmannday Consultancy Limited is incorporated on 03 May 2000 and same has been renamed toNila Spaces Limited after demerger.The Company, together with its joint venture and associate collectively referred to as ('the Group') is involved in the construction as well as development of real estate project. Pursuant to the scheme of arrangement under the provisions of Companies Act, 2013, which became effective on 1 April 2017, the Company has transferred from Infrastructures business i.e. Nila Infrastructures Limited to Real Estate undertaking i.e. Nila Spaces Limited (refer note 28 for more details).

2. Basis of preparation and measurement

2.1. Statement of compliance

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

The consolidated financial statements for the year ended 31 March 2017 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under section 133 of the Act and other relevant provisions of the Act.

As these are the Group's first standalone financial statements prepared in accordance with Ind AS, Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and Cash flows of the Group is provided in note 27.

The standalone financial statements for the year ended 31 March 2018 have been reviewed by audit committee and subsequently approved by Board of Directors at its meetings held on 08 August 2018.

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

2.2. Functional and presentation currency

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

2.3. Basis of Measurement

The consolidated financial statements have been prepared on the historical cost basis

2.4. Use of estimates and judgements

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

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

2.5. Measurement of fair values

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

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

3. Significant Accounting Policies

a) Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013. Operating cycle for project related assets and liabilities is the time start of the project to their realization in cash or cash equivalents.

b) Basis of consolidation

Joint ventures and associate

The Group's interest in equity accounted investees comprises interest in joint ventures and associate.

An associate is an entityin which the Group has significant influence but not control or joint control. A joint venture is an arrangement in which the Group has joint control and has the rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in joint ventures and associates are accounted for using the equity method. They are initially recognized at cost. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit and loss and other comprehensive income of equity accounted investees until the date on which the significant influence or joint control ceases.

When the Group's share of losses in any equity accounted investments equals or exceeds its interest in an entity; the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of other entity.

i) Equity method

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income.

When the Group's share of loss in equity-accounted investment equals or excess its interest in the entity, including any other unsecured long term receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Groups interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of assets transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

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ii) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in full while preparing these consolidated financial statements. Unrealised gains or losses arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Deferred tax asset or liability is created on any temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

a) Property, plant and equipment

Recognition and measurement

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

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

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

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

Transition to Ind AS

On transition to Ind AS, the Group has opted to continue with the carrying value of all its property, plant and equipment recognized as at 1 April 2016, measured as per the previous GAAP, and use that carrying value as deemed cost of such property, plant and equipment.

Subsequent measurement

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

Depreciation

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

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Derecognition

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

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b) Intangible assets and amortisation

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

The Group has elected to continue with the carrying value of all its intangible assets as recognized in the standalone financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the transition date pursuant to the exemption under Ind AS 101.

Subsequent Expenditure

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

Amortisation

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

Derecognition

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

c) Investment Property

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

Recognition and measurement

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

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its investment properties recognized as at 1 April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such investment properties.

Depreciation

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

Impairment of non-financial assets

Non-financial assets of the Group, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of

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

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

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

d) **Business Combination**

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

Transition to Ind AS

In accordance with Ind AS 101 provisions related to first time adoption, the Group has elected to apply Ind AS accounting for business combinations prospectively from 1 April 2016. As such, Indian GAAP balances relating to business combination entered into before the date of transition have been carried forward.

Common control business combinations

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

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

b. No adjustments are made to reflect the fair value

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

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3. Significant accounting policies *(Continued)*

e) Employee benefits

Short term employee benefits

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

Defined contribution plans

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

Defined benefit plans

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

The calculation of defined benefit obligations is performed periodically by an independent qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group , the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

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

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

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3. Significant accounting policies *(Continued)*

f) Employee benefits *(Continued)*

Other long-term employee benefits

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

f) Revenue recognition

Construction contracts

Contract revenue is recognized as revenue in the Statement of Profit and Loss in the accounting periods in which the work is performed as per Ind AS 11. If the outcome of the contractual contract can be reliably measured, revenue associated with the construction contract is recognized reference to the stage of completion of the contract activity at the 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 Group with the customers.In case of contracts under Public Private Partnership Model, Lease hold land right and Land Development rights provided by the government which forms part of consideration for the services provided is recognized as an intangible assets at fair value at the time of initial recognition.

Contract costs are recognized as an expense in the Statement of Profit and Loss in the accounting period in which the work to which they relate is performed. In the case of contracts with defined milestones and assigned price for each milestone, the group recognizes revenue on transfer of significant risks and rewards which coincides with achievement of milestone and its acceptance by its customer.

Contract revenue includes the initial amount agreed in the contract plus any variation in contract work and claims payment, to the extent that it is probable that they will result in revenue and can be measured reliably. The group recognizes bonus/incentive revenue on early completion of the project based on the confirmation received from the customer.

If the outcome of a construction contract can be estimated reliably, contract revenue is recognized in the Statement of Profit andLoss in proportion to the stage of completion of the contract. The stage of completion is assessed by reference to surveys of work performed. Otherwise, contract revenue is recognized only to the extent of contract costs incurred that are likely to be recoverable.

Contact costs are recognized as expenses as incurred unless they create an asset is related to future contract activity. An expected loss on a contract is recognized immediately in the Statement of Profit andLoss.

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3. Significant accounting policies *(Continued)*

g). Revenue recognition *(Continued)*

Development of realestate project with construction:

Income from Real Estate Activity without construction is recognized when the group 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 reliability of the sale consideration

Lease rental income

Lease income from operating leases shall be recognized in income on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished.Income from leasing of commercial complex is recognized on an accrual basis.Interest income is accounted on accrual basis at effective interest rate.

Dividend income and share of profit in LLP is recognized when the right to receive the same is established.

h) Financial instrument

Financial assets

Classification

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

Initial recognition and measurement

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

Subsequent measurement and gains and losses

Financial assets are subsequently classified as measured at

- Financial assets at amortized cost: These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment is recognized in the Statement of Profit and Loss. Any gain or loss on derecognition is recognized in the Statement of Profit and Loss.
- Fair value through profit and loss (FVTPL): These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in the Statement of Profit and Loss.
- Fair value through other comprehensive income (FVOCI): These assets are subsequently measured at fair value. Dividends are recognized as income in the Statement of Profit andLoss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains or losses are recognized in OCI and are not reclassified to the Statement of Profit andLoss.

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

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3. Significant accounting policies *(Continued)*

h) Financial instrument *(Continued)*

Trade receivables and loans

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

Equity instrument

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

Derecognition

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

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

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

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

Impairment of financial assets

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

Financial liabilities

Initial recognition and measurement

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

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3. Significant accounting policies *(Continued)*

h) Financial instrument *(Continued)*

Subsequent measurement

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

Derecognition

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

Offsetting of financial instruments

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

i) Income taxes

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

Current tax

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

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

Deferred tax

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

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

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3. Significant accounting policies *(Continued)*

j) Inventories

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

Project inventories

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

Work-in-progress

Construction and development of real-estateproject:

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.

k) Provisions and contingencies

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

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

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

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

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

i) Borrowing Cost

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

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

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3. Significant accounting policies *(Continued)*

i) Borrowing Cost *(Continued)*

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready

for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

j) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the group. The CODM is responsible for allocating resources and assessing performance of the operating segments of the group. For the disclosure on reportable segments see Note 35.

k) Cash and cash equivalents

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

l) Investments in subsidiaries,joint venture and associates

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

m) Leases

Asset given under lease

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

Asset held under lease

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

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

Lease payments

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

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3. Significant accounting policies *(Continued)*

received are recognized as an integral part of the total lease expense over the term of lease.

n) Earnings per share

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

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

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

o) Recent accounting pronouncement

Ind AS 115- Revenue from Contract with Customers: Ind AS 115 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaces existing revenue recognition guidance, including Ind AS 18 Revenue and Ins AS 11 Construction Contracts. The core principle of the new standard that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. This Standard permits two possible methods of transition i.e. retrospective approach and modified retrospective method.

Based on the preliminary assessment, the Group does not expect any significant impacts on transition to Ind AS 115. This assessment is based on currently available information and may be subject to changes arising from further reasonable and supportable information when the standard will be adopted. The quantitative impacts would be finalized based on a detailed assessment which has been initiated to identify the key impacts along with evaluation of appropriate transition options to be considered.

Amendments to existing Ind AS

- Ind AS 40 - Investment Property – The amendment lays down the principle regarding the transfer of asset to, or from, investment property.
- Ind AS 12 – Income Taxes – The amendments explains that determining temporary differences and estimating probable future taxable profit against which deductible temporary differences are assessed for utilization are two separate steps.

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Notes to the consolidated financial statements *(Continued)*
for the year ended 31 March 2018

4 Investment in equity accounted investee

(₹ in lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Unquoted:			
Investments in equity shares of subsidiary company (at cost)			
Fangdi Land Developers LLP	204.48	204.56	204.64
Nilsan Realty LLP	102.87	151.81	8.07
Nila Projects LLP	2,212.61	1,975.65	1,738.96
	2,519.96	**2,332.02**	**1,951.67**
Investments in asociate (at cost)			
2,33,750 (31 March 2017 : 2,33,750; 1 April 2016 : 2,33,750) equity shares of Mega City Cinemall Pvt. Ltd. of Rs. 10/- each	87.11	114.56	174.59
	87.11	**114.56**	**174.59**
Total	**2,607.07**	**2,446.58**	**2,126.26**

5 Investments

(₹ in lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Investments in quoted shares of other companies - (Fair value through profit and loss)			
Atlanta Devkon Ltd (4325 No. of Equity of F.V. Rs. 10/- each)	-	2.08	2.08
IDFC Bank Ltd	-	0.14	-
Kansai Nerolac Paints Ltd	-	0.19	-
Roselab Ltd (10000 No. of Equity of F.V. Rs. 10/- each)	-	0.53	0.53
Typhoon Financial Services Ltd (100 No. of Equity of F.V. Rs. 10/- each)	-	-	0.00
Eseel Pro Equity	-	-	0.14
Shivalik Bimetal Controls Ltd. (800 No. of Equity of F.V. Rs. 10/- each)	-	-	0.31
Total	**-**	**2.94**	**3.06**

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Aggregate value of unquoted investment	-	-	-
Aggregate value of quoted investment	-	2.94	3.06
	-	**2.94**	**3.06**

6 Loans

(₹ in lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Non-current loans			
Loans to related party (refer note 26)			
- Unsecured, considered good-Non Current	244.68	-	169.41
Security and other deposits	2.95	0.32	0.32
	247.63	**0.32**	**169.73**
Current loans			
Loans to related party (refer note 26)			
- Unsecured, considered good-Current	487.97	1,319.01	1,052.72
Loans to others			
- Unsecured, considered good-loan to others	2,075.08	4,515.90	5,027.28
	2,563.05	**5,834.91**	**6,080.00**
Total	**2,810.68**	**5,835.23**	**6,249.73**

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7 Other financial assets

(₹ in lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Other current financial assets			
Other advances (refer note 30 (A))	-	2,908.09	-
Total	-	2,908.09	-

8 Other assets

(₹ in lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Advance to vendors	1,629.90	1,844.23	1,929.11
Prepaid expenses	0.03	0.02	0.02
Balances with government authorities			
- Service tax receivable	-	9.42	9.22
Total	1,629.93	1,853.67	1,938.35

9 Inventories

(₹ in lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Construction material on hand	14.53	5.70	6.65
Work in progress	968.24	1,751.42	2,027.10
Land and land development rights	10,863.80	5,708.43	3,675.60
Flat	-	754.82	1,899.74
Total	11,846.57	8,220.37	7,609.09

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

During the year ended 31 March 2018, the company has inventorised borrowing cost of ₹ 194.65 lakhs ansd on 31 March 2017 of ₹ 270.21 lakhs and on 1 April 2016 Nil

10 Trade receivables

(₹ in lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
To other than related parties			
Unsecured, considered good	39.36	235.06	1,650.48
Total	39.36	235.06	1,650.48

11 Cash and bank balances

(₹ in lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Cash and cash equivalents			
Balance in current account	-	0.12	0.14
Cash on hand	0.65	0.01	0.01
Total	0.65	0.13	0.15

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Notes to the consolidated financial statements *(Continued)*

for the year ended 31 March 2018

12 Equity share capital

(₹ in lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Authorised share capital 450,000,000 (31 March 2017 : 150,000 ; 1 April 2016 : 150,000) Equity shares of Rs.1/- each	4,500.00	15.00	15.00
Issued, Subscribed and Paid-up Capital 393,889,200 Equity Shares of Rs. 1/- each (31 March 2017 : 79,000; 1 April 2016 : 79,000 Equity shares of Rs.10/- each fully paid) (pending for allottment)*	3,938.89	7.90	7.90
Total	3,938.89	7.90	7.90

*393,889,200 Equity Shares of ₹ 1/- each are pending for issue and allotment persuant to the scehme of de-merger to the sharholders of Nila Infrastructures Limited, with appointed date of 01 April 2017.

Particulars	As at Mar 31, 2018		As at March 31, 2017		As at 1 April 2016	
	Numbers	Amount in Rs.	Numbers	Amount in Rs.	Numbers	₹ in lakhs
Balance as at the beginning of the year	79,000	7.90	79,000.00	7.90	79,000.00	7.90
Less Cancelation during the year	(79,000)	(7.90)				
Addition during the year	393,889,200	3,938.89	-	-	-	-
Balance as at the end of the year	393,889,200	3,938.89	79,000.00	7.90	79,000.00	7.90

B. Terms / rights attached to Equity shares

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

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

Shareholders holding more than 5% shares of the Company comprises of only Nila Infrastrucutres Limited which otherwise shall be sharholders of Nila Spaces Limited holding more than 5% shares as on the record date pursuant to the scheme of de-merger.

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Nila Spaces Limited

Notes to the consolidated financial statements *(Continued)*

for the year ended 31 March 2018

13 Other Equity

(₹ in lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Reserves & Surplus			
(i) Retained earnings	79.03	(61.03)	(61.11)
(ii) Equity security premium	5.80	5.80	5.80
(iii) Capital reserve	7,547.55	14,394.52	13,665.61
(iv) General reserve	7.90	-	-
Total	7,640.28	14,339.30	13,610.30

(₹ in lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
(i) Retained earnings			
Profit & loss opening balance	(61.03)	(61.11)	(10.94)
Profit during the year	140.06	0.08	(50.17)
Total	79.03	(61.03)	(61.11)
(ii) Equity security premium			
Opening balance	5.80	5.80	5.80
Addition during the year	-	-	-
Total	5.80	5.80	5.80
(iii) Capital reserve (refer note 30 (A))	7,547.55	14,394.52	13,665.61
(iv) General reserve	7.90	-	-
Total reserves and surplus	7,640.28	14,339.30	13,610.30

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

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

14 Borrowings

(₹ in lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Non current borrowings			
Secured loans			
Indian rupee loan from			
Financial institution(1)(2)	4,758.41	6,584.03	4,515.99
Total	4,758.41	6,584.03	4,515.99

(1) Borrowing from Financial institution is secured by way of:

a) Equitable Mortgage of Vejalpur land owned by Company

b) Personal Guarantee of promoter family members

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

To implement the Scheme of Arrangement for Demerger (the "Scheme") of Real Estate (RE) Undertaking of Nila Infrastructures Ltd (the "Demerged Company") into Nila Spaces Ltd (the "Resultant Company") under section 230 to 232 and other applicable provisions of the Companies Act, 2013 with Appointed Date of 1 April 2017; GRUH Finance Ltd (GRUH) has to reassess the total/combined (i.e. Nila Infrastructures Ltd + Nila Spaces Ltd) sanctioned limit of Rs. 9,500.00 lakhs, wherein the total/combined outstanding at 31 March 2018 is Rs. 6,871.65 lakhs. As per the letter received from GRUH dated 19 March 2018; the said total/combined exposure is to be bifurcated amongst Nila Infrastructures Ltd and Nila Spaces Ltd as Rs. 3,000.00 lakhs and Rs. 6,500.00 lakhs respectively. Accordingly, the corresponding outstanding Rs. 4,758.41 lakhs is considered for Nila Spaces Ltd and the rest for Nila Infrastructures Ltd .

(2)Corporate Loan amounting to Nil (31 March 2017 : ₹ 127.13lakhs, 1 April 2016 : ₹ 1299.85 lakhs) is secured by way of 1) First Charge on the unsold inventory at "Atuulyam" project othe Borrower. 2) Excluslive 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. Current maturities amount on 31 March 2017 ₹ 127.13 lakhs 1 April 2016 is ₹ 556.35 lakhs

15 Other financial liabilities

(₹ in lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Other non current financial liabilities			
Security deposits	2.16	1.84	1.84
	2.16	1.84	1.84
Other current financial liabilities			
Current maturities of long term borrowings	-	128.83	564.90
	-	128.83	564.90
Total	2.16	130.67	566.74

16 Trade payables

(₹ in lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Dues to Micro & Small Enterprises (as per the intimation received from vendors)			
A. Principal and interest amount remaining unpaid	-	-	-
B. Interest due thereon remaining unpaid	-	-	-
C. Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to supplier beyond the appointed day	-	-	-
D. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-
E. Interest accrued and remaining unpaid	-	-	-
F. Interest remaining due and payable even in the suceeding years, until such date when the interest dues as above are actually paid to the small enterprises.	-	-	-
Dues to others			
Trade payables(1)	47.61	305.84	393.22
Total	**47.61**	**305.84**	**393.22**

(1) Includes retention money payable amounting to ₹ 20.92 lakhs (31 March 2017: ₹ 20.92 lakhs; 1 April 2016: ₹ 20.96 lakhs)

17 Other current liabilities

(₹ in lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Loans from others	984.37	-	0.65
Advance from customer	1,470.89	83.19	475.25
Statutory dues payable			
Service tax payable	-	0.17	0.21
TDS payable	6.50	50.98	6.35
Other statutory obligations	-	-	0.51
Total	**2,461.76**	**134.34**	**482.97**

18 Current tax liabilities

(₹ in lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Current tax liabilities	85.15	-	-
Total	**85.15**	-	-

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Nila Spaces Limited

Notes to the consolidated financial statements *(Continued)*
for the year ended 31 March 2018

19 Revenue from operations

(₹ in lakhs)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
A. Sales		
Construction and Development of Real Estate Projects	849.40	1,155.44
Construction and Development of Real Estate Projects without construction	1,128.40	1,538.65
	1,977.80	2,694.09
B. Other operating revenue		
Share of profit from LLP	-	161.52
	-	161.52
Total	1,977.80	2,855.61

20 Other income

(₹ in lakhs)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest from others	901.71	1,046.06
Other non-operating income	0.35	0.19
Total	902.06	1,046.25

21 Cost of material consumed and project expenses

(₹ in lakhs)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Consumption of materials	1,782.07	1,633.62
Repair and maintenance expense	-	0.06
Civil, electrical, contracting, labour work etc.	0.30	3.48
Electricity expenses	0.01	0.57
Insurance expenses	0.10	0.26
Sales , promotion and marketing expense	20.67	5.07
Legal and professional expenses	-	4.26
Other direct expense	-	23.25
Total	1,803.15	1,670.57

22 Employee benefits expense

(₹ in lakhs)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Salaries, allowances and bonus	56.50	62.03
Contribution to provident and other fund	0.55	0.92
Gratuity expenses	2.51	1.43
Leave encashment expenses	1.39	1.98
Remuneration and perquisites to directors	5.13	5.75
Employee benefit (ESOP) expenses	9.53	7.69
Staff welfare expenses	0.05	0.53
Total	75.66	80.33

23 Finance costs

(₹ in lakhs)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest on Borrowings		
- To banks and financial institution	826.59	1,155.64
	826.59	1,155.64
Less:- transfer to work-in-progress (inventories)	(194.65)	(270.21)
	631.94	885.43
Other Borrowing Costs (includes bank charges, etc.)		
- Processing fees	6.25	-
Total	638.19	885.43

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Notes to the consolidated financial statements *(Continued)*

24 Other expenses

(₹ in lakhs)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Legal and professional charges	39.45	20.74
Office rent	1.22	2.10
Repairs and maintenance expenses	1.20	2.06
Insurance	1.57	1.76
Power and fuel expenses	4.10	13.32
Travelling and conveyance	3.80	5.70
Printing and stationery	0.62	2.79
Rates and taxes	-	0.11
Municipal tax	-	0.96
Payment to auditors (exclusive of service tax / GST)		
- Audit fees	1.00	0.24
Loss on sale of shares	2.28	-
Advertisement and business promotion expenses	1.95	1.26
Director's Sitting Fees	0.07	0.06
Miscellaneous expenses	3.11	6.32
Donation expense	-	0.48
Postage and courier expenses	0.03	0.12
Telephone expense	0.39	0.82
Demate charges	0.01	0.02
Total	**60.80**	**58.86**

25 Earnings per share

(₹ in lakhs)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Profit attributable to equity share holders :		
Basic earnings (₹ in lakhs)	140.06	729.00
Adjusted for the effect of dilution (₹ in lakhs)	140.06	729.00
Weighted average number of equity shares for:		
Basic (refer note 26(B))	393,889,200	79,000
Adjusted for the effect of dilution (refer note 30 (B))	393,889,200	79,000
Earning per share		
Basic*	0.04	922.78
Diluted*	0.04	922.78

* EPS has been calculated considering the shares of 79000 of ₹ 10 /- each, which otherise would be ₹ 0.20 considering pending allottment of 33889200 equity shares of ₹ 1/- each pursant to the scehme of de-merger and cancellation of existing 79000 equity shares of ₹ 10/- each.

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Notes to the consolidated financial statements (Continued)
for the year ended 31 March 2018

26 Related party transactions

(A) Joint ventures : Fangadi Land Developers LLP
Nila Projects LLP
Nilsan Realty LLP

(B) Associate Megacity Cinemall Pvt Ltd

Disclosure of transactions between the Company and Related Parties (Other than Key - managerial personnel) as at 31 March 2018

(₹ in lakhs)

Particulars	Transaction Value	
	31 March 2018	31 March 2017
Loans given		
Nila Projects LLP	241.20	4.30
Nilsan Realty LLP	77.00	107.15
Megacity Cinemall Pvt Ltd	-	18.50
Interest received	-	-
Megacity Cinemall Pvt Ltd	44.82	119.64
Nila Projects LLP (capital)	237.33	208.93
Nila Projects LLP (loan)	3.86	25.65
Share of profit		
Nila projects LLP	-	27.76
Nilsan realty LLP	-	133.76
Re-payment of loans given		
Nila Projects LLP	-	199.36
Nilsan Realty LLP	487.97	-
Megacity Cinemall Pvt Ltd	952.86	11.96
Capital introduce/Investment made	-	-
Nilsan Realty LLP	-	9.98

Disclosure of the status of outstanding balances between the Company and Related Parties (Other than Key - managerial personnel) as at 31 March 2018

(₹ in lakhs)

Particulars	Outstanding Balance		
	31 March 2018	31 March 2017	1 April 2016
Loans given to associate and joint venture			
Nila Projects LLP	244.68	-	169.41
Nilsan Realty LLP	487.97	410.97	270.85
Megacity Cinemall Pvt Ltd	-	908.04	781.87

Disclosure of transactions between the Company and Key - managerial personnel and the status of outstanding balances as at 31 March 2018

(₹ in lakhs)

Particulars	Transaction Value		
	31 March 2018	31 March 2017	1 April 2016
Director's sitting fees (refer note 24)	0.07	0.06	

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27 Transition to Ind AS

The group has adopted Ind AS with effect from 1 April 2016 being the transition date ("transition date"). These financial statements, for the year ended 31 March 2018, are the first the group has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2017, the group prepared its financial statements in accordance with Indian GAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended).

The accounting policies set out in note 3 have been applied in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS balance sheet at 1 April, 2016.

In preparing the opening Ind AS balance sheet, the group has adjusted amounts reported in financial statements prepared in accordance with IGAAP. An explanation of how the transition from IGAAP to Ind AS has affected our financial performance, cash flows and financial position is set out in the following tables and the notes that accompany the tables. On transition, estimates previously made under IGAAP have not been revised.

Exemption Applied

Mandatory Exceptions

Estimates:

An estimates in accordance with Ind ASs at the transition date to Ind AS and end of the comparative period shall be consistent with estimates made Under the Previous GAAP unless there is objective evidence that those estimates were in error.

Accordingly, the group's Ind AS estimates as on the transition date as well as end of the comparative period are consistent with the estimates made Under the Previous GAAP on the respective dates.

Classification and measurement of financial assets:

Ind AS 101 requires a group to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable. Accordingly, the group has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

Optional Exemptions

Deemed cost for property, plant and equipment (PPE), intangible assets and investment properties

Ind AS 101 permits a first-time adopter to elect to continue with the previous GAAP carrying value for all of its property, plant and equipment as recognised in the financial statements as at the transition date to Ind AS and use that as the deemed cost after making necessary adjustments for de-commissioning liabilities (if any). This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties.

Accordingly, the group has elected to carry forward the IGAAP carrying value of all its property, plant and equipment and investment properties as the deemed cost on transition to Ind AS.

Deemed cost for Investment in subsidiaries, associate and arrangements

Ind AS 101 permits a first time adopter to determine the value of investments in subsidiaries, associate and joint arrangement as either of the below:

(i) Cost determined in accordance with Ind AS 27 (i.e. retrospective application of Ind AS 27)
(ii) Fair Value at the entity's date of transition to Ind AS
(iii) Previous GAAP carrying amount

A first-time adopter may choose either (i) or (ii) above to measure its investment in each subsidiary, joint venture or associate that it elects to measure using a deemed cost."

If an entity chooses to measure its investment at fair value at the date of transition than that is deemed cost of such investment for the group and, therefore, it shall carry its investment in at that amount (i.e. fair value at the date of transition) after the date of transition.

Accordingly, the group has opted to measure its investments in subsidiaries, joint ventures and associates at deemed cost, i.e. previous GAAP carrying amount.

Business Combination

Ind AS 101 permits an entity to apply the requirements of Ind AS 103 - Business combinations (Ind AS 103) prospectively from the transition date or opt for retrospective application of Ind AS 103. Retrospective application could be either done since inception or from a date determined by the management.

Accordingly, the Group has elected not to restate past business combinations with an acquisition date prior to the transition date. However, any consequential deferred tax adjustments as required by Ind AS have been duly considered.

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27 Transition to Ind AS *(continued)*

Reconciliation of Equity as at the date of transition - 1 April 2016

(₹ in lakhs)

Particulars		Previous GAAP*	Adjustment	Ind AS
ASSETS				
Non-current assets				
(a)	Investment in equity accounted investee	1,976.28	149.98	2,126.26
(b)	Financial assets			
	(i) Investments	3.06	-	3.06
	(ii) Loans	169.73	-	169.73
	Total non-current assets	**2,149.07**	**149.98**	**2,299.05**
Current assets				
(a)	Inventories	7,609.09	-	7,609.09
(b)	Financial assets			
	(i) Trade receivables	1,650.48	-	1,650.48
	(ii) Cash and cash equivalents	0.15		0.15
	(iv) Loans	6,280.00	(200.00)	6,080.00
(c)	Other current assets	1,938.35	-	1,938.35
	Total current assets	**17,478.07**	**(200.00)**	**17,278.07**
	Total assets	**19,627.14**	**(50.02)**	**19,577.12**
EQUITY AND LIABILITIES				
EQUITY				
(a)	Equity share capital	7.90	-	7.90
(b)	Other equity	13,660.34	(50.04)	13,610.30
Total equity		**13,668.24**	**(50.04)**	**13,618.20**
LIABILITIES				
Non-Current Liabilities				
(a)	Financial Liabilities			
	(i) Borrowings	4,515.99	-	4,515.99
	(ii) Other financial liabilities	1.84	-	1.84
	Total non-current liabilities	**4,517.83**	-	**4,517.83**
Current liabilities				
(a)	Financial Liabilities			
	(i) Trade payables	393.22		393.22
	(ii) Other financial liabilities	564.90	-	564.90
(b)	Other current liabilities	482.97	-	482.97
	Total current liabilities	**1,441.09**	-	**1,441.09**
	Total liabilities	**5,958.92**	-	**5,958.92**
	Total equity and liabilities	**19,627.16**	**(50.04)**	**19,577.12**

* The previous GAAP figures have been reclassified to conform Ind AS presentation requirements for the purpose of this note. Further, Previous GAAP figures are after taking into impact on accoune of scheme of arrangement (refer note 41 for more details).

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Notes to the consolidated financial statements *(Continued)*

for the year ended 31 March 2018

27 Transition to Ind AS *(continued)*

Reconciliation of Equity as at 31 March 2017

(₹ in lakhs)

Particulars	Previous GAAP*	Adjustment	Ind AS
ASSETS			
Non-current assets			
(a) Investment in subsidiary, associate and joint venture	2,356.70	89.88	2,446.58
(b) Financial assets			
(i) Investments	2.94	-	2.94
(ii) Loans	0.32	-	0.32
Total non-current assets	**2,359.96**	**89.88**	**2,449.84**
Current assets			
(a) Inventories	8,220.37	-	8,220.37
(b) Financial assets		-	
(i) Trade receivables	235.06		235.06
(ii) Cash and cash equivalents	0.13		0.13
(iv) Loans	6,034.91	(200.00)	5,834.91
(v) Other financial assets	2,908.09	-	2,908.09
(c) Other current assets	1,853.67	-	1,853.67
Total current assets	**19,252.23**	**(200.00)**	**19,052.23**
Total assets	**21,612.19**	**(110.12)**	**21,502.07**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	7.90	-	7.90
(b) Other equity	14,449.42	(110.13)	14,339.29
Total equity	**14,457.32**	**(110.13)**	**14,347.19**
LIABILITIES			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	6,584.03	-	6,584.03
(ii) Other financial liabilities	1.84	-	1.84
Total non-current liabilities	**6,585.87**	**-**	**6,585.87**
Current liabilities			
(a) Financial Liabilities			
(i) Trade payables	305.84		305.84
(ii) Other financial liabilities	128.83	-	128.83
(b) Other current liabilities	134.34	-	134.34
Total current liabilities	**569.01**	**-**	**569.01**
Total liabilities	**7,154.88**	**-**	**7,154.88**
Total equity and liabilities	**21,612.20**	**(110.13)**	**21,502.07**

* The previous GAAP figures have been reclassified to conform Ind AS presentation requirements for the purpose of this note. Further, Previous GAAP figures are after taking into impact on accoune of scheme of arrangement (refer note 41 for more details).

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Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2018

27 Transition to Ind AS (continued)

Reconciliation of total comprehensive income for the year ended 31 March 2017

(₹ in lakhs)

Particulars	Previous GAAP*	Adjustment	Ind AS
Income			
Revenue from operations	2,855.61		2,855.61
Other income	1,046.25	-	1,046.25
Total Income	**3,901.86**	-	**3,901.86**
Expenses			
Cost of material consumed and project expenses	1,670.57	-	1,670.57
Changes in inventories of building material, land and work i	-	-	-
Employee benefits expense	80.33	-	80.33
Finance costs	885.43	-	885.43
Depreciation	-	-	-
Other expenses	58.86	-	58.86
Total expenses	2,695.19	-	2,695.19
Profit before tax	**1,206.67**	-	**1,206.67**
Share of profit/(loss) from JV/associate		(60.11)	(60.11)
Total Profit before tax	**1,206.67**	(60.11)	**1,146.56**
Tax expense:			
Current tax	417.57	-	417.57
Profit for the year	**789.10**	**(60.11)**	**728.99**
			-
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the period	**789.10**	**789.10**	**789.10**

* The previous GAAP figures have been reclassified to conform Ind AS presentation requirements for the purpose of th

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Notes to the consolidated financial statements *(Continued)*
for the year ended 31 March 2018

27 Transition to Ind AS (continued)

Reconciliation of total equity as at 31 March 2017 and 1 April 2016

(₹ in lakhs)

Particulars	As at 1 April 2016	As at 31 March 2017
Total equity (Shareholder's funds) under previous GAAP	13,668.24	14,457.32
Entities accounted under equity method	(50.04)	(110.13)
Total equity (Shareholder's funds) as per Ind AS	13,618.20	14,347.19

Reconciliation of total comprehensive income for the year ended 31 March 2017

(₹ in lakhs)

Particulars	31 March 2017
Net profit after tax for the year ended 31 March 2017 as per previous GAAP	789.10
Entities accounted under equity method	(60.11)
Net profit before other comprehensive income for the year ended 31 March 2017 as per Ind AS	728.99
Total comprehensive income (net of tax)	728.99

Cash flow statement
No significant effect on cash flows

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Notes to the consolidated financial statements *(Continued)*
for the vear ended 31 March 2018

27 Transition to Ind AS (Continued)

Notes to reconciliation:

1 First time adoption for consolidation of Joint Venture

Under previous GAAP, where one entity controls another entity when it has the ownership of more than one-half of voting power of the other entity or control the composition of the board of directors so as to obtain the economic benefits from its activities. Since the group hold 99.97% of the voting power in Nila Projects LLP it was consolidated as subsidiary. However based on control assessment carried out by the group under IndAS 110 (refer note 34-Interest in other entities), Nila Projects LLP has been assessed as joint venture of the group. Accordingly the assets, liabilities, incomes and expenses of Nila Projects LLP which was previously consolidated on line-by-line consolidated basis under previous GAAP have now been consolidated under equity method. The parties to the arrangement do not have direct rights to the assets and liabiities of Nila Projects LLP

Under previous GAAP, Nilsan Projects LLP & Fangdi Developers LLP was classified as jointly controlled entity and accounted for using the proportionate consolidation method. Under IndAS, Nilsan Projects LLP & Fangadi Developers LLP has been classified as a joint venture and accounted for using the equity method. The parties to the arrangement do not have direct rights to the assets and liabiities of Nilsan Projects LLP & Fangdi Developers LLP

For the purposes of applying the equity method, the investment in Nila Projects LLP, Nilsan Projects LLP and Fangdi Developers LLP at the date of transition has been measured as the aggregate of the carrying amounts of the assets and liabilitites that the group had previously line-by-line consolidation or proportionately consolidated. An impariment assessment has been performed as at 1 April 2016 and no impairment provision is considered necessary

(i). The following assets and liabilities of Nila Projects LLP was previously consolidated on line-by-line basis and for Nilsan Projects LLP and Fangdi Developers LLP was previously consolidated under proportionate consolidation basis under previous GAAP

(₹ in lakhs)

	Nila Projects LLP		Nilsan Projects LLP		Fangdi Developers LLP	
	31 March 2017	**1 April 2016**	**31 March 2017**	**1 April 2016**	**31 March 2017**	**1 April 2016**
Particulars	**Proportionate share of assets and liabilities**	**Proportionate share of assets and liabilities**	**Proportionate share of assets and liabilities**	**Proportionate share of assets and liabilities**	**Proportionate share of assets and liabilities**	**Proportionate share of assets and liabilities**
Non current assets						
Property, plant and equipment				0.74		
Other non current assets	(200.45)	(264.46)	(48.21)	54.14	887.31	870.42
Total non-current assets	**(200.45)**	**(264.46)**	**(48.21)**	**54.88**	**887.31**	**870.42**
Current assets						
Inventories	226.77		114.57	925.81		
Trade receivable						
Cash and cash equivalents	0.52	0.17	3.79	0.38	0.02	7.08
Other current assets						(20.00)
Total current assets	**227.28**	**0.17**	**118.37**	**926.19**	**0.02**	**(12.92)**
Total assets	**26.83**	**(264.29)**	**70.15**	**981.07**	**887.33**	**857.51**
Non current liabilities						
Borrowings				(151.91)	1,058.29	673.30
Total Non current liabilities	**-**	**-**	**-**	**(151.91)**	**1,058.29**	**673.30**
Current liabilities						
Borrowings	-	-	-	-	-	-
Trade payables	0.34	0.23				
Other current liabilities	25.83	2.23			0.10	0.10
Total Current liabilities	**26.17**	**2.45**	**-**	**-**	**0.10**	**0.10**
Total liabilities	**26.17**	**2.45**	**-**	**(151.91)**	**1,058.39**	**673.40**
Net assets derecognised	**0.66**	**(266.74)**	**70.15**	**1,132.98**	**(171.06)**	**184.11**
Share of assets recongnised under equity method	**1,975.66**	**1,738.96**	**151.82**	**8.07**	**204.57**	**204.64**

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(ii) The following items of income and expenditure were previously consolidated on line-by-line basis or proportionately consolidated under previous GAAP

(₹ in lakhs)

Particulars	Nila Projects LLP	Nilsan Realty LLP	Fangdi Developers LLP
	31 March 2017	31 March 2017	31 March 2017
Revenue	56.67	347.42	
Expense			
Project exp		259.88	
Employee benefit expense	2.39		
Depreciation and amortisation expense			
Finance cost	(226.69)		
Other expenses	0.15	0.53	0.17
Current tax expenses	13.49	87.00	
Profit after tax	**267.33**	**259.88**	**(0.17)**

(iii) Summarised statement of cash flows for the year ended 31 March 2017 not considered under Ind AS in the consolidated statement of cash flows

(₹ in lakhs)

Particulars	Nila Projects LLP	Nilsan Realty LLP	Fangdi Developers LLP
	31 March 2017	31 March 2017	31 March 2017
Opening cash and cash equivalents 1 April 2016	0.17	0.75	7.08
Cash flow from operating activities	53.89	(637.37)	(0.17)
Cash flow from investing activities	(93.12)	404.70	(211.89)
Cash flow from financing activities	39.58	250.89	204.99
Closing cash and cash equivalents 31 March 2017	**0.52**	**18.97**	**0.02**

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Notes to the consolidation financial statements (Continued)

for the year ended 31 March 2018

27 (B) Financial Instruments - Fair Value And Risk Measurements

(i) Accounting classification and fair values

The carrying amounts and fair values of financial instruments by class are as follows:-

(₹ in lakhs)

As at 31 March 2018	Carrying amount				Fair value			
	Fair Value Through Profit and Loss	Fair Value through Other Comprehensive Income	Amortized Cost*	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial asset								
Loan								
- Non-current	-	-	247.63	247.63	-	-	-	-
- Current	-	-	2,563.05	2,563.05	-	-	-	-
Investment (note 1)	-	-	2,607.07	2,607.07	-	-	-	-
Trade receivables	-	-	39.36	39.36	-	-	-	-
Cash and cash equivalent	-	-	0.65	0.65	-	-	-	-
Other bank balance	-	-	-	-	-	-	-	-
Other financial assets								
- Non-current	-	-		-	-	-	-	-
- Current	-	-	-	-	-	-	-	-
	-	-	5,457.76	5,457.76	-	-	-	-
Financial liabilities								
Borrowings								
- Non-current	-	-	4,758.41	4,758.41	-	-	-	-
- Current	-	-	-	-	-	-	-	-
Trade payable	-	-	47.61	47.61	-	-	-	-
Other financial liability								
- Non-current	-	-	2.16	2.16	-	-	-	-
- Current	-	-	-	-	-	-	-	-
	-	-	4,808.18	4,808.18	-	-	-	-

As at 31 March 2017	Carrying amount				Fair value			
	Fair Value Through Profit and Loss	Fair Value through Other Comprehensive Income	Amortized Cost*	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial asset								
Loan								
- Non-current	-	-	0.32	0.32	-	-	-	-
- Current	-	-	5,834.91	5,834.91	-	-	-	-
Investment (note 1)	-	-	2,449.52	2,449.52	-	-	-	-
Trade receivables	-	-	235.06	235.06	-	-	-	-
Cash and cash equivalent	-	-	0.13	0.13	-	-	-	-
Other bank balance	-	-	-	-	-	-	-	-
Other financial assets								
- Non-current	-	-	-	-	-	-	-	-
- Current	-	-	2,908.09	2,908.09	-	-	-	-
	-	-	11,428.03	11,428.03	-	-	-	-
Financial liabilities								
Borrowings								
- Non-current	-	-	6,584.03	6,584.03	-	-	-	-
- Current	-	-	-	-	-	-	-	-
Trade payable	-	-	305.84	305.84	-	-	-	-
Other financial liability								
- Non-current	-	-	1.84	1.84	-	-	-	-
- Current	-	-	128.83	128.83	-	-	-	-
	-	-	7,020.54	7,020.54	-	-	-	-

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27 **(B) Financial Instruments - Fair Value And Risk Measurements *(continued)***

(i) **Accounting classification and fair values *(Continued)***

As at 1 April 2016	Carrying amount				Fair value			
	Fair Value Through Profit and Loss	Fair Value through Other Comprehensive Income	Amortized Cost*	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial asset								
Loan								
- Non-current	-	-	169.73	169.73	-	-	-	-
- Current	-	-	6,080.00	6,080.00	-	-	-	-
Investment (note 1)		-	2,129.32	2,129.32	-	-	-	-
Trade receivables	-	-	1,650.48	1,650.48	-	-	-	-
Cash and cash equivalent	-	-	0.15	0.15	-	-	-	-
Other bank balance	-	-	-	-	-	-	-	-
Other financial assets								-
- Non-current	-	-	-	-	-	-	-	-
- Current	-	-	-	-	-	-	-	-
	-	-	10,029.68	10,029.68	-	-	-	-
Financial liabilities								
Borrowings								
- Non-current	-	-	4,515.99	4,515.99	-	-	-	-
- Current	-	-	-	-	-	-	-	-
Trade payable	-	-	393.22	393.22	-	-	-	-
Other financial liability				-				
- Non-current	-	-	1.84	1.84	-	-	-	-
- Current	-	-	564.90	564.90	-	-	-	-
	-	-	5,475.95	5,475.95	-	-	-	-

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

Note 1: The Company has opted to measure its investments in joint ventures and associate at deemed cost, i.e. previous GAAP carrying amount

Fair value hierarchy

The fair value of financial instruments as referred above have been classified into three categories depending on the inputs used in valuation

The categories used are as follows:-

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

Input Level II (Indirectly Observable) : which includes prices in active markets for similar assets such as quoted price for similar assets in active markets, valuation multiple derived from prices in observed transactions involving similar businesses, etc.

Input Level III (Unobservable): which includes management's own assumptions for arriving at a fair value such as projected cash flows used to

(ii) **Financial risk management**

The Company has a well-defined risk management framework. The Board of Directors of the Company has adopted a Risk Management Policy. The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk
- Market risk ; and
- Interest risk

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors evaluate and exercise independent control over the entire process of risk management. The board also recommends risk

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which

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27 **(B) Financial Instruments - Fair Value And Risk Measurements *(continued)***

(ii) **Financial risk management *(continued)***

a) **Credit risk**

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or fail to pay amounts due causing financial loss to the company. The potential activities where credit risks may arise include from cash and cash equivalents and security deposits or other deposits and principally from credit exposures to customers relating to outstanding receivables. The maximum credit exposure associated with financial assets is equal to the carrying amount. Details of the credit risk specific to the company along with relevant mitigation procedures

Trade and other receivable

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base. As per Company's policy only well established institution/corporates

An impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. The company reviews the receivables in light of their historical payment patterns and adjusts the same to estimate the expected loss on account of credit worthiness of the customer or delay in payments leading to loss of time value of

The Company does not have any concentration of credit risk as the customers / dealers are widely dispersed. Receivables from any single customer / dealer does not exceed 10% of the total sales.

Impairment

As at the end of the reporting periods, the ageing of trade and other receivables that were not impaired was as follows:

Age of receivables (₹ in lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Not Due			
0-3 Months			
3-6 Months			
6-12 Months			
1-3 years	39.36	235.06	1,650.48
> 3 years			

The above receivables which are past due but not impaired are assessed on case-to-case basis. Management is of the view that these financial

Cash and bank balances

The Company is also exposed to credit risks arising on cash and cash equivalents and term deposits with banks. The Company believes that its

Other financial assets

Other financial assets includes loan to employees and related parties, security deposits, etc. Credit risk arising from these financial assets is limited and there is no collateral held against these because the counterparties are group companies, banks. Banks have high credit ratings assigned by the international credit rating agencies.

b) **Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are proposed to be settled by delivering cash or other financial asset. The Company's financial planning has ensured, as far as possible, that there is sufficient liquidity to meet the liabilities whenever due, under both normal and stressed conditions, without incurring unacceptable losses or

Management monitors the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company's liquidity management policy involves periodic reviews of cash flow projections and considering the level of liquid assets necessary, monitoring balance sheet, liquidity ratios against internal and external regulatory requirements.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

(₹ in lakhs)

31 March 2018	Carrying amount	Contractual maturities				
		Not Due	Less than 12 months	1-2 years	2-5 years	More than 5 years
Borrowings						
- Non-current	4,758.41	-	-	4,758.41	-	-
- Current	-	-	-	-	-	-
Trade payable	47.61	-	47.61	-	-	-
Other financial liability						
- Non-current	2.16	2.16	-	-	-	-
- Current	-	-	-	-	-	-

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27 **(B) Financial Instruments - Fair Value And Risk Measurements *(continued)***

b) **Liquidity Risk**

(₹ in lakhs)

31 March 2017	Carrying amount	Contractual maturities				
		Not Due	Less than 12 months	1-2 years	2-5 years	More than 5 years
Borrowings						
- Non-current	6,584.03	-	-	6,584.03	-	-
- Current	-	-	-	-	-	-
Trade payable	305.84	-	305.84	-	-	-
Other financial liability						
- Non-current	1.84	1.84	-	-	-	-
- Current	128.83	-	128.83	-	-	-

(₹ in lakhs)

1 April 2016	Carrying amount	Contractual maturities				
		Not Due	Less than 12 months	1-2 years	2-5 years	More than 5 years
Borrowings						
- Non-current	4,515.99	-	-	4,515.99	-	-
- Current	-					
Trade payable	393.22	-	393.22	-	-	-
Other financial liability						
- Non-current	1.84	1.84	-	-	-	-
- Current	564.90	-	564.90	-	-	-

(iii) **Market risk**

Market risk is the risk that changes in market prices – such as foreign exchange rates and interest rates – will affect the Company's income. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and debt.. The company does not have any transactions in foreign currency. And accordingly, company does not have currency risk.

(iv) **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's liquidity and borrowing are managed by professional at senior management level. The interest rate exposure of the

(₹ in lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Fixed-rate instrument			
Financial asset	732.65	1,319.01	1,222.13
Financial liability			
Floating-rate instrument			
Financial asset			
Financial liability	4,758.41	6,712.86	5,080.89

Interest rate sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. The following table demonstrates the sensitivity of floating rate financial instruments to a reasonably possible change in interest rates. The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative

Particulars	Increase on profit/(loss) after
31-Mar-18	
Increase in 100 basis point	(47.59)
Decrease in 100 basis point	47.57
31-Mar-17	
Increase in 100 basis point	(67.14)
Decrease in 100 basis point	67.12
01-Apr-16	
Increase in 100 basis point	(50.82)
Decrease in 100 basis point	50.80

27 **(C) Operating segment**

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

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28 Interest in other entities

Interest in associate & joint ventures
Below is the list of associate and joint ventures as at 31 March 2018. Their Share capital compriese solely of equity shares and/or as partners capital held by the group and proportion of ownership interest held equals the voting rights held by the group

(₹ in lakhs)

Name of entity	% of ownership interest	Relationship	Method of Accounting	Quoted Fair value 31 March 2018	Quoted Fair value 31 March 2017	Quoted Fair value 1 April 2016	Carrying Amount 31 March 2018	Carrying Amount 31 March 2017	Carrying Amount 1 April 2016
Fangadi Land Developers LLP	51.00%	Joint Venture	Equity method	-	-	-	204.48	204.57	204.64
Nilsan Realty LLP	99.99% & 50.00%	Joint Venture	Equity method				102.87	151.82	8.07
Nila Projects LLP	99.97%	Joint Venture	Equity method	-	-	-	2,212.62	1,975.66	1,738.96
Megacity Cinemall Pvt Ltd	42.50%	Associate	Equity method	-	-	-	87.12	114.57	174.59

(a) Summarised financial statements of Joint ventures
1 The table below shows summarised financial statements for both joint ventures which are material to the group.

(₹ in lakhs)

Summarised balance sheet	Fangadi Land Developers LLP			Nilsan Realty LLP			Nila Projects LLP			Megacity Cinemall Pvt Ltd		
	31 March 2018	31 March 2017	1 April 2016	31 March 2018	31 March 2017	1 April 2016	31 March 2018	31 March 2017	1 April 2016	31 March 2018	31 March 2017	1 April 2016
Total Non-current assets	1,120.57	1,087.31	875.42	320.26	330.72	735.41	2,452.15	2,004.04	1,910.92	1,210.15	1,245.10	1,270.76
Current assets other than cash and cash equivalents	-	-	-	572.87	572.87	1,851.62	0.55	-	-	1.55	0.54	0.55
Cash and cash equivalents	1.41	0.02	7.08	3.25	18.96	0.75	8.06	0.52	0.17	11.65	11.60	18.86
(A)	**1,121.98**	**1,087.33**	**882.50**	**896.38**	**922.55**	**2,587.79**	**2,460.76**	**2,004.56**	**1,911.08**	**1,223.35**	**1,257.24**	**1,290.16**
Non-current financial liabilities	-	-	873.30	780.97	-	303.82	244.68	-	169.41	-	9.08	21.10
Current financial liabities (excluding trade payable and provisions)	0.10	0.10	0.10	-	750.42	2,299.93	0.66	26.17	2.23	1,617.50	1,576.12	1,456.05
Current liabilities other than current financial liabilities (including trade payables and provisions)	-	-	-	11.99	12.25	12.33	-	-	0.23	12.08	13.67	13.40
(B)	**0.10**	**0.10**	**873.40**	**792.97**	**762.67**	**2,616.08**	**245.33**	**26.17**	**171.87**	**1,629.58**	**1,598.87**	**1,490.55**
Net assets (A-B)	**1,121.88**	**1,087.23**	**9.10**	**103.42**	**159.88**	**(28.29)**	**2,215.43**	**1,978.38**	**1,739.22**	**(406.23)**	**(341.63)**	**(200.39)**
Group's share in %	51%	51%	51%	99.99%	50.00%	50.00%	99.97%	99.97%	99.97%	42.50%	42.50%	42.50%
Group's share in INR	572.16	554.49	4.64	103.41	79.94	(14.15)	2,214.76	1,977.79	1,738.70	(172.65)	(145.19)	(85.17)

Reconciliation to Carrying Amount

(₹ in lakhs)

Particulars	Fangadi Land Developers LLP 31 March 2018	31 March 2017	1 April 2016	Nilsan Realty LLP 31 March 2018	31 March 2017	1 April 2016	Nila Projects LLP 31 March 2018	31 March 2017	1 April 2016	Megacity Cinemall Pvt Ltd 31 March 2018	31 March 2017	1 April 2016
Group share in opening net assets	204.56	204.64	205.10	151.81	8.07	8.07	1,975.71	1,738.96	1,741.04	114.56	174.59	222.06
Profit for the year - share of group	(0.07)	(0.08)	(0.46)	(48.94)	143.74		240.83	236.75	(2.08)	(27.46)	(60.02)	(47.47)
Opening net assets	204.48	204.56	204.64	102.87	151.81	8.07	2,216.54	1,975.71	1,738.96	87.11	114.56	174.59
Add:- Ind AS adjustment												
Less:- Unrealised gain & losses eliminated against the investement accounted for using equity method							-	-	-			
Closing net assets	**204.48**	**204.56**	**204.64**	**102.87**	**151.81**	**8.07**	**2,216.54**	**1,975.71**	**1,738.96**	**87.11**	**114.56**	**174.59**

Industrial Park LLP - refer note 25 and also includes amount of ` 1.69 lakhs (31 March 2017 ` 1.03 lakhs and 31 March 2016 ` Nil) regarding interest on capital.

** The same includes amount of `58.80 lakhs (31 March 2017 ` 15.67 and 31 March 2016) as share of profit from Romanovia Industrial Park Private Limited and also includes amount of ` 0.04 lakhs (31 March 2017 ` 0.36 lakhs and 31 March 2016 ` Nil) as Ind AS

Summarised statement of profit and loss of material joint venture

(₹ in lakhs)

Summarised profit and loss	Fangadi Land Developers LLP 31 March 2018	31 March 2017	Nila Projects LLP 31 March 2018	31 March 2017	Nilsan Realty LLP 31 March 2018	31 March 2017	Megacity Cinemall Pvt Ltd 31 March 2018	31 March 2017
Revenue						1,269.25		
Other income			118.16	319.00		0.05	17.04	3.02
Total income	-	-	**118.16**	**319.00**	-	**1,269.30**	**17.04**	**3.02**
Employee benefit expense			4.80	2.39	-		1.77	2.77
Finance cost			112.89	272.80	48.48		45.54	121.91
Depreciation							34.36	25.66
Project exp						20.67	9.06	5.94
Other expense	0.14	0.17	0.26		0.46	2.67		
Total expense	**0.14**	**0.17**	**117.96**	**275.19**	**48.94**	**23.34**	**90.73**	**156.28**
Profit before tax	**(0.14)**	**(0.17)**	**0.20**	**43.81**	**(48.94)**	**1,245.97**	**(73.68)**	**(153.26)**
Tax expense			(0.57)	(13.49)		(435.00)	(9.08)	(12.02)
Profit after tax	**(0.14)**	**(0.17)**	**(0.36)**	**57.31**	**(48.94)**	**1,680.97**	**(64.60)**	**(141.24)**

Nila Spaces Limited

Notes to the consolidated financial statements *(Continued)*
for the year ended 31 March 2018

29 Additional Information as per Schedule III

(₹ in lakhs)

Name of Entity in the group	Net Assets (Total assets minus Total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Nila Spaces Limited								
31 March 2018	81.23%	11,280.91	108.48%	1,243.49	0.00%	-	108.48%	1,243.49
31 March 2017	82.96%	11,909.50	54.98%	123.83	0.00%	-	54.98%	123.83
1 April 2016	84.40%	11,499.67						
Joint Ventures								
Fangadi Land Developers LLP								
31 March 2018	1.47%	204.48	-0.04%	(0.46)	-	-	-0.04%	(0.46)
31 March 2017	1.42%	204.57	-0.04%	(0.08)	-	-	-0.04%	(0.08)
1 April 2016	1.50%	204.64	-		-	-		
Nilsan Realites LLP								
31 March 2018	0.74%	102.87	-4.27%	(48.94)	-	-	-4.27%	(48.94)
31 March 2017	1.06%	151.82	59.39%	133.76	-	-	59.39%	133.76
1 April 2016	0.06%	8.07	-		-	-		
Nila Projects LLP								
31 March 2018	15.93%	2,212.62	-0.03%	(0.36)	-	-	-0.03%	(0.36)
31 March 2017	13.76%	1,975.66	12.32%	27.75	-	-	12.32%	27.75
1 April 2016	12.76%	1,738.96			-	-		
Associate								
Megacity Cinemall Pvt Ltd								
31 March 2018	0.63%	87.12	-4.14%	(47.47)	-	-	-4.14%	(47.47)
31 March 2017	0.80%	114.57	-26.65%	(60.02)	-	-	-26.65%	(60.02)
1 April 2016	1.28%	174.59	0.00%				0.00%	
Total								
31 March 2018	**100.00%**	13,888.00	**100%**	**1,146.26**	**0.00%**	-	**100.00%**	**1,146.26**
31 March 2017	100.00%	14,356.10	**100%**	225.23	0.00%	-	100.00%	225.23
1 April 2016	100.00%	13,625.94						

Note: The above figures are after eliminating intra group transactions and intra group balances as at 31 March 2018, 31 March 2017 and 1 April 2016.

J. S. SHAH & CO.
AHMEDABAD
380028
CHARTERED ACCOUNTANTS

NILA SPACES LTD.
AHD.

30 Events Occuring after Balance sheet date

(A) Demerger of Nila Infrastructures Limited:

Discontinued operation on account of Demerger:
Pursuant to the approval of the Honorable National Company Law Tribunal ('NCLT') vide order dated 9 May 2018 to the Scheme of Arrangement ("the Scheme") under section 230-233 and other provisions of the Companies Act, 2013, the assets and liabilities pertaining to real estate undertaking of the Company, were transferred to and vested in the Nila Spaces Limited ('wholly owned subsidiary of the Company') with effect from the appointed date viz., 1 April 2017 in accordance with the Scheme so sanctioned. The Scheme has been filed with Registrar of the Companies ('ROC') on 17 May 2018 and has, accordingly, been given effect in these financials statements.

Following is the accounting treatment made in the books of the Resultant Company i.e. Nila Spaces Limited pursuant to the approved Scheme and in accordance with applicable accounting standard.

1) The assets and liabilities pertaining to the Real Estate Undertaking i.e Nila Spaces Limited the resultant Company being transferred from the Demerged Company i.e Nila Infrastructures Limited, at book value as on the Appointed Date since the shareholders before and after the scheme remain unchanged.

2). Upon the Scheme being effective, the inter-company balances, if any, appearing in the books of accounts of the Resultant Company from the Demerged Company pertaining to the Real Estate Undertaking shall stand cancelled as on 1 April 2017

3) The aggregate of excess assets over the liabilities of the Real Estate Undertaking transferred to the Resulting Company and the cancellation of the equity shares held by the Demerged Company in the paid-up share capital of the Resulting Company, shall be debited to equity in the sequence as mentioned in the approved scheme and hence the differential amount of ₹ 13,665.63 lakhs as at 1 April 2016 and ₹ 14,454.64 lakhs as at 31 March 2017, has been debited to securities premium and the surplus in the Statement of Profit and Loss account respectively of the Demerged Company.

4) The financial information in respect of prior periods have been restated as if the scheme has been given effect from the beginning of the preceding period in the financial statements, irrespective of the actual date as per the requirement of applicable accounting standard.

The assets and liabilities of the real estate undertakings as on respective dates are as follows:

Details of the assets and liabilities transferred from Demerged Company: (₹ in lakhs)

	Particulars	Real estate business	
		As at 31 March 2017	**As at 1 April 2016**
	ASSETS		
1	**Non-current assets**		
(a)	Investment in subsidiary, associate and a joint venture *	2,446.58	2,126.26
(b)	Financial assets		
	(i) Loans	0.32	169.73
	Total non current assets	**2,446.90**	**2,295.99**
	Current assets		
(a)	Inventories	8,220.37	7,609.09
(b)	Financial assets		
	(i) Trade receivables	235.06	1,650.05
	(ii) Loans	5,834.91	6,080.00
(c)	Other current assets	1,853.67	1,938.35
	Total current assets	**16,144.01**	**17,277.49**
	Total assets	**18,590.91**	**19,573.49**

30 Demerger of Nila Infrastructures Limited: *(Continued)*

Details of the assets and liabilities transferred: *(Continued)*

(₹ in lakhs)

	Particulars	Real estate business	
		As at 31 March 2017	As at 1 April 2016
	LIABILITIES		
	Non-Current liabilities		
(a)	Financial liabilities		
	(i) Borrowings	6,584.03	4,515.99
	(ii) Other financial liabilities	1.84	1.84
	Total non current liabilities	**6,585.87**	**4,517.83**
	Current liabilities		
(a)	Financial liabilities		
	(i) Trade payables	305.45	392.84
	(ii) Other financial liabilities	128.83	564.90
(b)	Other current liabilities	134.34	482.32
	Total current liabilities	**568.62**	**1,440.06**
	Total liabilities	**7,154.49**	**5,957.89**
	Net assets over liabilities transferred	**(11,436.42)**	**(13,615.60)**

Reconciliation of amount due to Nila Spaces Limited on 31 March 2017

(₹ in lakhs)

Particulars	
Excess of assets transferred over liabilities as at 1 April 2016	**13,615.60**
Profit for the year transferred to Nila Spaces Limited	(0.08)
	13,615.52
Excess of assets transferred over liabilities as at 31 March 2017	**11,436.42**
Amount due from Nila Infrastructures Limited	**2,179.10**

* **Investment in following entities are transferred from Nila Infrastructures Limited on account of Scheme of Demerger:**

(₹ in lakhs)

Name of the entity	**As at 31 March 2017**	**As at 1 April 2016**
Fangadi Land Developers LLP - Joint Venture	204.56	204.64
Nila Projects LLP - Subsidiary	1,975.65	1,738.96
Nilsan Realty LLP - Joint Venture	-	-
Megacity Cinemalls Private Limited - Associate	114.56	174.59
Total	2,294.77	2,118.19

(B) Allotment of Equaity shares in Resultant Company i.e. Nila Spaces Limted :

393,889,200 Equity Shares of ₹ 1/- each are pending for issue and allotment persuant to the scehme of de-merger to the sharholders of Nila Infrastructures Limited, with appointed date of 01 April 2017.

J. S. SHAH & CO. AHMEDABAD 380028 CHARTERED ACCOUNTANTS

NILA SPACES LTD. AHD

31 Previous year figures have been regrouped/reclassified wherever necessary to confirm to current year presentation

The Financial Statements were approved for issue by the Board of Directors on 30 May 2018

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

J. S. SHAH & CO. AHMEDABAD 380028 CHARTERED ACCOUNTANTS

Jaimin Shah
Partner
Membership No: 138488

Place : Ahmedabad
Date : 30 May 2018

For and on behalf of the Board of Directors of
Nila Spaces Limited
CIN No. :U45100GJ2000PLC083204

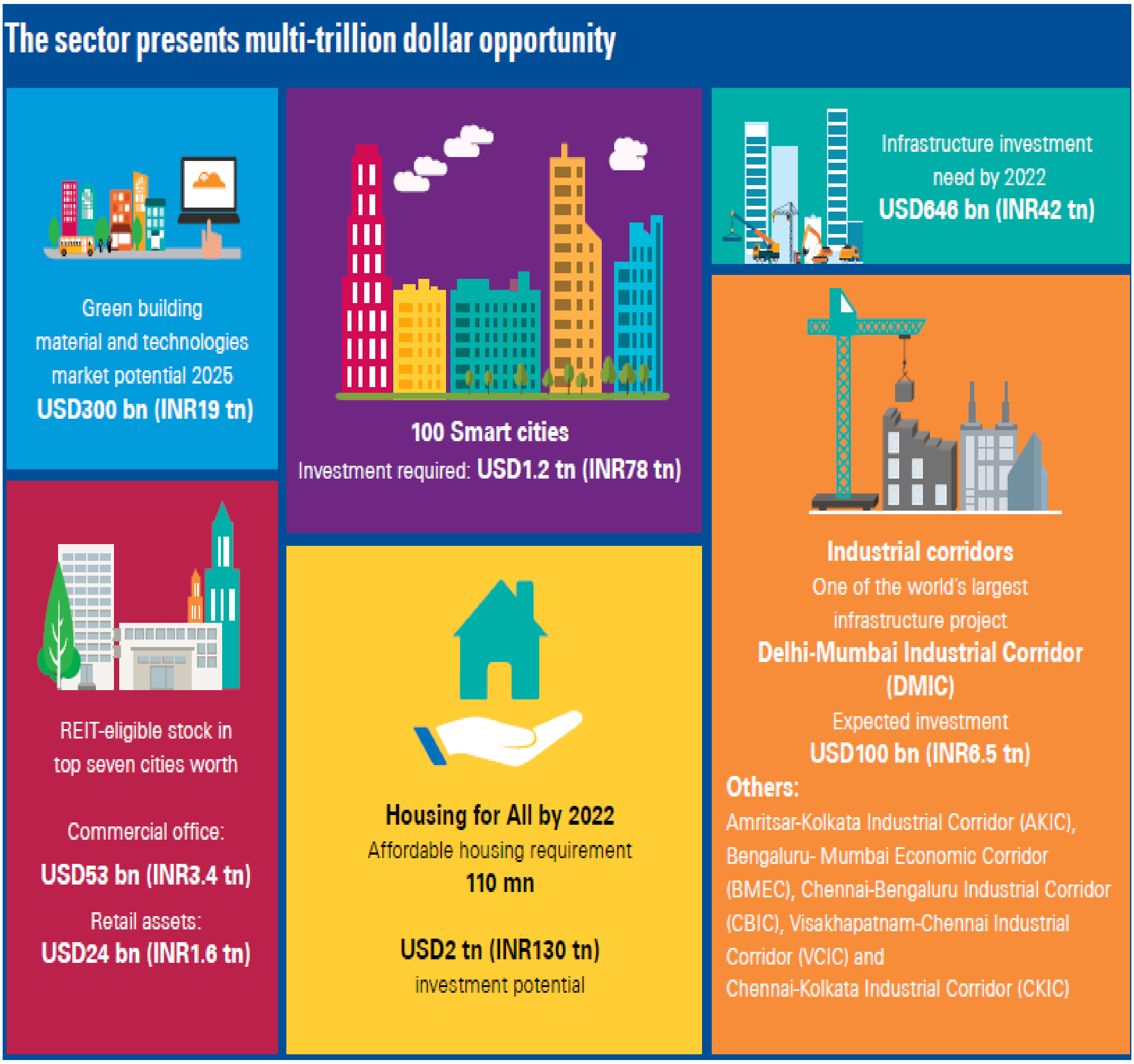
Deep Vadodaria
Chairman
DIN : 01284293

Prashant Sarkhedi
Director
DIN : 00417386

SECTION V – MANAGEMENT DISCUSSION AND ANALYSIS

Industry Overview

Government has ambitious plans for Real Estate and Infrastructure Sector

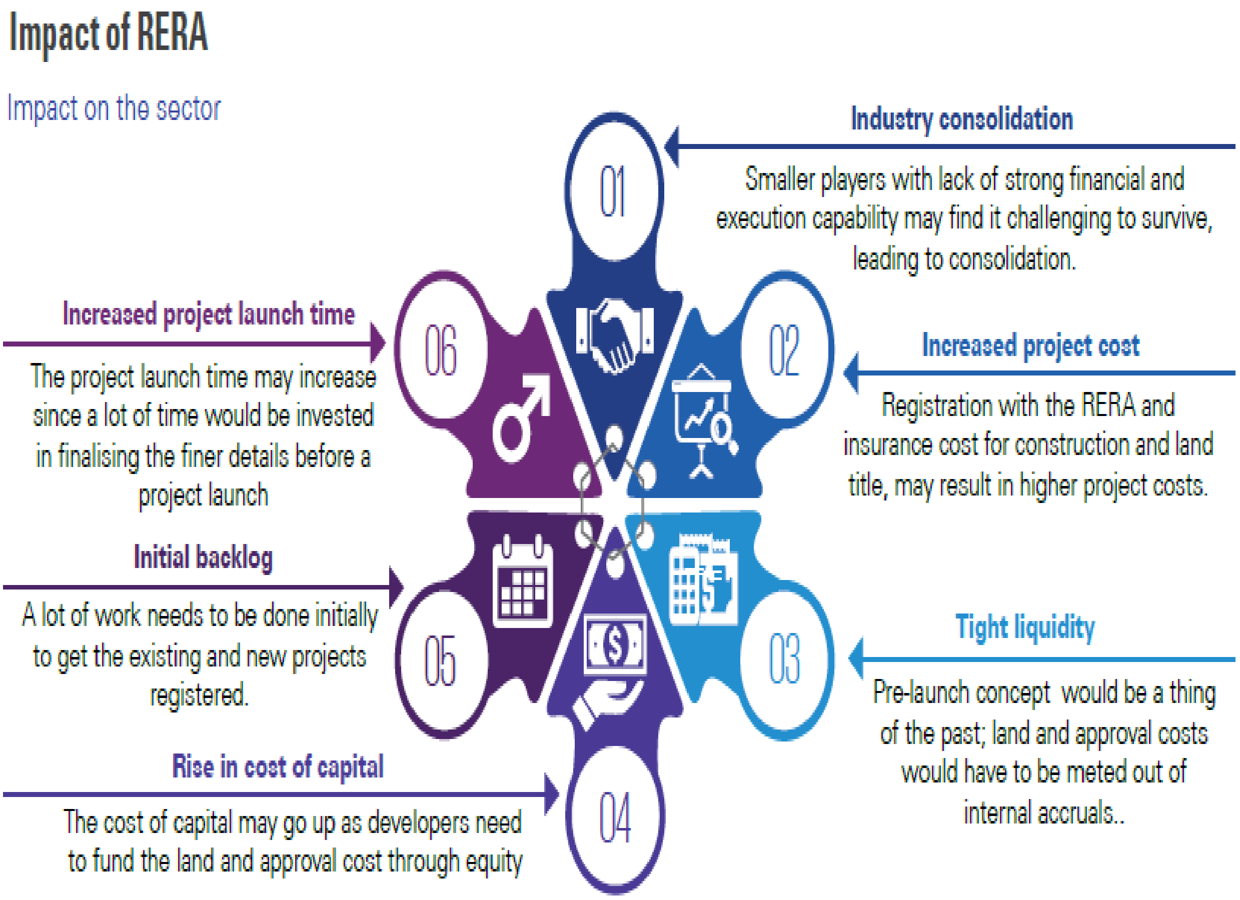


Regulatory reforms transforming Indian Real Estate

Key trends shaping the Indian Real Estate sector and impact of RERA

Key Trends

Increased Transparency	Increased prominence of green buildings	Shift in financing medium	Industry Consolidation	Emergence of new business models	Rising foreign investments



Company Prospects

Nila Spaces Ltd. is a company engaged in the business of development of real estate projects for sale. The company belongs to the prestigious group based at Ahmedabad and has been demerged from Nila Infrastructures Ltd. having wide experience of development of projects. The management possesses extensive experience of executing varied urban infrastructures and real estate projects.

Presently the Company is executing a real estate housing project *"Anant Sky"* at Ranip area of Ahmedabad. The Project will comprise total 460 Affordable Housing units, with carpet area ranging from ~33 sq. mtrs. to ~59 sq. mtrs. each. In addition, 10 convenience shops will be provided to support the micro eco-system. The Project envisages overall construction of about 0.4 million sq. ft. built-up area and shall be completed within 30 months. The project has received approval from RERA authorities. Ranip is a residential locality at the North of Ahmedabad city. It is an excellent place for living - a little away from high density traffic, crowded population, while it is airy and has ample space for healthy living. The physical and social infrastructure (e.g. vegetable markets, grocery shops, shopping-mall, education institutions, temples, hospitals, banks, multiplex, hotels, etc.) is well developed in this locality. It has advantageous proximity to the GSRTC's new-age Ranip Bus-port, BRTS station, Railway station, Airport as well as the CBD. It is the best fit for the Affordable Housing given the prices of the land prevailing in other relevant micro-markets of Ahmedabad.

The Company has also received RERA approval for *"Arham Residency"* - a Residential Project at Shahibaug, Ahmedabad comprising of total 152 residential units, in a combination of 2BHK and 3BHK with carpet area ranging from ~79 sq. mtrs. to ~140 sq. mtrs. each. The Project envisages overall construction of about 0.3 million sq. ft. built-up area and targeted to be completed within 30 months.

Opportunities:

The changing family structure in urban India has been fundamental driver for housing growth. Growing urbanization is causing the urban population in India to grow at a rapid speed and the same holds true for Ahmedabad. There is an acute demand for better houses at affordable prices in Ahmedabad. Growing per capita income, affordability and access to finance, aspirations, increasing purchasing power and disposable income, nuclear families and changing consumption pattern would definitely lead to a gap in supply and demand for houses in days to come.

Introduction and implementation of RERA Act from May 2017 has drastically changed the dynamics of real estate industry. The industry which was primarily operating in an unorganized manner has started to be organized. This landmark move is enabling the sector to progress in a much transparent and organized manner. Under this regime, developers have to declare all project related details such as project layout, plan of development work, land status, names of promoters to the State Real Estate Regulatory Authority (RERA) before the buyers. This enables a speedy dispute resolution mechanism, in case of default by developers. Besides, the developers have to deposit mandatorily 70% of the project fund in an escrow account. Moreover, the Act facilitates the selling of apartments on carpet-area basis instead of super built-up area and stipulates the compulsory registration of all the residential real estate projects with plot sizes of over 500 sq. mts. A majority of the states such as Gujarat, Maharashtra, Madhya Pradesh and Uttar Pradesh have notified the real estate rules with other states notifying these rules in the days to come.

Apart this all announcement by the government 100% FDI inflow by automatic route in construction and development projects to install more transparency and governance in the industry. Concepts like REITs are likely to contribute significantly in the growth of the real estate industry in year to come. Government's focus on housing for all under various housing scheme shall provide robust opportunities to companies in construction and real estate development in various manner.

Risk and Challenges:

There are many constraints affecting smooth functioning of this industry. The company is operating in a highly competitive environment. Timely supply of raw material like cement, steel, bricks are essential for timely completion of the projects. Shortage of raw material may delay the execution of projects of the Company. The real estate project development is capital intensive in nature. The Company's business requires long term commitment of capital to meet financial requirement of long term projects. Further timely availability of skilled and technical personnel is also one of the key challenge. Various risk factors have been discussed in detail in Risk Factors in this document.

Internal Control System:

The Company is well structured and the policy guidelines are well documented with pre-defined authority and responsibility. Nila Spaces has put in place comprehensive systems and procedural guidelines concerning all areas of business like budgeting, execution, material management, quality, safety, procurement, asset management, finance, accounts & audit, 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. The Company carries out internal audit through an external audit firm of Chartered Accountants who have extensive experience in such assignment.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS, DEFAULTS AND MATERIAL DEVELOPMENTS

There is no outstanding litigation against our Company and its Subsidiaries and Promoter Group Entities including, suits, criminal or civil prosecutions and taxation related proceedings that would have a material adverse effect on our operations or financial position.

In this regard, please note the following:

(i). *in determining whether any outstanding litigation against our Company and / or our Subsidiaries other than litigation involving moral turpitude, criminal liability, material violations of statutory regulations or proceedings relating to economic offences would have a material adverse effect on our business, the materiality threshold has been determined as per Clause XII sub-clause C in Part E of Schedule VIII of the SEBI Regulations, which stipulates that disclosure of outstanding litigation is required where litigation is likely to exceed INR 1 Crore being 1% of the net worth of our Company (on a consolidated basis), as per the last completed financial year.*

(ii). *Neither our Company nor our Subsidiaries are aware of any litigation involving moral turpitude or criminal liability, material violations of statutory regulations or proceedings relating to economic offences, which have arisen in the last ten years.*

Our Company and our Subsidiaries, from time to time, have been and continue to be involved in legal proceedings, arising in the ordinary course of their respective businesses. None of these legal proceedings

filed against our Company or our Subsidiaries are in the nature of criminal proceedings and we believe that the number of proceedings in which our Company and our Subsidiaries are / were involved is not unusual for a company of our size doing businesses in India. As on the date of this Information Memorandum the information relating to pending legal proceedings are as follows:

Nila Spaces Limited – The Company	
Details of Outstanding Litigations	**Comments**
Criminal Proceedings against the company	**Nil**
Criminal Proceedings by the company	**Nil**
Civil Proceedings against the company	**Nil**
Civil Proceedings by the company	**Nil**
Actions by Regulatory or Statutory authorities	**Nil**
Direct Tax Proceedings	**Nil**
Indirect Tax Proceedings	**Nil**
Material frauds against the company	**Nil**
Inquiries, inspections or investigation initiated or conducted under the Companies Act 1956/Companies Act 2013	**Nil**
Dues to Small Scale Industries	**Nil**
Statutory Dues	**Nil**
Legal Proceedings against Promoters/Directors/KMPs	**Nil**

Nila Infrastructures Limited – Promoter Group Company	
Details of Outstanding Litigations	**Comments**
Criminal Proceedings against the company	**Nil**
Criminal Proceedings by the company	**Nil**
Civil Proceedings against the company	**Nil**
Civil Proceedings by the company	**Nil**
Actions by Regulatory or Statutory authorities	**Nil**
Direct Tax Proceedings	**INR 78.71 Lakhs**
Indirect Tax Proceedings	**Nil**
Material frauds against the company	**Nil**
Inquiries, inspections or investigation initiated or conducted under the Companies Act 1956/Companies Act 2013	**Nil**
Dues to Small Scale Industries	**Nil**
Statutory Dues	**Nil**
Legal Proceedings against Promoters/Directors/KMPs	**Nil**

Sambhaav Media Limited – Promoter Group Company	
Details of Outstanding Litigations	**Comments**
Criminal Proceedings against the company	**Nil**
Criminal Proceedings by the company	**Nil**
Civil Proceedings against the company	**Nil**
Civil Proceedings by the company	**Nil**
Actions by Regulatory or Statutory authorities	**Nil**
Direct Tax Proceedings	**INR 48.88 Lakhs**
Indirect Tax Proceedings	**Nil**

Material frauds against the company	Nil
Inquiries, inspections or investigation initiated or conducted under the Companies Act 1956/Companies Act 2013	Nil
Dues to Small Scale Industries	Nil
Statutory Dues	Nil
Legal Proceedings against Promoters/Directors/KMPs	Nil

Mega City Cinemall Private Limited – Associate Company	
Details of Outstanding Litigations	Comments
Criminal Proceedings against the company	Nil
Criminal Proceedings by the company	Nil
Civil Proceedings against the company	Nil
Civil Proceedings by the company	Nil
Actions by Regulatory or Statutory authorities	Nil
Direct Tax Proceedings	Nil
Indirect Tax Proceedings	Nil
Material frauds against the company	Nil
Inquiries, inspections or investigation initiated or conducted under the Companies Act 1956/Companies Act 2013	Nil
Dues to Small Scale Industries	Nil
Statutory Dues	Nil
Legal Proceedings against Promoters/Directors/KMPs	Nil

Nila Projects LLP- Joint Venture	
Details of Outstanding Litigations	Comments
Criminal Proceedings against the LLP	Nil
Criminal Proceedings by the LLP	Nil
Civil Proceedings against the LLP	Nil
Civil Proceedings by the LLP	Nil
Actions by Regulatory or Statutory authorities	Nil
Direct Tax Proceedings	Nil
Indirect Tax Proceedings	Nil
Material frauds against the LLP	Nil
Dues to Small Scale Industries	Nil
Statutory Dues	Nil
Legal Proceedings against Partners	Nil

Nilsan Realty LLP- Joint Venture	
Details of Outstanding Litigations	Comments
Criminal Proceedings against the LLP	Nil
Criminal Proceedings by the LLP	Nil
Civil Proceedings against the LLP	Nil
Civil Proceedings by the LLP	Nil
Actions by Regulatory or Statutory authorities	Nil
Direct Tax Proceedings	Nil
Indirect Tax Proceedings	Nil
Material frauds against the LLP	Nil
Dues to Small Scale Industries	Nil
Statutory Dues	Nil
Legal Proceedings against Partners	Nil

Fungdi Land Developers LLP – Joint Venture	
Details of Outstanding Litigations	**Comments**
Criminal Proceedings against the LLP	**Nil**
Criminal Proceedings by the LLP	**Nil**
Civil Proceedings against the LLP	**Nil**
Civil Proceedings by the LLP	**Nil**
Actions by Regulatory or Statutory authorities	**Nil**
Direct Tax Proceedings	**Nil**
Indirect Tax Proceedings	**Nil**
Material frauds against the LLP	**Nil**
Dues to Small Scale Industries	**Nil**
Statutory Dues	**Nil**
Legal Proceedings against Partners	**Nil**

Ved Technoserve India Private Limited Nila Terminals (Amreli) Private Limited Vyapnila Terminals (Modasa) Private Limited Romanovia Industrial Park Private Limited Kent Residential & Industrial Park LLP	- Subsidiary / Associates / Joint Ventures of Promoter Group Entities
Details of Outstanding Litigations	**Comments**
Criminal Proceedings against entities	**Nil**
Criminal Proceedings by entities	**Nil**
Civil Proceedings against entities	**Nil**
Civil Proceedings by entities	**Nil**
Actions by Regulatory or Statutory authorities	**Nil**
Direct Tax Proceedings	**Nil**
Indirect Tax Proceedings	**Nil**
Material frauds against entities	**Nil**
Dues to Small Scale Industries	**Nil**
Statutory Dues	**Nil**
Legal Proceedings against Partners	**Nil**

GOVERNMENT APPROVALS

We are required to obtain approvals, registrations, permits and licenses under the provisions of various laws and regulations for conducting our business which include license and land lease rights to develop real estate projects, registration under several tax regulations in India, environmental licenses and other approvals. The requirement for approvals for a particular land block may vary based on factors such as the legal requirements in the state in which the land is located. Further, our obligation to obtain and renew such approvals arises periodically and applications for such approvals are made at the appropriate stage.

We have obtained necessary consents, licenses, permissions and approvals from governmental and regulatory authorities that are required for carrying on our present business activities. Some of the approvals and licenses that we require for our business operations may expire in the ordinary course of business, and we will apply for their renewal from time to time.

Further, except as mentioned in this section, as on the date of this Information Memorandum, there are no material pending regulatory and government approvals and no pending renewals of licenses or approvals in relation to the activities undertaken by our Company, our Material Subsidiary.

I. **Material approvals for which applications have been made by our Company and its Material Subsidiary, but are currently pending.- NIL**

II. **Material approvals which have expired and for which renewal applications have been made by our Company and its Material Subsidiary- NIL**

III. **Material approvals which have expired and for which renewal applications are yet to be made by our Company and its Material Subsidiary-NIL**

IV. **Material approvals required for which no application has been made by our Company and its Material Subsidiary-NIL**

REGULATORY AND STATUTORY DISCLOSURES

Authority for Listing

The Hon'ble National Company Law Tribunal, Bench, at Ahmedabad, vide its order dated 9 May 2018 has approved the Composite Scheme of Arrangement between Nila Infrastructures Limited and Nila Spaces Limited and their respective shareholders and creditors ('the Scheme'). Pursuant to the Scheme, the real estate undertaking of the Nila Infrastructures Limited is transferred to and vested in Nila Spaces Limited The Scheme was made effective on 17th May, 2018 with appointed date of 1st April, 2017. In accordance with the Scheme, the equity shares of Nila Spaces Limited issued pursuant to the Scheme shall be listed and admitted to trading on BSE and NSE. Such admission and listing is not automatic and will be subject to fulfillment by our Company of the listing criteria of BSE and NSE for such issues and also subject to such other terms and conditions as may be prescribed by BSE and NSE at the time of the application by our Company seeking listing.

Eligibility Criteria

There being no initial public offering or rights issue, the eligibility criteria of SEBI (Issue of Capital and Disclosure Requirements) Regulation 2009 do not become applicable. However, the Company has sought relaxation by making an application to SEBI under sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957 as per the SEBI Circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015. Our Company has submitted the Information Memorandum, containing information about itself, making disclosures in line with the disclosure requirement for public issues, as applicable to BSE and NSE for making the said Information Memorandum available to public through their websites www.bseindia.com and www.nseindia.com. Our Company has made the said Information Memorandum available on its website i.e. www.nilaspaces.com. The Company will publish an advertisement in the newspapers containing its details as per the SEBI Circular no. CIR/CFD/CMD/16/2015 with the details required as in terms of para 6 of part II(A) of Annexure I of the said Circular. The advertisement will draw specific reference to the availability of the Information Memorandum on its website.

Prohibition by Securities and Exchange Board of India ('SEBI')

Our Company, its Directors, its Promoters, other companies promoted by the Promoters and companies with which our Company's Directors are associated as directors have not been prohibited from accessing the capital markets under any order or direction passed by SEBI.

Identification as willful defaulter by Reserve Bank of India

Our Company, its Promoters, other companies promoted by the Promoters, the relatives (as per the Companies Act, 2013) of Promoters have not been identified as willful defaulters by the Reserve Bank of India.

Disclaimer Clause of BSE

As required, a copy of this Information Memorandum shall be submitted to BSE. BSE has vide its letter reference no.DCS/AMAL/AJ/R37/1034/2017-18 dated 19 January 2018, approved the Scheme of Arrangement under clause 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and by virtue of the said approval BSE's name is included in this Information Memorandum as one of the Stock Exchanges on which this Company's securities are proposed to be listed. The BSE does not in any manner:

- warrant, certify or endorse the correctness or completeness of any of the contents of this Information Memorandum; or
- warrant that this Company's securities will be listed or will continue to be listed on the BSE; or

- take any responsibility for the financial or other soundness of this Company; and
- it should not for any reason be deemed or construed to mean that this Information Memorandum has been cleared or approved by the BSE.

Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

Disclaimer Clause of the NSE

As required, a copy of this Information Memorandum has been submitted to NSE. NSE has vide its letter reference no. NSE/LIST/13755 dated 19 January 2018 under clause 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and by virtue of the said approval NSE's name is included in this Information Memorandum as one of the stock exchanges on which this Company's securities are proposed to be listed. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that this Information Memorandum has been cleared or approved by NSE; nor does NSE in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Information Memorandum; nor does it warrant that our Company's securities will be listed or continue to be listed on the NSE; nor does it take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of our Company. Every person who desires to apply for or otherwise acquire any securities of our Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against NSE whatsoever by reason of any loss which may be suffered by such person consequent to or in or in connection with such subscription or acquisition, whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

General Disclaimer from our Company

Our Company accepts no responsibility for statements made otherwise than in the Information Memorandum or in the advertisements published in terms of para 6 of part II(A) of Annexure I of SEBI Circular SEBI/CFD/CMD/16/2015 dated November 30, 2015 or any other material issued by or at the instance of our Company and anyone placing reliance on any other source of information would be doing so at his or her own risk. All information shall be made available by our Company to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner.

Listing

Applications have been made to BSE and NSE for an official quotation of the Equity Shares of our Company. Our Company has nominated BSE as the Designated Stock Exchange for the aforesaid listing of the shares. Our Company has taken steps for completion of necessary formalities for listing and commencement of trading at all the stock exchanges mentioned above within a period as approved by SEBI.

Securities and Exchange Board of India granting exemption under Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957

The Company is making an application for an exemption from the application of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957 by the Securities and Exchange Board of India.

Filing

Copy of this Information Memorandum has been filed with BSE and NSE.

NILA SPACES LIMITED

Demat Credit

Our Company has executed a Tripartite Agreement with the Depositories i.e. NSDL and CDSL for admitting its securities in demat form. Our Company has been allotted ISIN INE005901012.

Expert Opinions

Save as stated elsewhere in this Information Memorandum, we have not obtained any expert opinions.

Dispatch of Share Certificates

In accordance with the Scheme, new shares have been issued and allotted to the eligible shareholders of Nila Infrastructures Limited on the Record Date i.e. 15 June, 2018. Our Company has dispatched the physical share certificates to shareholders holding shares of Nila Infrastructures Limited in physical form and credited the new shares to depository participant accounts of the shareholders on 30 July 2018.

Previous Rights and Public Issues

Since incorporation, our Company has not issued shares to the public at large.

Commission and Brokerage on Previous Issues

Our Company has not issued any shares to the public since its inception and no sum has been paid or is payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares.

Promise vis-à-vis performance

This is for the first time our Company is getting listed on the stock exchange.

Outstanding Debentures or Bonds and Redeemable Preference Shares and other Instruments issued by our Company

There are no outstanding debentures or bonds and redeemable preference shares and other instruments issued by our Company

Stock Market Data for Equity Shares of our Company

The shares of our Company are not listed on any stock exchanges. Through this Information Memorandum, our Company is seeking approval for listing of its shares.

Disposal of Investor Grievances

Our Company has the following platforms for addressing investors' grievances:

- Email id:secreterial@nilaspaces.com
- SCORES

Shareholders can express their grievances by sending mails to above mail id or raise complaints in SCORES (Common Portal introduced by SEBI)

Compliance Officer and Company Secretary

Ms. Gopi Dave
Nila Spaces Limited.

First Floor, Sambhaav House,
Opp. Chief Justice's Bunglow,
Bodakdev, Ahmedabad – 380015,
Gujarat, India.
Tel: +91-79-40036817

NILA SPACES LIMITED

(formerly known as Parmananday Superstructure Limited)

(CIN:U45100GJ2000PLC083204)

MEMORANDUM
AND
ARTICLES
OF
ASSOCIATION

सत्यमेव जयते

GOVERNMENT OF INDIA

MINISTRY OF CORPORATE AFFAIRS

Office of the Registrar of Companies

RoC Bhavan, Opp Rupal Park Society Behind Ankur Bus Stop, Ahmedabad, Gujarat, India, 380013

Certificate of Incorporation pursuant to change of name

[Pursuant to rule 29 of the Companies (Incorporation) Rules, 2014]

Corporate Identification Number (CIN): U45100GJ2000PLC083204

I hereby certify that the name of the company has been changed from PARMANANDAY SUPERSTRUCTURE LIMITED to NILA SPACES LIMITED with effect from the date of this certificate and that the company is limited by shares.

Company was originally incorporated with the name GEE TELE NETWORK LIMITED.

Given under my hand at Ahmedabad this Twenty seventh day of November two thousand seventeen.

DS MINISTRY OF CORPORATE AFFAIRS 05

SUDHIR LILADHAR PHAYE
Deputy RoC
Registrar of Companies
RoC - Ahmedabad

Mailing Address as per record available in Registrar of Companies office:

NILA SPACES LIMITED

1st Floor, Sambhaav House, Opp. Chief Justice's Bunglow, Bodakdev, Ahmedabad, Ahmedabad, Gujarat, India, 380015

सत्यमेव जयते
GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS

Office of the Registrar of Companies

RoC Bhavan, Opp Rupal Park Society Behind Ankur Bus Stop, Ahmedabad, Gujarat, India, 380013

Certificate of Incorporation pursuant to change of name

[Pursuant to rule 29 of the Companies (Incorporation) Rules, 2014]

Corporate Identification Number (CIN): U45100GJ2000PLC083204

I hereby certify that the name of the company has been changed from PARMANNDAY CONSULTANCY LIMITED to PARMANANDAY SUPERSTRUCTURE LIMITED with effect from the date of this certificate and that the company is limited by shares.

Company was originally incorporated with the name GEE TELE NETWORK LIMITED.

Given under my hand at Ahmedabad this Twelfth day of October two thousand seventeen.

DS MINISTRY OF CORPORATE AFFAIRS 05

VYOMESH RAJESHKUMAR SHETH
Assistant RoC
Registrar of Companies
RoC - Ahmedabad

Mailing Address as per record available in Registrar of Companies office:

PARMANANDAY SUPERSTRUCTURE LIMITED

9, Madhuvan Appartment, Behind Sukh Sagar Tower,, Pragna Society Road, Navrangpura,, Ahmedabad, Ahmedabad, Gujarat, India, 380009

सत्यमेव जयते

GOVERNMENT OF INDIA

MINISTRY OF CORPORATE AFFAIRS

Registrar of companies, Ahmedabad

RoC Bhavan, Opp Rupal Park Society Behind Ankur Bus Stop, Ahmedabad, Gujarat, India, 380013

Corporate Identity Number: U45100GJ2000PLC083204

SECTION 13(1) OF THE COMPANIES ACT, 2013

Certificate of Registration of the Special Resolution Confirming Alteration of Object Clause(s)

The shareholders of M/s PARMANNDAY CONSULTANCY LIMITED having passed Special Resolution in the Annual/Extra Ordinary General Meeting held on 18-09-2017 altered the provisions of its Memorandum of Association with respect to its objects and complied with the Section 13(1) of the Companies Act, 2013.

I hereby certify that the said Special Resolution together with the copy of the Memorandum of Association as altered has this day been registered.

Given under my hand at Ahmedabad this Twenty ninth day of September Two thousand seventeen.

DS MINISTRY OF CORPORATE AFFAIRS 05

VYOMESH RAJESHKUMAR SHETH

Assistant RoC

Registrar of Companies

RoC - Ahmedabad

Mailing Address as per record available in Registrar of Companies office:

PARMANNDAY CONSULTANCY LIMITED

9; Madhuvan Appartment, Behind Sukh Sagar Tower,, Pragna Society Road, Navrangpura,, Ahmedabad, Ahmedabad, Gujarat, India, 380009

सत्यमेव जयते

GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS

Office of the Registrar of Companies

RoC Bhavan, Opp Rupal Park Society Behind Ankur Bus Stop, Ahmedabad, Gujarat, India, 380013

Certificate of Incorporation pursuant to change of name

[Pursuant to rule 29 of the Companies (Incorporation) Rules, 2014]

Corporate Identification Number (CIN): U93000GJ2000PLC083204

I hereby certify that the name of the company has been changed from GEE TELE NETWORK LIMITED to PARMANNDAY CONSULTANCY LIMITED with effect from the date of this certificate and that the company is limited by shares.

Company was originally incorporated with the name GEE TELE NETWORK LIMITED.

Given under my hand at Ahmedabad this Third day of March two thousand seventeen.

Ministry of Corporate Affairs - Govt of India

Digitally signed by Ministry of Corporate Affairs - Govt of India
DN: c=IN, o=Ministry of Corporate Affairs - Govt of India, ou=CID - 933609, postalCode=380013, st=Gujarat, street=NR ANKUR BUS STAND NARANPURA, 2.5.4.51=ROC-BHAVAN OPP RUPAL PARK SOCIETY, cn=Ministry of Corporate Affairs - Govt of India
Reason: I attest to the accuracy and integrity of this document
Date: 2017.03.03 11:35:58 +05'30'

VYOMESH RAJESHKUMAR SHETH
Assistant RoC
Registrar of Companies
RoC - Ahmedabad

Mailing Address as per record available in Registrar of Companies office**:**

PARMANNDAY CONSULTANCY LIMITED

9, Madhuvan Appartment, Behind Sukh Sagar Tower,, Pragna Society Road, Navrangpura,, Ahmedabad, Ahmedabad, Gujarat, India, 380009

सत्यमेव जयते

GOVERNMENT OF INDIA

MINISTRY OF CORPORATE AFFAIRS

Registrar of companies, Ahmedabad

RoC Bhavan, Opp Rupal Park Society Behind Ankur Bus Stop, Ahmedabad, Gujarat, India, 380013

Corporate Identity Number: U93000GJ2000PLC083204

SECTION 13(1) OF THE COMPANIES ACT, 2013

Certificate of Registration of the Special Resolution Confirming Alteration of Object Clause(s)

The shareholders of M/s GEE TELE NETWORK LIMITED having passed Special Resolution in the Annual/Extra Ordinary General Meeting held on 19-01-2017 altered the provisions of its Memorandum of Association with respect to its objects and complied with the Section 13(1) of the Companies Act, 2013.

I hereby certify that the said Special Resolution together with the copy of the Memorandum of Association as altered has this day been registered.

Given under my hand at Ahmedabad this Twenty fifth day of January Two thousand seventeen.

Ministry of Corporate Affairs - Govt of India

Rathod Kamleshkumar Gangjibhai

Deputy RoC

Registrar of Companies

RoC - Ahmedabad

Mailing Address as per record available in Registrar of Companies office:

GEE TELE NETWORK LIMITED

9, Madhuvan Appartment, Behind Sukh Sagar Tower,, Pragna Society Road,
Navrangpura,, Ahmedabad, Ahmedabad, Gujarat, India, 380009

सत्यमेव जयते

GOVERNMENT OF INDIA

MINISTRY OF CORPORATE AFFAIRS

Registrar of Companies, Ahmedabad

RoC Bhavan,Opp Rupal Park Society,Behind Ankur Bus Stop,Naranpura,Ahmedabad,Gujarat,INDIA,380013

Corporate Identity Number : U64202GJ2000PLC083204

SECTION 13(5) OF THE COMPANIES ACT, 2013

Certification of Registration of Regional Director order for Change of State

M/s GEE TELE NETWORK LIMITED having by special resolution altered the provisions of its Memorandum of Association with respect to the place of the Registered Office by changing it from the state of Maharashtra to the Gujarat and such alteration having been confirmed by an order of RD, WR, MUMBAI, MUMBAI bearing the date 29/12/2014.

I hereby certify that a certified copy of the said order has this day been registered.

Given under my hand at Ahmedabad this Eighteenth day of May Two Thousand Fifteen.

VILAS SAMBHAJI HAJARE

Assistant Registrar of Companies

Registrar of Companies

Ahmedabad

Mailing Address as per record available in Registrar of Companies office:

GEE TELE NETWORK LIMITED
9, Madhuvan Appartment, Behind Sukh Sagar Tower,, Pragna Society Road, Navrangpura,,
Ahmedabad - 380009,
Gujarat, INDIA

Co. No. 11-126303

ता० .... की सं० ....

CERTIFICATE FOR COMMENCEMENT OF BUSINESS

कम्पनी अधिनियम, 1956 की धारा 149 (3) के अनुसरण में

Pursuant to Section 149 (3) of the Companies Act, 1956

मै एतद्द्वारा प्रमाणित करता हू कि

जो कम्पनी अधिनियम, 1956 के अधीन तारीख .... को निगमित की गई थी और जिसने आज विहित प्ररूप में सम्यक रूप से सत्यापित घोषणा फाइल कर दी है कि उत अधिनियम की धारा 149 (1) (क) से लेकर (घ) तक/149 (2) (क) से लेकर (ग) तक की शर्तो का अनुपालन किया गया है, कारबार प्रारम्भ करने की हकदार है।

I hereby certify that the

GEE TELE NETWORK LIMITED

which was incorporated under the Companies Act, 1956, on 03-05-2000 and which has this day filed a duly verified declaration in the prescribed form that the conditions of Section 149(1)(a) to (d)/149(2)(a) to (c) of the said Act, have been complied with, is entitled to commence business.

मेरे हस्ताक्षर से यह तारीख .... को .... में दिया गया।

Given under my hand at **MUMBAI** this **TWENTYTHIRD** day of **MAY** Two Thousand

कम्पनी रजिस्ट्रार की मोहर
महाराष्ट्र
Seal of the Registrar
of Companies
Maharashtra

Sd/-
(D. VIJAYA BHASKAR)
कम्पनियों का रजिस्ट्रार
Dy. Registrar of Companies
Maharashtra, Mumbai

प्रारूप० आई० आर०

Form I. R.

निगमन का प्रमाण-पत्र

CERTIFICATE OF INCORPORATION

ता० .... की सं० ....

No. 11-126303 of Date 2000

मैं एतद्द्वारा प्रमाणित करता हूं कि आज
कम्पनी अधिनियम **1956** (1956 का सं० 1) के अधीन निर्गमित की गई है और यह कम्पनी परिसीमित है ।

I hereby certify that :

GEE TELE NETWORK LIMITED

is this day incorporated under The Companies Act, 1956 (No. 1 of 1956) and that the Company is limited.

मेरे हस्ताक्षर से आज ता० .... को दिया गया ।

Given under my hand at **MUMBAI** this **THIRD** day of **MAY** Two Thousand.

Seal of the
Registrar of the
Companies,
Maharashtra

Sd/-

(V. C. DAVEY)

कम्पनीयों का रजिस्ट्रार

Deputy Registrar of Companies

Maharashtra, Mumbai

THE COMPANIES ACT, 2013

[COMPANY LIMITED BY SHARES]

**MEMORANDUM OF ASSOCIATION
OF**

NILA SPACES LIMITED

I. The name of the Company is "**NILA SPACES LIMITED**".

II. The Registered office of the company will be situated in the State of Gujarat.

III. The objects for which the Company is established are;

[A] THE MAIN OBJECT OF THE COMPANY TO BE PURSUED ON ITS INCORPORATION ARE;

1 To undertake and/or direct all types of construction and the maintenance of and to acquire by purchase, lease, exchange, hire or otherwise, lands, properties, buildings and estates of any tenure or any interest therein, to sell, lease, let, mortgage or otherwise dispose of the same and to purchase, construct and sell for self or for any person freehold or leasehold lands, house properties, buildings, offices, factories, workshops, godowns, farm houses. Farms and any kind of landed properties or any share/interest therein and to carry on the business of land and estate agent on commission or otherwise without commission.

2 To carry on the business of and act as promoters, organizers and developers of lands, estates, properties, co-operative housing societies, associations, housing schemes, affordable housing projects, shopping office complexes, townships, farms, farm houses, holiday resorts, hotels, motels and to deal with and improve such properties either as owner or as agents.

3 To carry on the business of any or all of the infrastructure activities such as construction, development, maintenance and operations of all types of infrastructural projects or facilities including but not limited to housing projects, commercial space projects, civil construction projects, of any Government, Semi Government or Private Bodies on EPC, PPP or any other basis or for own business.

(b) Matter which are necessary for furtherance of the object specified in clause 3(a) are:-

(1) To receipt of contract amount in foreign currencies & repatriate the amount outside India

(2) To do all or any of the acts or things as mentioned in the main objects either as principals, contractors or otherwise and either alone or in conjunction with others.

(3) To remunerate any firm, person or body corporate rendering services to the Company, including without limitation, in relation to the promotion or formation of the Company, either by cash payment or by allotment to him or them of shares and securities of the Company as paid -up in full or in part or otherwise.

(4) To pay all costs, charges and expenses incurred or sustained in or about the formation, registration, promotion, incorporation, establishment and advertisement of the Company or which the Company shall consider to be preliminary including contracts entered into by the Company

(5) To enter into contracts or arrangements or other dealings for more efficient conduct of the business of the Company or any part thereof and also to enter into any arrangement with any Government or Authorities or any persons or companies that may seem conducive to the main objects of the Company.

(6) To buy, sell, repair, alter, improve, exchange, let on hire, import, export and deal in all works, plant, machinery, tools, appliances, apparatus, products, materials, 2 substances, articles and things capable of being used in any business which the Company is competent to carry on, or which may be required by any customer or person having dealings with the Company or which may seem capable of being profitably dealt with in connection therewith and to manufacture, experiment with, render marketable and otherwise deal in all products and services incidental to any of the businesses carried on by the Company.

(7) To lease, sub-lease, hire, purchase, license or otherwise acquire and/or sell, dispose of, construct, alter, modify, develop or otherwise deal in any properties, factories, shades, offices, guest houses, employee accommodation, godowns, warehouses, or other structures for housing and carrying on the businesses of the Company or for its employees, clients or other persons or for any other persons or for any other purpose as the Board of Directors may think expedient for the benefit of the Company.

(8) To enter into, undertake and execute contracts or other arrangements with any parties for any transactions, including the provision and supply or use of materials, machinery, equipment, articles or other products and/or services necessary for or otherwise required for or incidental to carrying out the objectives of the Company.

(9) To recruit, train and develop staff, organize seminars, training programs and conferences for employees, customers and the general public.

(10) To recruit, train and develop a pool of technical, managerial and administrative personnel including staff, employees, agents, for the Company or any subsidiary, affiliate or group companies or any other company, firm or other person, particularly where such companies, firms or persons are engaged in any business related to the business of the Company.

(11) To employ, engage, appoint, retain or otherwise procure, suspend or terminate the services of professionals, consultants, engineers, design consultants, technicians, legal and financial advisors, or other experts and to imbibe innovation and modern management techniques in the functioning and businesses of the Company.

(12) To retrench, lay-off, suspend, terminate the appointment of or dismiss executives, managers, assistants, support staff and other employees and to remunerate them at such rates as may be thought fit.

(13) To adopt such means of making known the articles, goods, products, appliances manufactured or dealt in or processes and services provided by, or at the disposal of the Company, as well as properties, assets and effects of the Company as may seem expedient, in particular by advertising in the press and through billboards, hoardings, motion pictures, by broadcasting, telecasting or by publication of books, periodicals and any other material convenient to the Company, by participating in trade fairs, exhibitions and by granting prizes, rewards and donations.

(14) To acquire, and possess the whole or part of the business assets, property, goodwill, rights and liabilities of any persons, society, association or company carrying on any business.

(15) To appoint dealers, sub-dealers, agents, sub-agents, distributors, sole selling agents, sole concessionaries, either in India or any place in India, for the efficient conduct of the business of the Company, and remunerate them for their services.

(16) To take and/or provide discounts or to approve other terms of payment or credit in relation to any sums owing to or due from the Company and to impose or agree to pay any interest thereon or to write off any such sums or parts thereof.

(17) To pay for any property or rights acquired, either in cash, against debentures, or in fully or partly paid shares, or by the issue of securities, or by providing services and generally in such terms as may be determined and agreed upon.

(18) To carry on research and development activities on all aspects related to the business and objects of the Company.

(19) To undertake all types of technical, economic, and financial investigations and aid or assist or enter into partnership with any institution, university, company, partnership , firm or person or persons conducting such research or study and to subsidize, endow and assist workshops, libraries, meetings, lectures, and conferences and do such other acts to generally encourage, promote and reward studies, researches, investigations, experiments, tests and inventions of any kind that may be considered to assist any of the businesses of the Company.

(20) To identify projects, project ideas, to prepare profiles, project reports, and undertake market research, feasibility studies, pre-investment studies and investigation of industries on a micro and/or macro level and to render appropriate services, to identify scope and potential for economic and industrial development in any particular geographical area or location whether in India or abroad.

(21) To acquire from any person, firm or body corporate, whether in India or elsewhere, technical information, know -how, processes, engineering, manufacturing and operating data, plans, lay-outs and blue-prints useful for the design, manufacture, erection and operation of plant and machinery, required for any of the businesses of the Company and to pay remuneration thereof in any currency by way of lump-sum or installments or fees or royalties.

(22) To develop and/or furnish to any person, firm or body corporate whether in India or elsewhere, technical information, know-how, processes, engineering, manufacturing and operating data, plans, lay-outs and blue-prints useful for the design, manufacture, erection and operation of plant and machinery, required for any of the businesses of the Company and to obtain remuneration thereof in any currency by way of lump-sum or installments or fees or royalties or through any other arrangement.

(23) To apply for, purchase, or otherwise acquire, protect or prolong any patent, design, concessions, trademarks, copyrights and the like, conferring an exclusive or non-exclusive or limited right of use, or any secret or other information and/or systems, processes of the Company or which the Company may develop or acquire or propose to develop or acquire.

(24) To apply for, purchase or otherwise acquire brand names/service marks for the products manufactured and the services rendered by the Company, from any company, firm, or other person anywhere in the world, particularly international brand names/ service marks of the Company's holding or group companies.

(25) To expend money for improving or seeking to improve any patents, rights, inventions, discoveries, or information and/or systems, processes of the Company or which the Company may develop or may acquire or propose to develop or acquire.

(26) To use, exercise, develop, sell, assign, grant licenses or otherwise turn to account the property, rights and information so acquired.

(27) To establish and maintain or procure the establishment and maintenance of any non-contributory or contributory pension, superannuation, provident, welfare and education funds and trusts for the benefit of any person who is or was at any time in the employment or service of the Company or any subsidiary or affiliate of the Company, or who is or was at any time a director of the Company or of any such other company as aforesaid and the spouse, family and dependants of any such person.

(28) To provide for the welfare of employees or ex-employees of the Company and their spouses or the dependants of such persons by grant of money, pensions, allowances, bonus or other payments or by contributing to other associations, institutions, funds or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other assistance as the Company may think fit.

(29) To purchase, hire or use all kinds of vehicles including cars, heavy transport vehicles, and aircraft, for the purpose of transportation of equipment, materials, employees and managerial personnel or for any other purpose.

(30) To acquire and hold one or more memberships or membership privileges in stock/security exchanges, commodity exchanges, clearing houses in any other

trade or service associations which memberships, or membership privileges are likely in any manner to facilitate the conduct of the Company's business.

(31) To purchase, take on lease, exchange, mortgage, charge, hypothecate, encumber, hire or otherwise acquire or dispose of any moveable or immoveable property including lands, buildings, and flats of any description in India or elsewhere.

(32) To purchase, take on lease, exchange, mortgage, charge, hypothecate, encumber, or otherwise acquire or dispose of any other rights and privileges which the Company may think fit, and in particular of shares, debentures, or securities of 5 any other company and to give any warranties in connection therewith as the Company shall think fit.

(33) To deal in, sell, mortgage, let out or otherwise dispose of the businesses, undertaking or all or any of the property and assets for the time being of the Company, or any part thereof, for such consideration and on such terms, as the Company thinks fit, particularly for shares, debentures, or securities of any other company and to give any warranties in connection therewith as the Company shall think fit.

(34) To promote, invest or assist any companies for the purpose of acquiring all or any of the property, rights and liabilities of such companies, which may seem beneficial to the Company.

(35) To enter into joint venture, partnership, or any other arrangement for joint working in business, sharing profits or for co-operation or for mutual assistance or form, promote, subsidize and assist companies and partnerships of all kinds with any person, firm or company or to acquire or carry on any other business (whether manufacturing or otherwise) auxiliary to the business of the Company or connected therewith or which may seem to the Company capable of being conveniently carried on in connection with the above, or calculated directly or indirectly to enhance the value of or render more profitable any of the Company's property or to amalgamate with any person, firm or company carrying on or about to carry on any business or transaction included in the objects of the Company or any other similar business, in India or abroad.

(36) To carry on in India or elsewhere the business as general merchants, traders, dealers, importers, exporters, wholesalers, retailers, shop keepers, commission agents, sole selling agent, sub agents, jobbers, financiers, capitalists, agents, selling or purchasing agents and clearing agents of any person, firm or company, industries, distributors, mercantile agents, hirers, representative agents for foreign

or local firms or companies or associations or corporate, non corporate, bodies and generally dealers and traders of all kinds of commodities, articles, consumables or durable goods whether in raw material form or manufactures and chemical, inorganic or organic whether in finished or semi finished conditions.

(37) To carry on the business as producers, importers, exporters, dealers, traders, sellers, buyers, consigners consignees, , agents, stockiest, suppliers, agents, and brokers, transporters, of all class kinds type of coal, lignite, wood, agriculture waste, cloth, fabrics, dyes, chemicals, pigments and auxiliary, intermediates and building materials.

(38) To carry out the business of producing, prospecting, exploration, excavation, mining, quarrying, processing, crushing, washing, marketing, buying, selling, import, export, reselling, distribution or otherwise dealing in coal, coal based products, marble, bauxite, granites, manganese, limestone, dolomite, stones, metal, refractory and other mineral based products and also to carry on business of mining, developer, transporter, & operator for exploration & development of mines, mining and marketing of coal, coal products & other type of minerals.

(39) To carry out business of manufacturing, trading, import, export, installation and operation of solar systems for energy generation including Solar Photovoltaic, Solar Thermal, Solar Chimney and any other Solar based devices used in households, industry and commercial establishments, subject to necessary provision and approvals.

(40) To generate, develop, accumulate, produce, manufacture, purchase, process, transform, distribute, transmit, sale, supply, and/or otherwise import, export, deal in any kind of power or electrical energy using coal, lignite, petroleum product or any other substances wind energy Solar energy, wave energy, tidal energy, hydro energy, bio energy or any other forms of energy and any products or by products derived from any such business of energy and set up power plants, wind turbines, power stations, hydel power station, wind farms, solar energy systems or any other facility to generate power and to produce, buy, import, sale, treat, exchange, renovate, alter, modernize, install or otherwise deal in any type of machinery, equipment, materials, store for generating, distributing, transmitting energy, including electricity and to deal with all persons including companies, Government, semi govt. bodies for these purpose, and to deal with all places including cities, villages, towns. Districts and all places of business and to carry out all necessary activities for the aforesaid purposes.

(41) To carry out business of electrical, electrical engineers, manufacturer, trading, import, export of all kinds of electrical machineries and electrical apparatus for any purpose whatsoever and to manufacture, sell, supply, lay down. establish, fix carry out and deal in accumulates, lamps, cables, wires, line, pots, engines, dynamos of any kind and accessories thereof and manufactures of and dealers in scientific instruments of any kind.

(42) To design, develop, fabricate, manufacture, assemble, export, import, buy, sell or otherwise deal in and to act as consultants, or render services in connection with all kinds of telecommunication equipments including terminal equipments, exchange equipments, Electronic private automatic branch exchange, rural automatic exchange, telephone/ mobile instrument, switching exchanges power line protective relay systems wave traps, measuring and testing equipment, power line carriers, communication equipment systems, satellite communication system. Digital telemetering control systems and all components, accessories, spare parts, kits and sub assemblies in respect thereof.

(43) To carry on business of developing, maintaining and operating of providing telecommunication services whether basic or cellular including radio paging, domestic satellite service or net work of trunking and electronic data interchange service, the telecommunication services be provided either by satellite owner and operated by an Indian enterprise or a foreign enterprise.

IV. The liability of members is limited and this liability is limited to the amount unpaid, if any, on the shares held by them.

V. The Authorised Share Capital of the Company is Rs. 45,00,00,000/- (Rupees Forty Five Crore Only) divided into 450000000 (Forty Five Crore) Equity Shares of Rs. 1/- (Rupees One Only) each.

We, the several persons whose names and addresses are subscribed hereto are desirous of being formed into a Company in pursuance of this Memorandum of Association and we respectively agree to take the number of Shares in the Capital of the Company set opposite to our respective names.

Names, Descriptions, Addresses, Occupations and Signatures of the Subscribers	No, of Equity Shares taken by each Subscriber	Name, Description, Address, Occupation and Signature of Witness
1 **Vijay Kumar Durgaprasad Gupta** Son of Durgaprasad Gupta 8, Pratima Society, Nr. Dada Saheb Pagla, Navrangpura, Ahmedabad-380 009 Occupation : Business Sd/-	10 (Ten)	Common witness to all subscribers **Kaushik C. Khona** Son of Chandrahas Ratansey Khona 101-B, Himali Apartment, 8-B, Chandranagar Society, Narayannagar Road, Ahmedabad-380 007 Occupation : Chartered Accountant FCA, M No. 42239 Sd/-
2 **Manish Vijay Kumar Gupta** Son of Vijay Kumar Gupta 8, Pratima Society, Nr. Dada Saheb Pagla, Navrangpura, Ahmedabad-380 009 Occupation : Business Sd/-	10 (Ten)	
3 **Smt. Slochanaben Vijay Kumar Gupta** Wife of Vijay Kumar Gupta 8, Pratima Society, Nr. Dada Saheb Pagla, Navrangpura, Ahmedabad-380 009 Occupation : Business Sd/-	10 (Ten)	
4 **Shilpa Manish Gupta** Wife of Manish Gupta 8, Pratima Society, Nr. Dada Saheb Pagla, Navrangpura, Ahmedabad-380 009 Occupation : Business Sd/-	10 (Ten)	
5 **Jagdish A. Patel** Son of Amidhar Prasad Patel B/73, Neminath Krupa Society, Memnagar, Ahmedabad-380 052 Occupation : Service Sd/-	10 (Ten)	
6 **Dilip K. Darbar** Son of Kacharaji Darbar 2/4, Krishna Nagar Society, Nava Wadaj, Ahmedabad-380 013 Occupation : Service Sd/-	10 (Ten)	
7 **Girish L. Solanki** Son of Lavjibhai Solanki 20, Bhaleshwar Society, Jivraj Park, Ahmedabad-380 051 Occupation : Service Sd/-	10 (Ten)	
Total	70 (Seventy)	

Place : Mumbai

Dated : 18-04-2000

THE COMPANIES ACT, 2013

(COMPANY LIMITED BY SHARES)

ARTICLES OF ASSOCIATION

OF

NILA SPACES LIMITED

PRELIMINERY

1. Subject as hereinafter provided the Regulations contained in Table 'F' in the Schedule I to the Companies Act, 2013 shall apply to the Company.

INTERPRETATION

I. (1) In these regulations—

(a) “Company" means **NILA SPACES LIMITED.**

(b) "Office" means the Registered Office of the Company.

(c) “The Act” means the Companies Act, 2013,

(d) “The seal” means the common seal of the company.

(e) "Directors" means the Directors of the Company and includes persons occupying the position of the Directors by whether names called.

II. Unless the context otherwise requires, words or expressions contained in these Regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

SHARE CAPITAL AND VARIATION OF RIGHTS

II. 1. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

2. (*i*) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,—

(a) One certificate for all his shares without payment of any charges; or
(b) Several certificates, each for one or more of his shares, upon payment of Twenty rupees for each certificate after the first.
(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

(iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

3. (*i*) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(*ii*) The provisions of Articles (*2*) and (*3*) shall *mutatis mutandis* apply to debentures of the company.

4. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to he entirety thereof in the registered holder.

5. (*i*) The company may exercise the powers of paying commissions conferred by sub-section (*6*) of section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.

(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

6. (*i*) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(*ii*) To every such separate meeting, the provisions of these regulations relating to General meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

LIEN

9. (*i*) The company shall have a first and paramount lien—

(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

(ii) The company's lien, if any, on a share shall extend to all dividends payable and Bonuses declared from time to time in respect of such shares.

10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made —

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

11. (*i*) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii)The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

12. (*i*) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(*ii*) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES

13. (*i*) The Board may, from time to time, make calls upon the members in respect of any Monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times.

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board.

14. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.

15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

16. (*i*) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. Per annum or at such lower rate, if any, as the Board may determine.

(*ii*) The Board shall be at liberty to waive payment of any such interest wholly or in part.

17. (*i*) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(*ii*) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

18. The Board—

(a) May, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) Upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance.

TRANSFER OF SHARES

19. (*i*) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

(*ii*) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

20. The Board may, subject to the right of appeal conferred by section 58 decline to register—

(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

(b) any transfer of shares on which the company has a lien.

21. The Board may decline to recognise any instrument of transfer unless—

(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;

(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(c) the instrument of transfer is in respect of only one class of shares.

22. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

TRANSMISSION OF SHARES

23. (*i*) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.

(*ii*) Nothing in clause (*i*) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

24. (*i*) Any person becoming entitled to a share in consequence of the death or Insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

25.(*i*) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company.

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

27. In case of a One Person Company—

(i) on the death of the sole member, the person nominated by such member shall be the person recognised by the company as having title to all the shares of the member;

(ii) the nominee on becoming entitled to such shares in case of the member's death shall be informed of such event by the Board of the company;

(iii) such nominee shall be entitled to the same dividends and other rights and liabilities to which such sole member of the company was entitled or liable;

(iv) on becoming member, such nominee shall nominate any other person with the prior written consent of such person who, shall in the event of the death of the member, become the member of the company.

FORFEITURE OF SHARES

28. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

29. The notice aforesaid shall—

(a) Name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) State that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

30. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

31. (*i*) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(*ii*) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

32. (*i*) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

(*ii*) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

33. (*i*) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(iii) The transferee shall thereupon be registered as the holder of the share; and

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

34. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

ALTERATION OF CAPITAL

35. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

36. Subject to the provisions of section 61, the company may, by ordinary resolution,—

(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

(d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

37. Where shares are converted into stock,—

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit.

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

38. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—
(a) its share capital;
(b) any capital redemption reserve account; or
(c) any share premium account.

CAPITALIZATION OF PROFITS

39. (*i*) The company in general meeting may, upon the recommendation of the Board, Resolve -

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (*ii*) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (*iii*), either in or towards -

(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(C) partly in the way specified in sub-clause (*A*) and partly in that specified in sub-clause (*B*);

(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

40. (*i*) Whenever such a resolution as aforesaid shall have been passed, the Board shall—
(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power—
(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

BUY-BACK OF SHARES

41. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

GENERAL MEETINGS

42. All general meetings other than annual general meeting shall be called extraordinary general meeting.

43. (*i*) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(*ii*) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

PROCEEDINGS AT GENERAL MEETINGS

44. (*i*) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(*ii*) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

45. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

46. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

47. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

48. In case of a One Person Company—

(i) the resolution required to be passed at the general meetings of the company shall be deemed to have been passed if the resolution is agreed upon by the sole member and communicated to the company and entered in the minutes book maintained under section 118;

(ii) such minutes book shall be signed and dated by the member;

(iii) the resolution shall become effective from the date of signing such minutes by the sole member.

ADJOURNMENT OF MEETING

49. (*i*) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

VOTING RIGHTS

50. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—

(a) on a show of hands, every member present in person shall have one vote; And

(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

51. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

52. (*i*) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(*ii*) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

53. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

54. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

55. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

56. (*i*) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(*ii*) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

PROXY

57. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

58. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

59. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

BOARD OF DIRECTORS

60. The following shall be the First Directors of the Company.

1. Mr. Vijay Kumar Durgaprasad Gupta
2. Mrs. Sulochanaben Vijay Kumar Gupta
3. Mr. Manish Vijay Kumar Gupta

61. (*i*) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them-

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

(b) in connection with the business of the company.

62. The Board may pay all expenses incurred in getting up and registering the company.

63. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may thinks fit respecting the keeping of any such register.

64. All cheques, promissory notes, drafts, *hundis,* bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

65. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

66. (*i*) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

(*ii*) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

PROCEEDINGS OF THE BOARD

67. (*i*) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(*ii*) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

68. (*i*) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(*ii*) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

69. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

70. (*i*) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

(*ii*) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

71. (*i*) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

(*ii*) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

72. (*i*) A committee may elect a Chairperson of its meetings.

(*ii*) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

73. (*i*) A committee may meet and adjourn as it thinks fit.

(*ii*) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

74. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

75. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

76. In case of a One Person Company –

(i) where the company is having only one director, all the businesses to be transacted at the meeting of the Board shall be entered into minutes book maintained under section 118;

(ii) such minutes book shall be signed and dated by the director;

(iii) the resolution shall become effective from the date of signing such minutes by the director.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

77. Subject to the provisions of the Act, -

(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

78. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

THE SEAL

79. (*i*) The Board shall provide for the safe custody of the seal.

(*ii*) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

DIVIDENDS AND RESERVE

80. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

81. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

82. (*i*) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.

(*ii*) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

83. (*i*) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares

.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

84. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

85. (*i*) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(*ii*) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

86. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

87. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

88. No dividend shall bear interest against the company.

ACCOUNTS

89. (*i*) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

(*ii*) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorized by the Board or by the company in general meeting.

WINDING UP

90. Subject to the provisions of Chapter XX of the Act and rules made thereunder-

(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

91. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

ARTICLES OF ASSOCIATION

We, the several persons whose names and addresses are subscribed hereto are desirous of being formed into a Company in pursuance of these Articles of Association.

Names, Descriptions, Addresses, Occupations and Signatures of the Subscribers	Name, Description, Address, Occupation and Signature of Witness
1. Vijay Kumar Durgaprasad Gupta Son of Durgaprasad Gupta 8, Pratima Society, Nr. Dada Saheb Pagla, Navrangpura, Ahmedabad-380 009 Occupation : Business Sd/-	Common witness to all subscribers Kaushik C. Khona Son of Chandrahas Ratansey Khona 101-B, Himali Apartment, 8-B, Chandranagar Society, Narayannagar Road, Ahmedabad-380 007 Occupation : Chartered Accountant FCA, M.No. 42239 Sd/-
2. Manish Vijay Kumar Gupta Son of Vijay Kumar Gupta 8, Pratima Society, Nr. Dada Saheb Pagla, Navrangpura, Ahmedabad-380 009 Occupation : Business Sd/-	
3. Smt. Sluchanaben Vijay Kumar Gupta Wife of Vijay Kumar Gupta 8, Pratima Society, Nr. Dada Saheb Pagla, Navrangpura, Ahmedabad-380 009 Occupation : Business Sd/-	
4. Shilpa Manish Gupta Wife of Manish Gupta 8, Pratima Society, Nr. Dada Saheb Pagla, Navrangpura, Ahmedabad-380 009 Occupation : Business Sd/-	
5. Jagdish A. Patel Son of Amidhar Prasad Patel B/73, Neminath Krupa Society, Memnagar, Ahmedabad-380 052 Occupation : Service Sd/-	
6. Dilip K. Darbar Son of Kocharaji Darbar 2/4, Krishna Nagar Society, Nava Wadaj, Ahmedabad-380 013 Occupation : Service Sd/-	
7. Girish L. Solanki Son of Lavjibhai Solanki 20, Bhaleshwar Society, Jivraj Park, Ahmedabad-380 051 Occupation : Service Sd/-	

Place : Mumbai

Dated : 18-04-2000

NILA SPACES LIMITED

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at the registered office of our Company on any working day (i.e. Monday to Friday) between 10AM and 2PM for period of seven days from the date of filing of this Information Memorandum with the Stock Exchanges.

Documents for Inspection:

- Memorandum and Articles of Association of our Company, as amended till date.
- Certificate of Incorporation of our Company.
- Audited financial statements of the Company for the year ended March 31, 2018
- Chartered Accountant certified Statement of Tax Benefit dated 28 August 2018.
- The Scheme of Arrangement between Nila Infrastructures Limited and Nila Spaces Limited and their respective shareholders and creditors (‘the Scheme’).
- Certified copy of the order passed by the Hon’ble National Company Law Tribunal, Bench, at Ahmedabad (‘NCLT’) at Gujarat on 9 May 2018, approving the Scheme.
- No adverse observations/no objection letter issued by BSE and NSE dated 19 January 2018 and 19 January 2018, respectively, to Nila Infrastructures.
- Copy of Listing Application filed with NSE and BSE.
- Tripartite Agreement with CDSL, Registrar and Transfer Agent and our Company;
- Tripartite Agreement with NSDL, Registrar and Transfer Agent and our Company.

NILA
SPACES
LIMITED

DECLARATION

All Statements made in this Information Memorandum are true and correct.

For and on behalf of the Board of Directors of Nila Spaces Limited

Name: Mr. Prashant. H. Sarkhedi	Name: Mr. Deep S Vadodaria
Designation: Director	Designation: Director
Place: Ahmedabad	Place: Ahmedabad
Date: 1 October 2018	Date: 1 October 2018