Directors' Report

Dear Members,

The Directors of your Company are pleased to present the Twenty Seventh Annual Report to the Members with the Audited Financial Statements for the Financial Year ended on March 31, 2017.

STATE OF AFFAIRS OF THE COMPANY:

Financial Results:

The performance of the Company for the Financial Year 2016-17 is as under:

(₹ in millions, except per equity share data)

Particulars	Standalone for the year ended		Consolidated for the year ended	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Revenue from Operations	2,241.9	1,831.1	2,224.5	1,831.1
Add: Other Income	174.4	143.9	181.9	119.4
Total Income	2,416.3	1,975.0	2,406.4	1,950.5
Less: Revenue Expenditure	1,876.6	1,557.0	1,861.3	1,557.7
Depreciation and Amortization	16.2	14.2	17.4	14.2
Finance cost	176.3	145.2	160.3	145.3
Profit Before Tax	**347.2**	**258.6**	**367.4**	**233.3**
Less: Current Tax	120.2	88.9	130.5	89.1
Deferred Tax	(1.4)	(0.7)	(1.4)	(0.7)
Net Profit After Tax	**228.4**	**170.4**	**238.3**	**144.9**
Share of Profit/(Loss) of Associate	**-**	**-**	**(6.4)**	**(4.7)**
Net Profit	**228.4**	**170.4**	**231.9**	**140.2**
Add: Balance Brought Forward from previous Financial Year	681.4	560.0	638.3	546.6
Profit available for appropriation	**909.8**	**730.4**	**870.2**	**686.8**
Less: Reserve due to Consolidation	-	-	(5.7)	0.5
Less: Paid / Proposed Dividend (4)	2.5	40.7	2.5	40.7
Less: Dividend Distribution Tax (4)	0.5	8.3	0.5	8.3
Surplus carried to Balance Sheet	906.8	681.4	872.9	638.3
Security Premium	661.6	567.8	661.6	567.8
General Reserve	52.5	52.5	52.5	52.5
Reserves	**1,620.9**	**1,301.7**	**1,587.0**	**1,258.6**
Share Capital (3)	**393.39**	**370.23**	**393.39**	**370.23**
Earnings per share (EPS) before exceptional item(1)(2)				
Basic	0.58	0.46	0.59	0.38
Diluted	0.58	0.43	0.59	0.36
EPS after exceptional item(1)(2)				
Basic	0.58	0.46	0.59	0.38
Diluted	0.58	0.43	0.59	0.36

Notes:

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

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

(3) The Company has made allotment of 22500000 equity shares, upon conversion of warrants, having face value of ₹ 1 each on June 30, 2016 at a premium of ₹ 4 each to the promoter and promoters group on preferential basis. Further allotment of 242500 equity shares on July 23, 2016 and 424000 equity shares on January 16, 2017 have been made upon exercise of stock options issued to the employees under the ESOP scheme of the Company. Earnings per Share (EPS) has therefore been adjusted and calculated in accordance with Accounting Standard (AS) 20 – Earnings per Share.

(4) For the year, the proposed dividend and dividend distribution tax include the amount of dividend paid on shares issued and allotted after the balance sheet date but before the record date of previous year 2015-16 to the warrant and option holders.

REVIEW OF OPERATIONS:

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

Revenues - Standalone:

Company's Revenue from Operations on a standalone basis increased to ₹ 2,241.9 Million from ₹ 1,831.1 Million in the previous year, at a growth rate of 22.44 %. Out of the total revenue, 85.88% came from Civic Urban Infrastructure i.e. ₹ 1,925.5 Million and remaining from the real estate, leasing and land sale on account of any real estate project not being fructified. The increase in revenue is primarily due to expanded scale of its operations of the Company in civic urban infrastructure activities

Revenues - Consolidated:

Company's Revenue from Operations on a consolidated basis increased to ₹ 2,224.5 Million from ₹ 1,831.1 Million in the previous year, at a growth rate of 21.48 %.

Profits – Standalone:

Your Company's EBIDTA on a standalone basis amounted to ₹ 365.3 Million (16.29% of revenue from operations), as against ₹ 274.1 Million (14.97% of revenue from operations) in the previous year. Project and Operations costs were 79.54 % of revenue from operations for the year ended March 31, 2017 as compared to 81.26% for the year ended March 31, 2016. The profit before tax was ₹ 347.2 Million (14.37% of Total Income), as against ₹ 258.6 Million (13.09% of Total Income) in the previous year. Net profit was ₹ 228.4 Million (9.45% of Total Income), as against ₹ 170.4 Million (8.63% of Total Income) in the previous year.

Profits - Consolidated:

Your Company's EBIDTA on a consolidated basis amounted to ₹ 363.2 Million (16.33 % of revenue from operations), as against ₹ 273.40 (14.93% of revenue from operations) in the previous year. Project and Operations costs were 79.45% of revenue from operations for the year ended March 31, 2017 as compared to 81.22% for the year ended March 31, 2016. The profit before tax was ₹ 367.4 Million (15.27% of Total Income), as against ₹ 233.3 Million (11.96% of Total Income) in the previous year. Net profit was ₹ 231.9 Million (9.64 % of Total Income), as against ₹ 140.2 Million (7.19 % of Total Income) in the previous year.

Liquidity:

Your Company continues to maintain sufficient cash to meet its operations as well as strategic objectives. The Board of Directors believe that liquidity in the Balance Sheet has to balance between earning adequate returns and the need to cover financial and business risks. Liquidity enables your Company to make a rapid shift in direction, if there is a market demand. The Directors believe that the working capital is sufficient to meet the current requirements. As on March 31, 2017, on a standalone basis, the Company had liquid assets of ₹ 1,473.1 Million, as against ₹ 1,427.2 Million at the previous year-end. On a consolidated basis, your Company had liquid assets of ₹ 1,814.9 Million at the current year-end, as against ₹ 1,443.6 Million at the previous year-end. These funds comprise deposits with banks and government. The details are disclosed under the 'non-current and current assets' section in the financial statements in this Annual Report.

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

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

Your Company is undertaking various projects through subsidiaries, associates and joint ventures. As per Section 129 (3) of the Companies Act, 2013, your Directors have pleasure in attaching the consolidated financial statements prepared in accordance with the applicable accounting standards with this report. In terms of proviso to Section 129(3) and Rule 8(1) of the Companies (Accounts) Rules, 2014, statement containing the salient features of the subsidiaries, associates and joint ventures in the prescribed Form AOC 1 is annexed to this report as **"Annexure D"**.

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

DIVIDEND:

The Directors have recommended payment of dividend of ₹ 0.11 per equity share of ₹ 1 each i.e. 11% of paid up capital. The dividend payout shall absorb an amount of ₹ 43.3 Million towards dividend and ₹ 8.8 Million towards dividend distribution tax. The dividend will be paid to the members, whose name appears in the register of members as on September 23, 2017. The aforesaid amount of dividend shall change accordingly upon exercise and conversion of stock options into equity shares by the employees under the ESOP scheme before the record date.

PUBLIC DEPOSITS:

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

INSURANCE:

All the existing properties of the Company are adequately insured.

DIRECTORATE:

Pursuant to Section 152 of the Companies Act, 2013, Shri Dilip D. Patel, (DIN: 01523277) Director of the Company retires by rotation at the ensuing Annual General Meeting of the Company and being eligible offers himself for reappointment. The tenure of Shri Manoj B. Vadodaria as Managing Director comes to an end on February 13, 2018 and therefore the members are requested to reappoint him for further period of 5 (five) years w.e.f June 01, 2017. Your Directors recommend their reappointment.

Necessary resolutions for the reappointment of the aforesaid Directors have been included in the Notice convening the ensuing Annual General Meeting and details of the proposal for reappointment are mentioned in the explanatory statement of the Notice.

During the year under review there is no change in the Board of Directors and Key Managerial Personnel of the Company except Shri Ashok R. Bhandari had resigned from the office of Director on August 10, 2016 due to his busy schedule, pre occupations and not being able to take part in the affairs of the Company. However upon resolution of his busy schedule on completion of assignments and engagements, he was again appointed on the Board on February 08, 2017.

All the Directors have confirmed that they are not disqualified from being appointed as Directors in terms of Section 164 of the Companies Act, 2013. The Company has also received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same has been noted by the Board.

Board Evaluation:

Pursuant to the provisions of the Companies Act, 2013, an annual performance evaluation of the members of the Board of its own individually and working of the various committees of the Board was carried out. The manner in which the performance evaluation was carried out has been explained in the Corporate Governance Report.

Board and Audit Committee Meetings:

During the year under review 5 (Five) Board Meetings and 4 (Four) Audit Committee Meetings were held. The details of the meetings are given in the Corporate Governance Report as a part to the Boards' Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT:

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

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

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

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

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

e) Proper internal financial controls are in place and that the financial controls are adequate and were operating effectively; and

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

ALTERATION OF MEMORANDUM AND ARTICLE OF ASSOCIATION:

During the year under review your Company has amended the main object of the memorandum of association by inserting therein a clause to enable to undertake infrastructure and construction projects of varied nature.

During the year under review a new set of articles of association has been adopted in substitution and to the exclusion of the existing articles of association. The existing articles of association was based on the provisions of the Companies Act, 1956. The new articles of association has been adopted with a view to align the existing articles of association with the provisions of Companies Act, 2013.

SHARE CAPITAL:

During the year under review following changes took place in the share capital of the Company.

a) An allotment of 22500000 equity shares was made on June 30, 2016 to the promoter and promoter group upon conversion of warrants issued on preferential basis at an issue price of ₹ 5/- per share. The post conversion paid up capital of the Company was ₹ 39,27,26,200 comprising of 392726200 equity shares of ₹ 1/- each.

b) Further allotments of 242500 equity shares on July 23, 2016 and 424000 equity shares on January 16, 2017 were made to the employees of the Company upon exercise of stock options at an exercise price of ₹ 6.64/- per share. Presently, post exercise of these stock options, the paid up capital of the Company is ₹ 39,33,92,700 comprising of 393392700 equity shares of ₹ 1/- each.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORT:

The Company has implemented the procedure and adopted practices in conformity with the code of Corporate Governance as enumerated in Schedule V of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015. The management discussion & analysis and corporate governance report are made part of this report. A certificate from the statutory auditors regarding compliance of the conditions of corporate governance is given in annexure, which is attached hereto and forms part of the Directors' report. Disclosure in terms of Schedule V (Part II) (Section II) (B) (iv) (IV) of the Companies Act, 2013 are mentioned in Corporate Governance Report as a part of this report.

STATUTORY AUDITORS AND AUDITORS' REPORT:

In terms of the provisions of Section 139 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules 2014; the term of the present auditor of the Company M/s O P Bhandari & Co. expires at the ensuing annual general meeting and therefore the Board of Directors of your Company have, upon recommendation of audit committee, decided to appoint a new firm of auditor. The Board of Directors have received recommendation from the audit committee for appointing B S R & Associates LLP (FRN: 116231W / W-100024) as the statutory auditors for a period of 5 (five) years subject to them ratifying the said appointment at every annual general meeting.

There is no qualification, reservation or any adverse remark or disclaimer in the audit report of M/s O P Bhandari & Co.

COST AUDIT:

M/s Dalwadi & Associates, Cost Accountant, Ahmedabad (FRN: 000338) has conducted the audit of the cost record of the Company for the Financial Year 2016-17.

SECRETARIAL AUDITOR'S REPORT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Company has reappointed Mr. R S Sharma, Practicing Company Secretary (Membership No 3126), to undertake the Secretarial Audit of the Company. However upon sudden death of Mr. R S Sharma; the Board of Directors has appointed M/s Umesh Ved & Associates, Company Secretaries, Ahmedabad as the secretarial auditor of the Company to conduct secretarial audit for the year 2016-17. The report of the Secretarial Auditor is annexed herewith as **"Annexure F"**. The report of the secretarial auditor is self explanatory and confirming compliance by the Company of all the provisions of applicable corporate laws.

AUDIT COMMITTEE:

The Audit Committee constituted in accordance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, reviewed the financial results and financial statements, audit process, internal control system, scope of internal audit and compliance of related regulations as prescribed. The Composition and terms of reference of the audit committee is more specifically given in the Corporate Governance Report as a part of the Boards' Report.

VIGIL MECHANISAM (WHISTLE BLOWER POLICY):

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

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

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

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING:

In terms of Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted Code of Conduct prohibiting, regulating and monitoring the dealings in the securities of the Company by Directors, Designated Employees and Connected Persons while in possession of unpublished price sensitive information in relation to the securities of the Company. The code of conduct is available at the Company's website at www.nilainfra.com under investor segment.

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

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

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

There is no change in subsidiary, associate and joint ventures during the year under review except the Company has, upon completion of the projects and business arrangements, terminated the Limited Liability Partnership Agreements of Shree Matangi Projects LLP.

Your Company has incorporated a wholly owned subsidiary namely "Nila Terminals (Amreli) Pvt. Ltd., by subscribing for 10000 equity shares of ₹ 10/- each. Your Company has also subscribed for another Company namely "Vyapnila Terminals (Modasa) Pvt. Ltd. for 3400 equity shares of ₹ 10/- each. Certificate of Incorporation of both these companies have been issued by the Ministry of Corporate Affairs on April 11, 2017 and on April 28, 2017 respectively. Both these Companies are incorporated in term of the requirement of tenders awarded by Gujarat State Road Transport Corporation.

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

As regards investments by the Company, the details of the same are provided under Note No. 12 forming part of the financial statements of the Company for the financial year 2016-17. Details of loans given to other persons covered under Section 186 of the Companies Act, 2013 are given in the Note No. 28 relating to related parties to the financial statements.

RELATED PARTY TRANSACTIONS:

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

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

INTERNAL FINANCIAL CONTROL:

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

CORPORATE SOCIAL RESPONSIBILITY (CSR):

In terms of the provisions of Section 135 of the Companies Act, 2013, your Company has constituted CSR Committee comprising of Shri Shyamal S. Joshi – Chairman, Shri Kiran B. Vadodaria and Shri Manoj B. Vadodaria as the other members. As a part of CSR, the Company has spent funds for the projects involving promotion of sanitation and preventive healthcare. As a part of Clean India Campaign, your Company is undertaking a project namely "My Own Street" to spread awareness of environmental protection and cleanliness by encouraging people to participate and make habit to keep the society clean.

The Annual Report on CSR activities for the Financial Year 2016-17 is annexed herewith as **"Annexure A".**

NOMINATION AND REMUNERATION COMMITTEE:

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

MATERIAL CHANGES:

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

EMPLOYEES:

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

EMPLOYEE STOCK OPTION SCHEME:

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

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

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

EXTRACT OF THE ANNUAL RETURN:

The extract of annual return in the prescribed form MGT-9 for the Financial Year March 31, 2017 is attached with the Directors' Report as **"Annexure C"**.

APPRECIATIONS AND ACKNOWLEDGMENTS:

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

TRIBUTE TO SHRI R. S. SHARMA, SECRETARIAL AUDITOR:

Shri R.S.Sharma, Secretarial Auditor of the Company passed away on February 18, 2017. Shri R.S.Sharma was considered as doyer of corporate laws, promoter of corporate governance and a strict observer of professional ethics. Your Directors pray almighty to rest his truly blessed soul in eternal peace.

We dedicate this year's theme of Annual Report to Late Shri R.S.Sharma who inspired the corporate to uplift their compliances, upgrade their corporate governance practices and upsize the business ethics.

For and on behalf of the
Board of Directors

Manoj B. Vadodaria
Chairman & Managing Director
DIN: 00092053

Date: May 26, 2017
Place: Ahmedabad

NILA INFRASTRUCTURES LIMITED

ANNEXURE A

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

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

   Brief Outline of the CSR Policy is stated herein below:

   CSR Policy

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

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

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

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

   a) Establishment and/or management of infrastructure ensuring cleanliness, waste removal, and sanitation.
   b) Establish and manage medical healthcare units and allied infrastructure.
   c) Providing financial and/or other assistance to the agencies involved exclusive in waste management, sanitation, medical healthcare, therapeutic clinics, research, public health, nursing etc.
   d) Activities concerning or promoting:
      i. General health care including preventive health care
      ii. Safe motherhood
      iii. Child survival support programs
      iv. Health / medical camps
      v. Better hygiene and sanitation
      vi. Adequate and potable water supply, etc.

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

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

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

2. Composition of the CSR Committee:

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

3. Average Net Profit of the Company for last three financial years: ₹ 212.71 Million.
4. Prescribed CSR Expenditure (2% of the amount as mentioned herein above in Sr. No. 3) : ₹ 4.25 Million.
5. Details of CSR spent during the financial year:
   (a) Total Amount spent during the financial year: ₹ 4.45 Million
   (b) Amount unspent, if any: NA
   (c) Manner in which the amount spent during the financial year is detailed below:

1	2	3	4	5	6	7	8
SN	CSR Projects or activities identified	Sector in which the project is covered	Projects or programs (1) Local Areas or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure upto the reporting period	Amount spent : Direct or through implementing agency
1	Promotion of Sanitation & Preventive Health Care	Promoting preventive healthcare and sanitation	Ahmedabad, Gujarat	₹ 4.30 Million	₹ 4.45 Million	₹ 4.45 Million	Direct by the Company
	Total			**₹ 4.30 Million**	**₹ 4.45 Million**	**₹ 4.45 Million**	

6. Details of the implementing agency: Not Applicable
7. Reasons for not spending the prescribed amount during the year: Not Applicable
8. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company.

   The implementation and monitoring of Corporate Social Responsibility (CSR) Policy is in compliance with CSR objectives and policy of the Company.

Manoj B. Vadodaria
Managing Director

Shyamal S. Joshi
Chairman of the CSR Committee

UPLIFT UPGRADE UPSIZE

ANNEXURE B

DISCLOSURE PURSUANT TO THE PROVISIONS OF SEBI (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014

	Particulars	Details
A	Options Granted	During the year under review, the Company has not granted any stock option under the scheme.
B	The Pricing Formula	Not Applicable as there is no grant during the year. Earlier grants have been made at the latest available closing price at the stock exchange where highest trading volume was recorded.
C	Options Vested during the year	1292000
D	Total number of vested options as on March 31, 2017	1878500
E	Options Exercised	666500
F	The Total number of shares arising as a result of exercise of option	666500
G	Options Lapsed on account of non exercise	NIL
H	Variation of terms of Options	Not Applicable
I	Money realized by Exercise of Options during the year	₹ 44,25,560/- (Rupees Forty Four Lac Twenty Five Thousand Five Hundred and Sixty Only)
J	Total Number of Options in force	12913500
K	Employee wise details of Options Granted to:	
i)	Key Managerial Personnel	
a)	Prashant H. Sarkhedi, Chief Finance Officer	500000
b)	Dipen Y. Parikh, Company Secretary	350000
ii)	any other employee who receives a Grant in any one year of Option amounting to 5% or more of Option Granted during that year	NA
iii)	Identified employees who were Granted Option, during any one year, equal to or exceeding 1% of the Issued Capital (excluding Outstanding Warrants and Conversions) of the Company at the time of Grant	NA
L	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of Options, calculated in accordance with Accounting Standard (AS) 20 'Earnings Per Share'	0.58
M	Disclosure of difference between the employee compensation cost using intrinsic value of stock option instead of fair value of the options and the impact of difference on profits and on EPS of the Company.	a) Difference in Compensation Cost ₹ 49,88,600/- b) Difference in Profit ₹ 49,88,600/- c) Difference in EPS is 0.01
N	Weighted average exercise price of Options whose (a) Exercise price equals market price; (b) Exercise price is greater than market price (c) Exercise price is less than market price	 ₹ 6.64/- & ₹ 11.85/- No such Grant No such Grant
	Weighted average Fair Value of Options whose (a) Exercise price equals market price; (b) Exercise price is greater than market price (c) Exercise price is less than market price	 No such Grant No such Grant No such Grant
O	A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted-average information:	
(a)	**In Tranche I:** The Company had calculated fair value of options for options granted on November 28, 2014 using the Black Scholes Method as option-pricing model.	

	(i) risk-free interest rate	6.50%
	(ii) expected life	1095 days
	(iii) expected volatility	42.60%
	(iv) expected dividends, and	10%
	(v) the price of the underlying share in market at the time of option grant	₹ 6.64
(b)	**In Tranche II:** The Company had calculated fair value of options for options granted on February 15, 2016 using the Black Scholes Method as option-pricing model.	
	(i) risk-free interest rate	6.50%
	(ii) expected life	1095 days
	(iii) expected volatility	42.60%
	(iv) expected dividends, and	10%
	(v) the price of the underlying share in market at the time of option grant	₹ 11.85

Note:

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

2) Total number of options in force have been calculated by deducting options exercised from total options granted.

3) Intrinsic Value Method has been used to account for the employee share based payment plan. The intrinsic value of each stock option granted under the scheme is 'NIL' since the market price of the underlying share at the grant date was the same as the exercise price and consequently the accounting value of the option is 'NIL'.

ANNEXURE C

FORM NO MGT 9: EXTRACT OF ANNUAL RETURN
(As on financial year ended on March 31, 2017)

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

I. REGISTRATION & OTHER DETAILS:

CIN	L45201GJ1990PLC013417
Registration Date	February 26, 1990
Name of the Company	Nila Infrastructures Limited
Category/Sub-category of the Company	Public Limited Listed Company
Address of the Registered office & contact details	First Floor, Sambhaav House Opp. Chief Justice's Bungalow, Bodakdev, Ahmedabad – 380015 Tel. +91 79 4003 6817/18 Fax: +91 79 3012 6371; Email: secretarial@nilainfra.com Website: www.nilainfra.com
Whether listed company	Yes
Name, Address & Contact details of the Registrar & Transfer Agent, if any.	M/s MCS Share Transfer Agent Ltd. 201, Third Floor, Shatdal Complex, Opp: Bata Show Room Ashram Road, Ahmedabad-380009 Tel no. (079) 26582878; Fax no. (079) 26581296 Email: mcsahmd@gmail.com.

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

S.No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Construction and Construction Services	99531	91.04%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

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

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

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

A) Category-wise Share Holding

SN	Category	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	**Promoter s**									
(1)	**Indian**									
a)	Individual/ HUF	221325187	0.00	221325187	59.78	243825187	0.00	243825187	61.98	2.20
b)	Central Govt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c)	State Govt(s)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d)	Bodies Corp.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e)	Banks / FI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f)	Any other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Sub-Total (A.1)	**221325187**	**0.00**	**221325187**	**59.78**	**243825187**	**0.00**	**243825187**	**61.98**	**2.20**
(1)	**Foreign**									
a)	Individual (NRI / Foreign Individuals)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b)	Goverment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c)	Institutions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d)	Foreign Portfolio Investor	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e)	Any other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Sub-Total (A.2)	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
	Total (A)=(A.1) + (A.2)	**221325187**	**0.00**	**221325187**	**59.78**	**243825187**	**0.00**	**243825187**	**61.98**	**2.20**
B.	**Public Shareholding**									
1.	**Institutions**									
a)	Mutual Funds	0.00	0.00	0.00	0.00	1316	0.00	1316	0.00	0.00
b)	Banks / FI	9430	0.00	9430	0.00	1879971	0.00	1879971	0.48	0.48
c)	Central Govt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d)	State Govt(s)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

NILA INFRASTRUCTURES LIMITED

SN	Category	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
e)	Venture Capital Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f)	Insurance Companies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
g)	FIIs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
h)	Foreign Venture Capital Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
i)	Others (specify)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Sub-total (B.1)	**9430**	**0.00**	**9430**	**0.00**	**1881287**	**0.00**	**1881287**	**0.48**	**0.48**
2.	**Non-Institutions**									
a)	Bodies Corp.									
i)	Indian	8233059	582000	8815059	2.38	39139012	561000	39700012	10.09	7.71
ii)	Overseas	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b)	Individuals									
i)	Individual shareholders holding nominal share capital upto ₹ 1 lakh	33020801	11832702	44853503	12.11	31464937	11357702	42822639	10.88	(1.23)
ii)	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	57768327	2501000	60269327	16.28	37933815	966000	38899815	9.88	(6.40)
c)	Others Hindu Undivided Families	13501109	179000	13680109	3.70	5560068	0.00	5560068	1.41	(2.29)
d)	Non Resident Indians	21085585	188000	21273585	5.75	20515692	188000	20703692	5.26	(0.49)
e)	Overseas Corporate Bodies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f)	Foreign Nationals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
g)	Clearing Members	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
h)	Trusts	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
i)	Foreign Bodies - D R	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Sub-total (B.2)	**133608881**	**15282702**	**148891583**	**40.22**	**134613524**	**13072702**	**147686226**	**37.53**	**(2.69)**
	Total Public Shareholding (B)=(B.1)+ (B.2)	**133618311**	**15282702**	**148901013**	**40.22**	**136494811**	**13072702**	**149567513**	**38.02**	**(2.20)**
C.	**Shares held by Custodian for GDRs & ADRs**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
	Grand Total (A+B+C)	**3549434398**	**15282702**	**370226200**	**100.00**	**380319998**	**13072702**	**393392700**	**100.00**	**0.00**

UPLIFT UPGRADE UPSIZE

B) Shareholding of Promoter:

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year of the year			% Change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Manoj B. Vadodaria	44154712	11.93	0.00	53154712	13.51	0.00	1.58
2	Nila M. Vadodaria	43955267	11.87	0.00	43955267	11.17	0.00	(0.70)
3	Alpa K. Vadodaria	36800000	9.94	0.00	36800000	9.35	0.00	(0.59)
4	Kiran B. Vadodaria	31858100	8.61	0.00	38608100	9.82	0.00	1.20
5	Deep S. Vadodaria	25002108	6.75	0.00	31752108	8.07	0.00	1.32
6	Shailesh B. Vadodaria	12960000	3.50	0.00	12960000	3.29	0.00	(0.21)
7	Mina S. Vadodaria	8695000	2.35	0.00	8695000	2.21	0.00	(0.14)
8	Rajesh B. Vadodaria	5000000	1.35	0.00	5000000	1.27	0.00	(0.08)
9	Chhaya R. Vadodaria	4300000	1.16	0.00	4300000	1.09	0.00	(0.07)
10	Siddharth R. Vadodaria	4300000	1.16	0.00	4300000	1.09	0.00	(0.07)
11	Karan R. Vadodaria	4300000	1.16	0.00	4300000	1.09	0.00	(0.07)
	Total	**221325187**	**59.78**	**0.00**	**243825187**	**61.98**	**0.00**	**2.20**

C) Change in Promoters' Shareholding:

SN	Share holding for each Promoter and person belonging to Promoter Group	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year				
1	Manoj B. Vadodaria				
	April 01, 2016	44154712	11.93		
	June 30, 2016 – Allotment	9000000	2.29	53154712	13.51
	March 31, 2017	53154712	13.51	53154712	13.51
2	Kiran B Vadodaria				
	April 01, 2016	31858100	8.61		
	June 30, 2016 – Allotment	6750000	1.72	38608100	9.82
	March 31, 2017	38608100	9.82	38608100	9.82
3	Deep S. Vadodaria				
	April 01, 2016	25002108	6.75		
	June 30, 2016 – Allotment	6750000	1.72	31752108	8.07
	March 31, 2017	31752108	8.07	31752108	8.07
4	Nila M Vadodaria				
	April 01, 2016	43955267	11.87		
	March 31, 2017	43955267	11.17	43955267	11.17

SN	Share holding for each Promoter and person belonging to Promoter Group	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
5	Alpa K. Vadodaria				
	April 01, 2016	36800000	9.94		
	March 31, 2017	36800000	9.35	36800000	9.35
6	Shailesh B. Vadodaria				
	April 01, 2016	12960000	3.50		
	March 31, 2017	12960000	3.29	12960000	3.29
7	Mina S. Vadodaria				
	April 01, 2016	8695000	2.35		
	March 31, 2017	8695000	2.21	8695000	2.21
8	Rajesh B. Vadodaria				
	April 01, 2016	5000000	1.35		
	March 31, 2017	5000000	1.27	5000000	1.27
9	Chhayaben R. Vadodaria				
	April 01, 2016	4300000	1.16		
	March 31, 2017	4300000	1.09	4300000	1.09
10	Siddharth R. Vadodaria				
	April 01, 2016	4300000	1.16		
	March 31, 2017	4300000	1.09	4300000	1.09
11	Karan R. Vadodaria				
	April 01, 2016	4300000	1.16		
	March 31, 2017	4300000	1.09	4300000	1.09

D) Shareholding Pattern of top ten Shareholders:

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

SN	Share holding for Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Shobha I. Desai				
	April 01, 2016	20096436	5.11		
	March 31, 2017 – Sale	(1000000)	(0.25)	19096436	4.85
	March 31, 2017	19096436	4.85	19096436	4.85
2	Rajnibhai J. Desai				
	April 01, 2016	10000000	2.54		
	March 31, 2017	10000000	2.54	10000000	2.54
3	Hemangi B. Shah				
	April 01, 2016	6000000	1.53		
	March 17, 2017 – Sale	(3200000)	(0.81)	2800000	0.71
	March 24, 2017 - Sale	(2791814)	(0.71)	8184	0.002
	March 31, 2017	8184	0.002	8184	0.002

SN	Share holding for Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
4	Patel Amit Kiritbhai (HUF)				
	April 01, 2016	5000000	1.27		
	January 20, 2017 – Sale	(860000)	(0.22)	4140000	1.05
	January 27, 2017 – Sale	(1400000)	(0.36)	2740000	0.70
	February 03, 2017 – Sale	(125000)	0.03)	2615000	0.66
	February 10, 2017 – Sale	(1100000)	(0.28)	1515000	0.39
	March 03, 2017 – Sale	(415000)	(0.11)	1100000	0.28
	March 10, 2017 – Sale	(200000)	(0.05)	900000	0.23
	March 24, 2017 – Sale	(800000)	(0.20)	100000	0.03
	March 31, 2017 – Sale	(100000)	(0.03)	0.00	0.00
	March 31, 2017	0.00	0.00	0.00	0.00
5	Rajeshbhai J. Desai				
	April 01, 2016	5000000	1.27		
	March 31, 2017	5000000	1.27	5000000	1.27
6	Rameshbhai J. Desai				
	April 01, 2016	5000000	1.27		
	March 31, 2017	5000000	1.27	5000000	1.27
7	Jigna S. Mehta				
	April 01, 2016	2000000	0.51		
	March 31, 2017	2000000	0.51	2000000	0.51
8	Hetal D. Mehta				
	April 01, 2016	2000000	0.51		
	March 31, 2017 – Sale	(1900000)	(0.48)	100000	0.03
	March 31, 2017	100000	(0.03)	100000	0.03
9	Veena B. Mehta				
	April 01, 2016	2000000	0.51		
	March 10, 2017 – Sale	(900000)	(0.23)	1100000	0.28
	March 31, 2017 – Sale	(1100000)	(0.28)	0.00	0.00
	March 31, 2017	0.00	0.00	0.00	0.00
10	Kavita V. Mehta				
	April 01, 2016	2000000	0.51		
	March 31, 2017	(1900000)	(0.48)	100000	0.03
	March 31, 2017	100000	0.03	100000	0.03
11	Vipul Y. Mehta				
	April 01, 2016	2000000	0.51		
	March 31, 2017	(2000000)	(0.51)		
	March 31, 2017	0.00	0.00	0.00	0.00
12	Bela H. Shah				
	April 01, 2016	2000000	0.51		
	March 10, 2017 – Sale	(2000000)	(0.51)	0.00	
	March 31, 2017	0.00		0.00	0.00

E) Shareholding of Directors and Key Managerial Personnel:

SN	Share holding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year				
1	Manoj B. Vadodaria				
	April 01, 2016	44154712	11.93		
	June 30, 2016 – Allotment	9000000	2.29	53154712	13.51
	March 31, 2017	53154712	13.51	53154712	13.51
2	Kiran B. Vadodaria				
	April 01, 2016	31858100	8.61		
	June 30, 2016 – Allotment	6750000	1.72	38608100	9.82
	March 31, 2017	38608100	9.82	38608100	9.82
3	Dilip D. Patel	Nil	0.00	Nil	0.00
4	Shyamal S. Joshi	Nil	0.00	Nil	0.00
5	Hiren G. Pandit	Nil	0.00	Nil	0.00
6	Ashok R. Bhandari	Nil	0.00	Nil	0.00
7	H. P. Jamdar	Nil	0.00	Nil	0.00
8	Foram Y. Mehta	Nil	0.00	Nil	0.00
9	Dipen Y. Parikh				
	April 01, 2016	Nil	0.00	Nil	0.00
	July 23, 2016 – Allotment ESOP	52500	0.01	52500	0.01
	January 16, 2017 - Allotment ESOP	70000	0.01	122500	0.02
	March 31, 2017	122500	0.02	122500	0.02
10	Prashant H. Sarkhedi				
	April 01, 2016	Nil	0.00	Nil	0.00
	July 23, 2016– Allotment ESOP	75000	0.01	75000	0.01
	January 16, 2017 - Allotment ESOP	50000	0.01	50000	0.01
	March 31, 2017	125000	0.02	125000	0.02

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

(Amount in ₹)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
At the beginning of the year				
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,077,480,767	471,900,000	-	1,549,380,767
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1,820,051	3,486,000	-	5,306,051
Total (i+ii+iii)	**1,079,300,818**	**475,386,000**	**-**	**1,554,686,818**
Change in Indebtedness during the financial year				
* Addition	304,238,780	-	-	304,238,780
* Reduction	283,543,694	112,560,826	-	396,104,520
Net Change	**20, 695,087**	**(112,560,826)**	**-**	**(91,865,739)**
Indebtedness at the end of the financial year				
i) Principal Amount	1,098,175,854	359,339,174	-	1,457,515,028
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	917,201	2,773,386	-	3,690,587
Total (i+ii+iii)	**1,099,093,055**	**362,112,560**	**-**	**1,461,205,615**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

(Amount in ₹)

SN	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Manoj B. Vadodaria	Kiran B. Vadodaria	
1	Gross salary (per annum)	24,00,000	12,00,000	36,00,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission			
	- as % of profit	Nil	Nil	Nil
	- other	Nil	Nil	Nil
5	Others	Nil	Nil	Nil
	Total (A)	**24,00,000**	**12,00,000**	**36,00,000**
	Ceiling as per Schedule V of the Companies Act, 2013	12,000,000	12,000,000	24,000,000

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

B. Remuneration to other Directors

(Amount in ₹)

SN	Particulars of Remuneration	Name of Directors						Total
		Other NED*	Independent Directors					
		Dilip D. Patel	Hiren Pandit	Shyamal Joshi	Ashok Bhandari	H P Jamdar	Foram Mehta	
1	Fee for attending board, committee meetings	Nil	Nil	20,000	Nil	5,000	20,000	45,000
2	Commission	Nil	Nil	Nil	Nil	Nil	Nil	Nil
3	Others – For attending meeting of Independent Directors	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total Managerial Remuneration	Nil	Nil	20,000	Nil	5,000	20,000	45,000
	Overall Ceiling as per the Act	₹ 1 Lac per meeting per Director as per Rule 4 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014						

* NED = Non Executive Director

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

(Amount in ₹)

SN	Particulars of Remuneration	Key Managerial Personnel		
		*CS	**CFO	Total
1	Gross salary per annum			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	649,500	2,316,800	2,966,300
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil
2	Stock Option – Value of Perquisites	695,100	682,500	1,377,600
3	Sweat Equity	Nil	Nil	Nil
4	Commission as % of Profit/ Others	Nil	Nil	Nil
5	Others	Nil	43,200	43,200
	Total	**1,344,600**	**3,042,500**	**4,387,100**

*CS= Company Secretary ** CFO = Chief Finance Officer
Note: The gross salary also includes the amount of payment of pending arrears of earlier year.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

(Amount in ₹)

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

ANNEXURE D

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

Form AOC-1: Pursuant to Section 129(3) of the Companies Act, 2013 (Disclosure in respect of Subsidiaries, Joint Ventures and Associate)

a) Statement containing salient features of the financial statements of subsidiary company: There is no subsidiary company in existence as on March 31, 2017 as per section 2(87) of Companies Act, 2013

b) Statement containing salient features of the financial statements of associate companies and joint ventures

(Amount in ₹)

SN	Name of Associate Companies	Megacity Cinemall Pvt. Ltd.	Romanovia Industrial Park Pvt Ltd.	Sarathi Industrial Park Pvt Ltd.
	Latest audited Balance Sheet Date	March 31, 2017	March 31, 2017	March 31, 2017
1.	Shares of associates and Joint Ventures held by company on the year end			
	i. Number of Shares	233750	5000	5000
	ii. Amount of Investment	22,206,250	50,000	50,000
	iii. Extend of Holding %	42.50%	50.00%	50.00%
2.	Description of how there is significant influence	By holding more than 20% of voting power	By holding more than 20% of voting power	By holding more than 20% of voting power
3.	Reason why the associate / joint venture is not consolidated		Not Applicable	
4.	Networth attributable to shareholding as per latest audited balance sheet	(15,538,831)	1,717,782	50,000
5.	Profit/(Loss) for the year	(15,631,848)	3,118,026	-
	i. Considered in consolidation	(6,643,535)	255,951	Not Applicable
	ii. Not considered in consolidation	Not Applicable	Not Applicable	Not Applicable

(Amount in ₹)

SN	Name of Joint Ventures	Kent Residential and Industrial Park LLP	Nilsan Realty LLP	Shree Matangi Projects LLP	Nila Projects LLP	Fangdi Land Developers LLP
	Latest audited Balance Sheet Date	March 31, 2017	March 31, 2017	March 31, 2017	March 31, 2017	March 31, 2017
1.	Shares of associates and Joint Ventures held by company on the year end					
	i. Number of Shares	N.A	N.A	N.A	N.A	N.A
	ii. Amount of Investment	1,408,472	15,180,893	-	197,772,633	510,000
	iii. Extend of Holding %	50.00%	50.00%	40.00%	99.97%	51%
2.	Description of how there is significant influence	By contractual agreement	By contractual agreement	By contractual agreement	By contractual agreement	By contractual agreement
3.	Reason why the associate / joint venture is not consolidated	N.A	N.A	N.A	N.A	N.A
4.	Net Worth attributable to shareholding as per latest audited balance sheet	1,408,472	15,180,893	-	2,776,556	(106,339)
5.	Profit/(Loss) for the year	902,238	81,097,079	-	3,017,245	(16,658)
	i Considered in consolidation	451,119	13,375,824*	-	3,017,245	(16,658)
	ii Not considered in consolidation	451,119	67,721,255	-	-	-

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

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

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

O. P. Bhandari
Partner
Membership No. : 34409

Manoj B. Vadodaria
Managing Director
DIN : 00092053

Kiran B. Vadodaria
Joint Managing Director
DIN : 00092067

Place : Ahmedabad
Date : May 26, 2017

Prashant H. Sarkhedi
Chief Finance Officer

Dipen Y. Parikh
Company Secretary

NILA INFRASTRUCTURES LIMITED

ANNEXURE E:

REMUNERATION DETAILS

[Pursuant to section 197(12) of the Companies Act, 2013 and rule No. 5 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

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

   The median remuneration of the employees of the Company as on March 31, 2107 is ₹ 233,100 per annum and the ratio of remuneration of each Director to this median remuneration is as under.

Name of the Director	Ratio of each Director to the median remuneration of the employee
Mr. Manoj B. Vadodaria	10.30 : 1
Mr. Kiran B. Vadodaria	5.15:1
Mr. Dilip D. Patel	NA
Mr. Shyamal S. Joshi	NA
Mr. Hiren G Pandit	NA
Mr. H P Jamdar	NA
Mr. Ashok R. Bhandari	NA
Ms. Foram B. Mehta	NA

2. **The percentage increase in remuneration of each Director, Chief Finance Officer and Company Secretary in the financial year 2016-17:**

   There is no percentage increase in remuneration of any Director, Chief Finance Officer and Company Secretary in the financial year 2016-17 as compared to the previous financial year 2015-16. However total amount of remuneration for Chief Finance Officer and Company Secretary has been marginally increased due to release of arrears on account of previous years increment.

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

   The median remuneration of employees was ₹ 230,500 and ₹ 275,000 as on March 31, 2016 and March 31, 2017 respectively. There is increase of 19.30 % in the median remuneration of employees during the year.

4. **The number of permanent employees on the roll of Company:** 76 as on March 31, 2017.

5. **The explanation on the relationship between average increase in remuneration and Company performance:**

   The average increase in remuneration is closely linked to and driven by achievement of annual corporate goals and overall business, financial and operational performance of the Company. The below are key financial parameters which reflects the Company's performance.

Parameters	March 31, 2017 (₹ In Million)	March 31, 2016 (₹ in Million)	Growth %
Profit Before Tax	347.2	258.7	34.21%
Profit After Tax	228.4	170.4	34.04%
EPS (Basic) in ₹	0.58	0.46	28.26%
Market Capitalization at BSE Ltd.	651	463	40%
Return of Equity %	11%	10%	1%

6. **Comparison of the remuneration of the key managerial personnel against the performance of the Company:**

   The total remuneration paid to the Key Managerial Personnel was ₹ 4,890,500 and ₹ 6,787,100 during the year 2015-16 and 2016-17 respectively. During the year 2015-16 and 2016-17 the Company registered Total Income of ₹ 1,975,017,087 and ₹ 2,416,321,368 respectively. The remuneration paid to Key Managerial Personnel amounts to 0.25 % and 0.28% of total income for the year 2015-16 and 2016-17 respectively.

7. **Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year:**

Particulars	March 31, 2017	March 31, 2016	% Change
Share Price (BSE) in ₹	16.55	12.51	32.30%
Market Capitalization - BSE) (₹ in Million)	651.01	462.78	40.67%
Share Price (NSE) in ₹	16.45	12.50	31.60%
Market Capitalization – NSE (₹ in Million)	647.13	462.78	39.83%
Price Earnings Ratio (BSE)	28	29	-
Price Earnings Ratio (NSE)	28	29	-

8. **Percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:**

   The Company came out with the Initial Public Offer of in the year 1995 at an issue price of ₹ 15/- per share having face value of ₹ 10/- per share. Thereafter no public offer has been made by the Company. The market price of the share as on March 31, 2017 was ₹ 16.55 (closing price) on BSE Limited and ₹ 16.45 (closing price) on the National Stock Exchange of India Limited. The share capital of the Company has been subdivided into Re. 1/- per share in the year 2005. The increase in share price since the Company came out with public offer is approximately 1100%. The percentage increase is calculated factoring the subdivision of the share capital.

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

Year	Remuneration paid to Managerial Personnel	Salaries paid to employees other than Managerial Personnel	Average Salary paid to employees other than Managerial Personnel	Percentage increase in average salary paid to employees other than Managerial Personnel
2015-16	₹ 36,00,000	₹ 32,899,453	₹ 411,243	16.64%
2016-17	₹ 36,00,000	₹ 37,716,417	₹ 496,268	20.67%

10. **The key parameters for any variable component of remuneration availed by the Directors:**

    There is no variable component of remuneration availed by the Directors except fixed pay of monthly salary and sitting fees as applicable.

11. **The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year:**

    Mr. Manoj B. Vadodaria – Managing Director is the highest paid Director who received remuneration of ₹ 2.4 Million during the year 2016-17. Mr Anand Patel – President Projects of the Company received ₹ 3.15 Million who is not Director. The ratio of remuneration of Mr. Manoj B. Vadodaria to that of the above employee is 0.76:1.

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

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

ANNEXURE F:

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2017

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

To,
The Members,
Nila Infrastructures Limited
Ist Floor, Sambhaav House,
Opp.Chief Justice's Bungalow,
Bodakdev,
Ahmedabad - 380015

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent , in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 according to the provisions of:

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

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

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

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

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

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992/The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable to the Company during the Audit Period)
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable to the Company during the Audit Period) and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not Applicable to the Company during the Audit Period)

(vi) Transfer of Property Act, 1882;

(vii) Registration Act, 1882;

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

(viii) The Land Acquisition Act, 1894;

(ix) Real Estate Regulation Act, 2017

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

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

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

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

We further report that:

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

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

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

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

We further report that during the audit period the company has done following corporate actions.

(i) Made allotment of 22500000 equity shares to the promoter and promoter group upon conversion of warrants on June 30, 2016.

(ii) Made allotment of 242500 equity shares on July 23, 2016 and 424000 equity shares on January 16, 2017 upon exercise of stock options by several employees pursuant to the Stock Option Scheme of the Company.

(iii) Amended Memorandum of Association by inserting therein a clause in main object pursuant to the special resolution passed through postal ballot notice dated May 26, 2016.

(iv) Amended articles of association by passing special resolution through postal ballot notice dated February 13, 2016.

Date: May 26, 2017
Place: Ahmedabad

Umesh Ved
Umesh Ved & Associates

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

To,
The Members,
Nila Infrastructures Limited

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

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

Date: May 26, 2017
Place: Ahmedabad

Umesh Ved
Umesh Ved & Associates

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