

Limited Review Report

**REVIEW REPORT TO
THE BOARD OF DIRECTORS OF
NITESH ESTATES LIMITED**

We have reviewed the accompanying statement of unaudited standalone Ind AS financial results of **Nitesh Estates Limited** (the 'Company') for the quarter ended June 30th, 2018 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based upon our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*, issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards i.e. 'Ind AS' specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized accounting practices and policies have not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **RAY & RAY**
Chartered Accountants
Firm Registration No.301072E



Venkatesh R
Venkatesh R
(Partner)

Membership No. 221667

Place : Bengaluru

Date: 10-08-2018

Statement of unaudited standalone financial results for the quarter ended on June 30, 2018

(Rs in lakh except EPS)

No	Particulars	Quarter ended			Year ended
		30-Jun-18	31-Mar-18	30-Jun-17	31-Mar-18
		Unaudited	Audited	Unaudited	Audited
1	Income				
	(a) Revenue from operations	297	334	1,500	2,754
	(b) Other Income	24	1,132	43	1,357
	Total Income	321	1,466	1,543	4,111
2	Expenses				
	(a) Land and construction cost	45,707	(927)	5,709	993
	(b) Changes in Inventories of Finished goods, work in progress & Stock in Trade	(45,432)	2,035	(4,272)	2,177
	(c) Employee benefits expense	383	466	541	1,735
	(d) Finance costs	721	2,195	711	4,468
	(e) Depreciation and amortization expense	5	13	12	45
	(f) Other Expenses	268	4,521	244	5,432
	Total Expenses	1,652	8,303	2,945	14,850
3	Profit/(Loss) before tax (1-2)	(1,331)	(6,837)	(1,402)	(10,739)
4	Tax expenses				
	i) Current Tax	-	-	(72)	-
	ii) Deferred tax	17	(1,129)	-	(1,177)
5	5. Profit/(Loss) for the period (3-4)	(1,348)	(5,708)	(1,330)	(9,562)
6	Other Comprehensive Income				
	Items that will not be subsequently reclassified to profit & Loss				
	(i) Remeasurement of Defined Benefit Plan	(2)	19	33	(6)
	(ii) FVOCI - equity investments	-	(5,405)	-	(5,405)
	(iii) Tax on above items that will not be reclassified to profit or loss	1	1,840	(11)	1,840
	Total Other Comprehensive Income	(1)	(3,546)	22	(3,571)
7	Total Comprehensive Income for the period [Comprising profit/(loss) and Other Comprehensive Income for the period (5+6)]	(1,349)	(9,254)	(1,308)	(13,133)
8	Earnings/(Loss) Per Share ('EPS') (of Rs. 10 each) - (Rs.)				
	(a) Basic EPS	(0.92)	(3.91)	(0.91)	(6.56)
	(b) Diluted EPS	(0.92)	(3.91)	(0.91)	(6.56)
9	Paid up equity share capital (Face Value of 10/-each)	14,583	14,583	14,583	14,583



Notes to the financial results:

- 1 The above unaudited standalone financial results of Nitesh Estates Limited has been reviewed by the Audit committee and on their recommendation has been approved by the Board of Directors at their meeting held on 10th of August 2018. The statutory auditors have conducted a limited review of the standalone Financial Results of the Company for the quarter ended June 30, 2018. These results are uploaded on the Company website i.e. www.niteshestates.com and on the Stock Exchanges where the shares of the Company are listed i.e. www.bseindia.com and www.nseindia.com. The information presented above is prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.
- 2 IND AS 115- Revenue from Contracts with Customers has been notified by Ministry of Corporate Affairs (MCA) on March 28, 2018 and is effective from accounting period beginning on or after April 01, 2018, which replaces existing revenue recognition requirements. The application of Ind AS 115 has impacted the Company's accounting for recognition of revenue from real estate projects.
The Company has applied the "modified retrospective approach" to contracts that were not completed as on April 01, 2018 and has given impact of Ind AS 115 application by debit to retained earnings as at the said date by Rs 4348 Lakh (net of tax). The Company has reversed the revenue to the extent of Rs. 49,510 Lakh and cost to the extent of Rs. 42,922 Lakh which was recognized till 31st March 2018 under the erstwhile standards pending the completion of performance obligation from the Company to its customers. Accordingly, the comparatives have not been restated and hence are not comparable with the previous period figures. Due to application of Ind AS 115 for the quarter ended 30th June 2018, revenue from operations is lower by Rs 55 Lakh and cost of sales is lower by Rs. 24 Lakh, than that what it would have been if the replaced standards were applicable. Similarly the basic and diluted EPS for the quarter is Rs. -0.92 instead of Rs. -0.90 per share
- 3 The company is in the process of identifying and quantifying its MSME obligations.
- 4 The company has received an intimation from debenture holders for non redemption of debentures and for recovery of unpaid principal of Rs 55 crores and corresponding interest.
- 5 The Company primarily operates in two business segments - 'Residential' and 'Retail'. All operations are in India and hence there is no geographical segment.
- 6 The figures for the quarter ended March 31st 2018 are the derived balancing figures between the audited figures in respect of full financial year ended 31st March 2018 and unaudited figures in respect of nine month period ended 31st December 2017 which were subjected to Limited Review.
- 7 The figures in respect of previous period have been regrouped/recast wherever necessary.

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



L.S. Vaidyanathan
DIN: 00304652
Executive Director



Place: Bengaluru, India
Date . August 10, 2018

Standalone Segment wise revenue, results

(Rs in lakh except EPS)

No	Particulars	Quarter ended			Year ended
		30-Jun-18	31-Mar-18	30-Jun-17	31-Mar-18
		Unaudited	Audited	Unaudited	Audited
1	Segment revenue				
	(a) Residential	297	334	1,500	2,754
	(b) Retail	-	-	-	-
	Total	297	334	1,500	2,754
	Less: Inter-segment revenue	-	-	-	-
	Net income from operations	297	334	1,500	2,754
2	Segment results				
	Profit/(loss) before tax and interest				
	(a) Residential	(634)	(5,774)	(735)	(7,628)
	(b) Retail	-	-	-	-
	Total	(634)	(5,774)	(735)	(7,628)
	Add: Other income	24	1,132	43	1,357
	Less: Interest	721	2,195	711	4,468
	Total profit/(loss) before tax	(1,331)	(6,837)	(1,402)	(10,739)
3	Segment Assets				
	(a) Residential	1,50,931	1,27,510	1,38,069	1,27,510
	(b) Retail				
	(c) Unallocated				
	Total	1,50,931	1,27,510	1,38,069	1,27,510
4	Segment Liabilities				
	(a) Residential	1,24,723	93,364	87,387	93,364
	(b) Retail				
	(c) Unallocated				
	Total	1,24,723	93,364	87,387	93,364

