

**LIMITED REVIEW REPORT**

*Review Report To The Board of Directors of  
Nitesh Estates Limited*

We have reviewed the accompanying statement of unaudited consolidated financial results of **Nitesh Estates Limited** ("the Company") and its subsidiaries and joint venture (together referred to as 'the Group'), for the quarter and half year ended September 30, 2018 and consolidated unaudited statement of Assets and Liabilities as at September 30, 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 these financial statements 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 financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide 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 and based on the consideration of the review reports of other auditor on the unaudited separate quarterly financial results and on the other financial information of subsidiaries and joint venture, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited consolidated financial results prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards i.e. 'Ind AS' prescribed 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 & Disclosure Requirements) Regulations 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5<sup>th</sup> 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.



Other Matters:

- a. We did not review the financial results and other financial information of one subsidiary Nitesh Pune Mall Private Limited (showing total assets of Rs 25,445 lakh and net assets of Rs(15,727) lakh as at September 30,2018, and total revenues of Rs 701 lakh and total comprehensive income of Rs(3,580) lakh for the period ending September 30,2018) and one joint venture Nitesh Estates –Whitefield (Showing a loss of Rs 0.72 Lakh) for the period ending September 30,2018 whose financial information have been furnished to us by the management.
- b. We draw attention to note no 6 to the consolidated Ind AS financial information which indicates that the group has accumulated losses and its net worth has been fully eroded as at 30<sup>th</sup> September,2018, leading to a material uncertainty about the group's ability to continue as a "going concern". However, the financial information of the group have been prepared on a "going concern" basis for the reasons stated in the said note.

Our report is not modified in respect of this matter.

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



Mrinal Kanti Banerjee  
(Partner)

Membership No. 051472

Place : Bengaluru

Date: 12-11-2018



Statement of unaudited Consolidated financial results for the quarter and half year ended on September 30, 2018

(Rs in lakh except EPS)

No	Particulars	Quarter ended			Half year ended		Year ended
		30-Sep-18	30-Jun-18	30-Sep-17	30-Sep-18	30-Sep-17	31-Mar-18
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
	(a) Revenue from operations	2,382	1,430	2,934	3,812	7,013	3,625
	(b) Other Income	71	34	249	105	378	1,982
	<b>Total Income</b>	<b>2,453</b>	<b>1,464</b>	<b>3,183</b>	<b>3,917</b>	<b>7,391</b>	<b>5,607</b>
2	Expenses						
	(a) Land and construction cost	2,586	105,430	(56,131)	108,016	8,453	9,074
	(b) Changes in Inventories of Finished goods, work in progress & Stock in Trade	(740)	(104,312)	58,537	(105,052)	(2,192)	(2,581)
	(c) Employee benefits expense	478	613	616	1,091	1,503	3,004
	(d) Finance costs	4,020	3,235	2,951	7,255	5,698	13,983
	(e) Depreciation and amortization expense	281	277	307	558	617	1,264
	(f) Other Expenses	972	611	572	1,583	1,104	7,571
	<b>Total Expenses</b>	<b>7,597</b>	<b>5,854</b>	<b>6,852</b>	<b>13,451</b>	<b>15,183</b>	<b>32,315</b>
3	Profit/(Loss) before tax (1-2)	(5,144)	(4,390)	(3,669)	(9,534)	(7,792)	(26,708)
4	Tax expenses						
	i) Current Tax	12	27	48	39	18	(1,087)
	ii) Deferred tax	-	-	3	-	5	-
5	Profit/(Loss) for the period (3-4)	(5,156)	(4,417)	(3,720)	(9,573)	(7,815)	(25,621)
6	Share of Profit/(loss) of an Associate/ a Joint Venture (net of tax)	-	-	-	-	-	-
7	Profit/(Loss) after taxes and share of Profit/ (loss) of Associate/Joint Venture (5+6)	(5,156)	(4,417)	(3,720)	(9,573)	(7,815)	(25,621)
	Attributable to:						
	(i) owners of the parent Group	(5,156)	(4,417)	(3,720)	(9,573)	(7,815)	(25,621)
	(ii) non-controlling interests	(5,156)	(4,417)	(3,720)	(9,573)	(7,815)	(25,621)
8	Other Comprehensive Income						
	Items that will not be reclassified to profit & loss						
	(i) Remeasurement of Defined Benefit Plan	1	3	(20)	4	27	51
	(ii) FVOCI - equity investments	-	-	-	-	-	(5,405)
	(iii) Deferred tax on items that will not be reclassified to profit or loss	(5)	1	19	(4)	-	1,843
	<b>Total Other Comprehensive Income</b>	<b>(4)</b>	<b>4</b>	<b>(1)</b>	<b>-</b>	<b>27</b>	<b>(3,511)</b>
9	Total Comprehensive Income for the period [Comprising profit/(loss) and Other Comprehensive Income for the period (7+8)]	(5,160)	(4,413)	(3,721)	(9,573)	(7,788)	(29,132)
	Attributable to:						
	(i) owners of the parent Group	(5,160)	(4,413)	(3,721)	(9,573)	(7,788)	(29,132)
	(ii) non-controlling interests	(5,160)	(4,413)	(3,721)	(9,573)	(7,788)	(29,132)
10	Earnings/(Loss) Per Share ('EPS') (of Rs. 10 each) - (Rs.) (not annualised)						
	(a) Basic	(3.54)	(3.03)	(2.55)	(6.56)	(5.36)	(17.57)
	(b) Diluted	(3.54)	(3.03)	(2.55)	(6.56)	(5.36)	(17.57)
11	Paid up equity share capital (Face Value of 10/-each)	14,583	14,583	14,583	14,583	14,583	14,583



## Statement of assets and liabilities as on September 30, 2018

Particulars	As on	As on
	30-Sep-18	31-Mar-18
	Unaudited	audited
<b>ASSETS</b>		
<b>(1) Non-current assets</b>		
a) Property, Plant and Equipment	22,355	22,947
b) Other Intangible assets	14	17
c) Capital work in progress	41,628	41,628
	63,997	64,592
Goodwill on consolidation	505	505
d) Financial Assets		
(i) Investments	5,343	4,312
(ii) Loans	645	644
e) Other non-current assets	141	147
f) Deferred tax assets, net	1,774	2,750
	8,408	8,358
<b>(2) Current assets</b>		
a) Inventories	183,880	78,828
b) Financials Assets		
(i) Investments	-	6
(ii) Trade receivables	753	6,549
(iii) Cash and cash equivalents	1,033	640
(iii) Other Bank balances	-	-
(v) Loans	9,503	12,741
(vi) Other current financials assets	-	-
c) Other current assets	36,364	63,749
a) Current tax assets, net	172	-
	231,705	162,513
<b>Total Assets</b>	<b>304,110</b>	<b>235,463</b>
<b>EQUITY AND LIABILITIES</b>		
<b>(1) Equity</b>		
Equity Share capital	14,583	14,583
Other Equity	(54,124)	(25,408)
Equity component of Compound Financial instruments	-	-
<b>(2) Non-current liabilities</b>	(39,541)	(10,825)
a) Financial Liabilities		
(i) Borrowings	34,327	33,919
(ii) Net employee defined benefit liabilities	-	-
(iii) Other financial liabilities	166	207
b) Provisions	298	346
c) Deferred tax liabilities, net	-	-
d) Other long-term liabilities	101	227
	34,892	34,699
<b>(3) Current liabilities</b>		
a) Financial Liabilities		
(i) Borrowings	102,704	98,859
(ii) Trade payables	37,709	31,576
(iv) Net employee defined benefit liabilities	-	-
(iii) Other current financial liabilities	6,701	11,336
b) Other current liabilities	161,268	69,554
c) Provisions	377	139
d) Current Tax Liabilities, net	-	125
	308,759	211,589
<b>Total Equity and Liabilities</b>	<b>304,110</b>	<b>235,463</b>

## Notes to the financial results:

1 The above unaudited consolidated results of Nitesh Estates Limited ('the Group'), its subsidiaries and joint venture (together referred to as 'the Group') has been reviewed by the Audit committee and on their recommendation has been approved by the Board of Directors at their meeting held on November 12, 2018. The statutory auditors have conducted a limited review of the consolidated Financial Results of the Group for the quarter and half year ended September 30, 2018.

These results are uploaded on the Group website i.e. [www.niteshestates.com](http://www.niteshestates.com) and on the Stock Exchanges where the shares of the Group are listed i.e. [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com). These results include the result of the following subsidiaries, joint ventures and associates companies.

Subsidiaries: Nitesh Housing Developers Private Limited, Nitesh Urban Development Private Limited, Nitesh Indiranagar Retail Private Limited (subsidiary: Nitesh Pune Mall Private Limited formerly known as Anuttam Developers Private Limited), Nitesh Property Management Private Limited, Courtyard Constructions Private Limited.

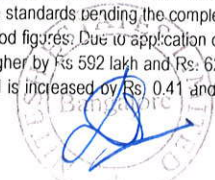
Nitesh Office Parks Private Limited formerly known as Kakanad Enterprises Private Limited, is no longer a subsidiary company with effect from 29th September 2018, since the shareholding percentage of the holding company is reduced to 19.23%.

**Joint Ventures: Nitesh Estates-Whitefield**

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 Group's accounting for recognition of revenue from real estate projects. There has been no significant impact on the retail business of the Group.

The Group has applied the "modified retrospective approach" (cumulative catch-up transition method), 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. 18,663 Lakh (net of tax except for subsidiaries on account of uncertain future taxable income, as applicable). The Group has reversed the revenue to the extent of Rs. 121,251 Lakh and cost to the extent of Rs. 100,348 Lakh which was recognized till 31st March 2018 under the erstwhile standards pending the completion of performance obligation from the Group 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 & half year ended 30th September 2018, revenue from operations is higher by Rs. 1716 Lakhs and Rs. 1321 lakh and Net Profit after tax is higher by Rs. 592 lakh and Rs. 627 lakh respectively, than that what it would have been if the replaced standards were applicable. Similarly the basic and diluted EPS for the quarter and half year ended is increased by Rs. 0.41 and Rs. 0.43 per share respectively.



3 The Group primarily operates in two business segments - 'Residential' and 'Retail'. All operations are in India and hence there is no geographical segment.

4 Figures for standalone financial results

No	Particulars	Quarter ended			Half year ended		Year ended
		30-Sep-18	30-Jun-18	30-Sep-17	30-Sep-18	30-Sep-17	31-Mar-18
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Revenue from Operations	1,662	297	573	1,959	2,073	2,754
2	Profit/(Loss) before tax	(1,784)	(1,331)	(1,241)	(3,115)	(2,643)	(10,739)
3	Profit/(Loss) after tax	(1,796)	(1,348)	(1,253)	(3,144)	(2,583)	(9,562)

5 The Group 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.

Figures of Nitesh Urban Development Private Limited, Nitesh Housing Developers Private Limited, Nitesh Pune Mall Private Limited, Nitesh Property Management Private Limited and Courtyard Constructions Private Limited indicate negative net worth, the effect of which is reflected in the consolidated financial results of Nitesh Estates Limited. The Group has incurred loss in the current period and previous years and the net worth has been fully eroded by the accumulated losses of the past period. The consolidated financials information has been prepared on a going concern basis not withstanding accumulated losses as on 30th September 2018 and negative net current assets situation because of support of holding company to the above mentioned subsidiaries.

6 The figures for the quarter ended September 30 2018 are the derived balancing figures between the unaudited figures in respect of half year ended 30th September 2018 and unaudited figures in respect of three month period ended 30th June 2018 which were subjected to Limited Review.

8 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 : November 12, 2018



Consolidated Segment wise revenue, results

(Rs in lakh except EPS)

No	Particulars	Quarter ended			Half year ended		Year ended
		30-Sep-18	30-Jun-18	30-Sep-17	30-Sep-18	30-Sep-17	31-Mar-18
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	<b>Segment revenue</b>						
	(a) Residential	1,708	1,113	2,632	3,139	6,323	2,295
	(b) Retail	674	317	302	674	690	1,330
	<b>Total</b>						
	Less: Inter-segment revenue	2,382	1,430	2,934	3,812	7,013	3,625
	<b>Net income from operations</b>						
		2,382	1,430	2,934	3,812	7,013	3,625
2	<b>Segment results</b>						
	Profit/(loss) before tax and interest						
	(a) Residential	(239)	(668)	(1,075)	(1,428)	(2,105)	(21,365)
	(b) Retail	(956)	(521)	108	(956)	(367)	6,658
	<b>Total</b>						
		(1,195)	(1,189)	(967)	(2,384)	(2,472)	(14,707)
	Add: Other income	71	34	249	105	378	1,982
	Less: Interest	4,020	3,235	2,951	7,255	5,698	13,983
	<b>Total profit/(loss) before tax</b>						
		(5,144)	(4,390)	(3,669)	(9,533)	(7,792)	(26,708)
3	<b>Segment Assets</b>						
	(a) Residential	245,061	205,879	169,426	245,061	169,426	175,521
	(b) Retail	57,909	58,217	62,937	57,909	62,937	58,423
	(c) Unallocated	1,140	3,547	2,582	1,140	2,582	1,394
	<b>Total</b>						
		304,110	267,643	234,945	304,110	234,945	235,338
4	<b>Segment Liabilities</b>						
	(a) Residential	293,490	253,512	184,997	293,485	184,997	198,460
	(b) Retail	48,937	47,400	42,375	48,937	42,375	45,712
	(c) Unallocated	1,223	2,906	2,952	1,228	2,952	1,991
	<b>Total</b>						
		343,650	303,818	230,324	343,650	230,324	246,163

