

RAY & RAY

CHARTERED ACCOUNTANTS

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Independent Auditor's Review Report on consolidated unaudited quarterly and year to date financial results Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

TO

THE BOARD OF DIRECTORS OF

NEL HOLDINGS LIMITED (FORMERLY KNOWN AS NITESH ESTATES LIMITED)

We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **NEL Holdings Limited** (formerly known as Nitesh Estates Limited) ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") and its share of the net loss after tax and total comprehensive income/loss of joint venture for the quarter and six months ended 30th September, 2019 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended read with SEBI Circular No. CIR/CFD/CMD1/80/2019 dated July 19, 2019 ('the Circular'). Attention is drawn to the fact that the consolidated figures for the corresponding quarter and six months ended 30th September, 2018, as reported in these financial results have been approved by the Parent's Board of Directors, but have not been subjected to review.

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

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries,

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primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

The Statement includes the results of the following entities:

- NHDPL Properties Private Limited (formerly known as Nitesh Housing Developers Pvt Ltd)
- NUDPL Enterprises Private Limited (formerly known as Nitesh Urban Development Pvt. Ltd.)
- LOB Property Management Private Limited (formerly known as Nitesh Property Management Pvt. Ltd.)
- Nitesh Indiranagar Retail Pvt. Ltd.
- Courtyard Constructions Pvt. Ltd.

Based on our review conducted and procedures performed as stated above, *except for non-recognition of deferred tax asset / liability and the defined employee benefit plan and its corresponding expenses in absence of an actuarial report and for the matters stated in the Emphasis of Matter paragraph below*, 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 aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Emphasis of Matter:

1. The Group has advanced substantial amounts to various parties for acquiring various land and immovable properties on behalf of the Group which is under reconciliation. Most of these advances have been fully provided in the accounts since the party is yet to hand over any land or property or repay the dues. The Group has entered into an assignment of claims and receivables with a third party for some of the advances at a substantially lower consideration and has also initiated legal action for recovery.





2. The Group has decided to exit residential projects. To meet this objective, the Group will complete some of the projects which are in an advanced stage of construction and exit some of the residential projects on 'as is where is basis' wherever prospective buyers are identified for the concerned projects.

Our conclusion is not modified in respect of the above matters.

The consolidated unaudited financial results includes the financial results of Nitesh Estate Whitefield, a joint venture partnership firm which has not been reviewed by their auditors, whose financial results reflect total assets of Rs. 6,514 Lakhs as at 30th September, 2019 and total revenue of Rs. Nil and Rs. Nil, total net profit/(loss) after tax of Rs. Nil and Rs. Nil and total comprehensive income / loss of Rs. Nil and Rs. Nil for the quarter ended 30th September, 2019 and for the period from 1st April 2019 to 30th September, 2019 respectively, and cash flows (net) of Rs. Nil for the period from 1st April 2019 to 30th September, 2019, as considered in the consolidated unaudited financial results. According to the information and explanations given to us by the Management, these financial results are not material to the Group.

For **RAY & RAY**
Chartered Accountants
(Firm's Registration No. 301072E)



(K. K. Ghosh)
Partner

Membership No. 059781
UDIN: 19059781AAAABL6176

Place: Bengaluru

Date: November 13, 2019

Statement of unaudited Consolidated financial results for quarter ended on September 30, 2019

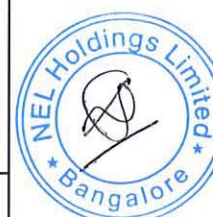
(*th except EPS*)

No	Particulars	Quarter ended			Half yearly ended		Previous Year ended
		30-Sep-19	30-Jun-19	30-Sep-18	30-Sep-19	30-Sep-18	31-Mar-19
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
	(a) Revenue from operations	766	673	2,382	1,439	3,812	11,292
	(b) Other Income	604	5	71	609	105	23
	Total Income	1,370	678	2,453	2,048	3,917	11,315
2	Expenses						
	(a) Land and construction cost	1,512	6,667	2,586	8,179	1,08,016	98,223
	(b) Changes in Inventories of Finished goods, work in progress & Stock in Trade	(949)	(6,223)	(740)	(7,172)	(1,05,052)	(92,154)
	(c) Employee benefits expense	437	382	478	819	1,091	2,019
	(d) Finance costs	2,626	2,297	4,020	4,923	7,255	9,490
	(e) Depreciation and amortization expense	85	8	281	93	558	42
	(f) Other Expenses	4,930	275	972	5,205	1,583	10,152
	Total Expenses	8,641	3,406	7,597	12,047	13,451	27,772
3	Profit/(Loss) before exceptional items and tax (1-2)	(7,271)	(2,728)	(5,144)	(9,999)	(9,534)	(16,457)
4	Exceptional items	-	-	-	-	-	-
5	Profit/(Loss) before tax (3+4)	(7,271)	(2,728)	(5,144)	(9,999)	(9,534)	(16,457)
6	Tax expenses			(5,144)			
	i) Current Tax			-			44
	ii) Deferred tax	(1,546)	4	12	(1,542)	39	49
7	Profit/(Loss) after tax for the period (3-6)	(5,725)	(2,732)	(5,156)	(8,457)	(9,573)	(16,550)
8	Share of Profit/(loss) of an Associate/ a Joint Venture (net)		-	-	-	-	-
9	Profit/(Loss) after taxes and share of Profit/ (loss) of Associate/Joint Venture (7+8)	(5,725)	(2,732)	(5,156)	(8,457)	(9,573)	(16,550)
	Attributable to:						
	(i) owners of the parent Group	(5,725)	(2,732)	(5,156)	(8,457)	(9,573)	(16,550)
	(ii) non-controlling interests	-	-	-	-	-	-
10	Other Comprehensive Income						
	(i) Items that will not be reclassified to profit & Loss			-			
	(ii) Remeasurement of Defined Benefit Plan	-		1	-	4	5
	(iii) FVOCI - equity investments			-	(4,546)	-	-
	(iv) Tax on above items that will not be reclassified to	1,546		(5)	1,546	(4)	(6)
	Total Other Comprehensive Income	(3,000)		(4)	(3,000)	-	(1)
11	Total Comprehensive Income for the period [Comprising profit/(loss) and Other Comprehensive Income for the	(2,725)	(2,732)	(5,160)	(5,457)	(9,573)	(16,551)
	Attributable to:						
	(i) owners of the parent Group	(2,725)	(2,732)	(5,160)	(5,457)	(9,573)	(16,551)
	(ii) non-controlling interests	-	-	-	-	-	-
12	Earnings/(Loss) Per Share ('EPS') (of Rs. 10 each) - (Rs.) (not annualised)						
	(a) Basic	(3.93)	(1.87)	(3.54)	(5.80)	(6.56)	(11.35)
	(b) Diluted	(3.93)	(1.87)	(3.54)	(5.80)	(6.56)	(11.35)
13	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 & Liabilities

Particulars	As on 30-Sep-19 Unaudited	As on 31-Mar-19 audited
ASSETS		
(1) Non-current assets		
a) Property, Plant and Equipment	92	105
b) Right of use asset	156	-
c) Other Intangible assets	8	10
d) Capital work in progress	41,628	41,628
	41,884	41,743
Goodwill on consolidation	161	161
Financial Assets		
Investments	13,227	5,343
Loans	308	319
Other non-current assets	-	-
Deferred tax assets, net	8,340	5,794
Non-current tax assets, net	-	-
	22,036	11,617
(2) Current assets		
a) Inventories	1,78,017	1,70,809
b) Financials Assets		
Investments	-	-
Trade receivables	4,244	4,549
Cash and bank balances	82	314
Bank balance other than cash and cash equivalents	-	-
Loans	10,828	9,779
Other current financials assets	-	-
Other current assets	52,182	52,924
Current tax assets, net	(361)	(85)
	2,44,992	2,38,290
Total Assets	3,08,912	2,91,650
EQUITY AND LIABILITIES		
(1) Equity		
Equity Share capital	14,583	14,583
Other Equity	(46,512)	(44,232)
Equity component of Compound Financial Instruments	-	-
	(31,929)	(29,649)
(2) Non-current liabilities		
Financial Liabilities		
Borrowings	-	-
Lease liability	236	-
Net employee defined benefit liabilities	-	-
Other non-current financial liabilities	-	-
Provisions	287	290
Deferred tax liabilities, net	4,012	4,012
Other long-term liabilities	59	330
	4,594	4,632
(3) Current liabilities		
Financial Liabilities		
Borrowings	1,05,198	1,02,066
Trade payables	33,434	28,019
Net employee defined benefit liabilities	-	-
Other current financial liabilities	253	4,713
Other current liabilities	1,95,818	1,80,066
Provisions	1,544	1,803
Current Tax Liabilities, net	-	-
	3,36,247	3,16,667
Total Equity & Liabilities	3,08,912	2,91,650



Notes to the financial results:

- 1 The above consolidated financial results of NEL Holdings Limited and its subsidiaries (together referred to as 'the Group') and joint venture has been reviewed by the Audit committee and on their recommendation has been approved by the Board of Directors at their meeting held on 13th November 2019. The statutory auditors of the Group have conducted a limited review of the consolidated Financial Results of the Group for the six months ended September 30, 2019.

These results are uploaded on the Group website i.e. www.nelholdings.in and on the Stock Exchanges where the shares of the Group are listed i.e. www.bseindia.com and www.nseindia.com. These results include the result of the following subsidiaries, joint ventures and associates companies.

Subsidiaries: NHDPL Properties Private Limited (Formerly known as Nitesh Housing Developers Private Limited), NUDPL Enterprises Private Limited (Formerly known as Nitesh Urban Development Private Limited), Nitesh Indiranagar Retail Private Limited, LOB Properties Private Limited (formerly known as Nitesh Property Management Private Limited), Courtyard Constructions Private Limited

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 as amended.

- 2 Ind AS 116 "Leases" mandatory for reporting periods beginning on or after 1st April, 2019 as notified by the Ministry of Corporate Affairs (MCA) vide Companies (Indian Accounting Standard), Amendment Rules, 2019, replacing the existing lease rental recognition criteria. The application of Ind AS 116 has impacted the group's accounting for recognition of leases payments.

The group has applied the modified retrospective approach of all lease contracts as at 1st April, 2019 and has given given impact of Ind AS 116 implication by debiting retained earnings as at that date by Rs. 101.96 lakhs (net of tax). Accordingly, the comparatives have not been restated and hence not comparable with previous period figures. Due to the implication of Ind AS 116 "Leases", Finance Cost is increased by Rs. 23.66 lakhs and Depreciation and Amortisation Expenses is increased by Rs. 77.53 lakhs and lease rent expenses is reduced by Rs. 119.84 lakhs and Profit before Tax for the period is increased by 18.65 lakhs.

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

4 Figures for standalone financial results

No	Particulars	Quarter ended			Half yearly ended		Previous Year ended
		30-Sep-19	30-Jun-19	30-Sep-18	30-Sep-19	30-Sep-18	31-Mar-19
		Unaudited	Audited	Unaudited	Unaudited	Unaudited	Audited
a	Revenue from Operations	492	157	1,662	649	1,959	8,439
b	Profit/(Loss) before tax	(6,588)	(1,558)	(1,784)	(8,146)	(2,945)	(14,463)
c	Profit/(Loss) after tax	(5,059)	(1,579)	(1,796)	(6,638)	(2,583)	(14,550)

- 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.
- 6 Figures of NHDPL Properties Private Limited (Formerly known as Nitesh Housing Developers Private Limited), NUDPL Enterprises Private Limited (Formerly known as Nitesh Urban Development Private Limited) and LOB Properties Private Limited (formerly known as Nitesh Property Management Private Limited) indicate negative net worth, the effect of which is reflected in the consolidated financial results of NEL Holdings 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 2019 and negative net current assets situation because of support of holding company to the above mentioned subsidiaries.
- 7 The figures in respect of previous period have been regrouped/recast wherever necessary.

For and on behalf of the Board of Directors of
NEL Holdings Limited
(Formerly Known as Nitesh Estates Ltd)


L.S. Vaidyanathan
DIN: 00304652
Executive Director



Place: Bengaluru, India
Date : 13th November, 2019

NEL

Holdings Limited

NEL Holdings Limited

Statement of consolidated Cash Flows for the period ended 30th September 2019

Operating activities	Year to date figures for current period ended 30.09.2019
Profit/ (Loss) before tax	-9,717.85
<i>Non-cash adjustment to reconcile profit before tax to net cash flows</i>	-
	-
<i>Adjustments to reconcile profit before tax to net cash flows:</i>	-
Depreciation of property, plant and equipment	15.38
Profit from sale of fixed assets	-
Gain/ (loss) on disposal of property, plant and equipment	-
Other comprehensive income	-
Deferred tax charge/(credit)	-
Gain/ (loss) on disposal of investments	-
Interest income	-2.64
Finance income (including fair value change in financial instruments)	27.42
Finance costs	4,773.96
Bad debts/ advances written off and provided for	-
Liabilities/ provisions no longer required written back	-
Share of profit from investment in partnership firm	-
<i>Working capital adjustments:</i>	-
(Increase)/ decrease in Inventories	-4,415.74
(Increase)/ decrease in trade receivables	-1,722.59
(Increase)/ decrease in other financial and non-financial assets	-6,931.59
Increase/ (decrease) in trade payables and other financial liabilities	21,453.66
Increase/ (decrease) in provisions	1,428.01
Increase/ (decrease) in other non-financial liabilities	-5,104.59
Income tax paid (net of refund)	
Net cash flows from/ (used in) operating activities (A)	-196.57



Operating activities	Year to date figures for current period ended 30.09.2019
Investing activities	
Purchase of property, plant and equipment (including capital work-in-progress and capital advances)	-6.14
Amount contributed to partnership current account	-
Proceeds from sale of property, plant and equipment	-
(Investments in)/ redemption of bank deposits (having original maturity of more than three months) - net	-3.00
Interest received	-24.78
Net cash flows from/ (used in) investing activities (B)	-33.92
Financing activities	
Proceeds from long-term borrowings	4,688.46
Repayment of long-term borrowings	-
Proceeds from short-term borrowings	80.00
Repayment of short-term borrowings	-
Ind AS 115 Retained earning entries	-
Proceeds from issue of equity share capital	-
Payment of finance lease liabilities	-
Interest paid (gross)	-4,773.96
Dividends paid on equity shares	-
Tax on equity dividend paid	-
Net cash flows from/ (used in) financing activities (C)	-5.50
	-
Net increase/ (decrease) in cash and cash equivalents	-235.99
Cash and cash equivalents at the beginning of the year	313.85
Cash and cash equivalents at the end of the year	77.86
	-
Components of cash and cash equivalents	-
Cash on hand	28.50
Balance with banks	-0.00
- on current account	49.36
- on deposit account	-0.00
Less - Bank overdraft	-0.00
Total cash and cash equivalents	77.86



Consolidated Segment wise revenue, results

(Rs in lakh except EPS)

No	Particulars	Quarter ended			Half year ended		Previous Year ended
		30-Sep-19 unaudited	30-Jun-19 unaudited	30-Sep-18 unaudited	30-Sep-19 unaudited	30-Sep-18 unaudited	31-Mar-19 Audited
1	Segment revenue						
	(a) Residential	766	673	1,708	1,439	3,139	11,292
	(b) Retail	-	-	674	-	674	-
	Total	766	673	2,382	1,439	3,812	11,292
	Less: Inter-segment revenue	-	-	-	-	-	-
	Net income from operations	766	673	2,382	1,439	3,812	11,292
2	Segment results						
	Profit/(loss) before tax and interest						
	(a) Residential	(5,248)	(436)	(239)	(5,684)	(1,428)	(3,660)
	(b) Retail	-	-	(956)	-	(956)	(3,331)
	Total	(5,248)	(436)	(1,195)	(5,684)	(2,384)	(6,991)
	Add: Other income	604	5	71	609	105	23
	Less: Interest	2,626	2,297	4,020	4,923	7,255	9,490
	Total profit/(loss) before tax	(7,269)	(2,728)	(5,144)	(9,997)	(9,533)	(16,457)
3	Segment Assets		(2,728)				
	(a) Residential	2,11,831	2,65,670	2,45,061	2,11,831	2,45,061	2,57,450
	(b) Retail	33,020	33,041	57,909	33,020	57,909	33,060
	(c) Unallocated	64,065	735	1,140	64,065	1,140	1,140
	Total	3,08,916	2,99,446	3,04,110	3,08,916	3,04,110	2,91,650
4	Segment Liabilities						
	(a) Residential	2,52,511	3,16,604	2,93,490	2,52,511	2,93,485	3,04,634
	(b) Retail	11,464	11,465	48,937	11,464	48,937	11,443
	(c) Unallocated	76,869	1,344	1,223	76,869	1,228	1,178
	Total	3,40,843	3,29,414	3,43,650	3,40,843	3,43,650	3,17,255

