

Auditor's Report on the audit of the annual financial results of NEL Holdings Limited (the group) with the last quarter financial results being balancing figures 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 NAMED AS NITESH ESTATES LIMITED)**

1. We have audited the accompanying Statement of Consolidated Financial Results of NEL Holdings Limited (formerly named 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 profit/(loss) after tax and total comprehensive income / loss of its associates and joint ventures for the year ended 31st March, 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. Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended 31st December, 2018, as reported in these financial results have been approved by the Parent's Board of Directors, and has not been subjected to audit but has been reviewed by us.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been compiled from the related consolidated financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such consolidated financial statements.
3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act 2013. Those Standards require that we comply with ethical requirements and plan



and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Parent's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the Parent's internal financial control with reference to the Statement. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

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.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

4. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
- a. includes the results of the following entities:
 - Nitesh Housing Developers Pvt Ltd
 - Nitesh Urban Development Pvt Ltd
 - Lob Property Management Pvt Ltd
 - Nitesh Indiranagar Retail Pvt Ltd
 - Courtyard Constructions Pvt Ltd
 - Nitesh Estates Whitefield
 - b. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
 - c. gives a true and fair view in conformity with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the consolidated total comprehensive loss comprising of net loss and other comprehensive loss and other financial information of the Group for the year ended 31st March, 2019.



5. The consolidated financial results includes the Group's share of net loss after tax and total comprehensive loss of Rs. 4,960/- for the year ended 31st March, 2019, as considered in the consolidated financial results, in respect of Nitesh Estates Whitefield, a joint venture partnership firm, whose financial statements / financial information have not been audited by us. These financial statements/ financial information are unaudited and have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this joint venture, is based solely on such unaudited financial statements/financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements / financial information are not material to the Group.

Our opinion on the Statement is not modified in respect of the above matter.

6. The Statement includes the results for the quarter ended 31st March, 2018 being the balancing figure between audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

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



(Bidyut Prakas Bhattacharya)

Partner

Membership No. 053906

Place: Bengaluru

Date: 30.05.2019



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Statement of audited Consolidated financial results for year ended on March 31, 2019

(Rs in lakh except EPS)

No	Particulars	Quarter ended			Current year ended	Previous Year ended
		31-Mar-19	31-Dec-18	31-Mar-18	31-Mar-19	31-Mar-18
		audited	Unaudited	audited	Audited	Audited
1	Income					
	(a) Revenue from operations	6,716	764	(4,600)	11,292	3,625
	(b) Other Income	(710)	628	1,306	23	2,004
	Total Income	6,006	1,392	(3,294)	11,315	5,629
2	Expenses					
	(a) Land and construction cost	(3,864)	(5,929)	(1,059)	98,223	8,903
	(b) Changes in Inventories of Finished goods, work in progress & Stock in Trade	6,412	6,486	517	(92,154)	(2,409)
	(c) Employee benefits expense	389	539	814	2,019	3,004
	(d) Finance costs	(1,887)	4,122	5,021	9,490	13,983
	(e) Depreciation and amortization expense	(796)	280	347	42	1,264
	(f) Other Expenses	7,990	579	5,834	10,152	7,571
	Total Expenses	8,244	6,077	11,474	27,772	32,316
3	Profit/(Loss) before exceptional items and tax (1-2)	(2,238)	(4,685)	(14,768)	(16,457)	(26,687)
4	Exceptional items	-	-	-	-	-
5	Profit/(Loss) before tax (3+4)	(2,238)	(4,685)	(14,768)	(16,457)	(26,687)
6	Tax expenses	-	-	-	-	-
	i) Current Tax	44	-	(5)	44	-
	ii) Deferred tax	106	(19)	(1,201)	49	(1,087)
7	Profit/(Loss) after tax for the period (3-6)	(2,388)	(4,703)	(13,562)	(16,550)	(25,600)
8	Share of Profit/(loss) of an Associate/ a Joint Venture (net of tax)	-	-	-	-	(22)
9	Profit/(Loss) after taxes and share of Profit/ (loss) of Associate/Joint Venture (7+8)	(2,388)	(4,703)	(13,562)	(16,550)	(25,622)
	Attributable to:					
	(i) owners of the parent Group	(2,388)	(4,703)	(13,562)	(16,550)	(25,622)
	(ii) non-controlling interests	-	-	-	-	-
10	Other Comprehensive Income					
	(i) Items that will not be reclassified to profit & Loss			18		
	(ii) Remeasurement of Defined Benefit Plan	1	-	-	5	51
	(iii) FVOCI - equity investments	6	4	(5,405)	-	(5,405)
	(iv) Tax on above items that will not be reclassified to profit or loss	(6)	(6)	1,843	(6)	1,843
	Total Other Comprehensive Income	1	(2)	(3,544)	(1)	(3,511)
11	Total Comprehensive Income for the period (Comprising profit/(loss) and Other Comprehensive Income for the period (9+10))	(2,387)	(4,705)	(17,106)	(16,551)	(29,133)
	Attributable to:					
	(i) owners of the parent Group	(2,387)	(4,705)	(17,106)	(16,551)	(29,133)
	(ii) non-controlling interests	-	-	-	-	-
12	Earnings/(Loss) Per Share ('EPS') (of Rs. 10 each) - (Rs.) (not annualised)					
	(a) Basic	(1.64)	(3.22)	(9.30)	(11.35)	(17.57)
	(b) Diluted	(1.64)	(3.22)	(9.30)	(11.35)	(17.57)
13	Paid up equity share capital (Face Value of 10/-each)	14,583	14,583	14,583	14,583	14,583



Statement of assets and liabilities as on March 31, 2019

Particulars	As on	As on
	31-Mar-19	31-Mar-18
	audited	audited
ASSETS		
(1) Non-current assets		
a) Property, Plant and Equipment	105	234
b) Investment Property		22,715
b) Other Intangible assets	10	17
c) Capital work in progress	41,628	41,628
	41,743	64,594
Goodwill on consolidation	161	2,755
d) Financial Assets		
(i) Investments	5,343	4,335
(ii) Loans	319	644
e) Other non-current assets	-	27,738
f) Deferred tax assets, net	5,794	2,646
g) Non-current tax assets, net	-	-
	11,617	38,118
(2) Current assets		
a) Inventories	170,809	78,655
b) Financials Assets		
(i) Investments	-	6
(ii) Trade receivables	4,549	6,726
(ii) Cash and cash equivalents	314	640
(iii) Other Bank balances	-	-
(v) Loans	9,779	1,147
(vi) Other current financial assets		10
c) Other current assets	52,924	41,184
d) Current tax assets, net	(85)	
	238,290	128,368
Total Assets	291,650	231,080
EQUITY AND LIABILITIES		
(1) Equity		
Equity Share capital	14,583	14,583
Other Equity	(44,232)	(23,534)
Equity component of Compound Financial Instruments		
(2) Non-current liabilities	(29,649)	(8,951)
a) Financial Liabilities		
(i) Borrowings	-	33,919
(ii) Net employee defined benefit liabilities	-	-
(iii) Other financial liabilities	-	905
b) Provisions	290	346
c) Deferred tax liabilities, net	4,012	-
d) Other long-term liabilities	330	207
	4,632	35,377
(3) Current liabilities		
a) Financial Liabilities		
(i) Borrowings	102,066	96,674
(ii) Trade payables	28,019	31,960
(iv) Net employee defined benefit liabilities	-	-
(iii) Other current financial liabilities	4,713	51,903
b) Other current liabilities	180,066	23,901
c) Provisions	1,803	82
d) Current Tax Liabilities, net	-	134
	316,667	204,654
Total Equity and Liabilities	291,650	231,080



Notes to the financial results:

- 1 The above consolidated financial results of NEL Holdings Limited (Formerly known as Nitesh Estates Ltd), ('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 30th May 2019. The statutory auditors of the Group have audited the consolidated Financial Results of the Group for the quarter and year ended 31st March 2019.

These results are uploaded on the Group website i.e. www.niteshestates.com 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: Nitesh Housing Developers Private Limited, Nitesh Urban Development Private Limited, Nitesh Indiranagar Retail 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%.

Koregaon Park High Street Properties Pvt Ltd (formerly known as Nitesh Pune Mall Pvt Ltd) is no longer a subsidiary company with effect from 7th March, 2019, following disinvestment.

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. 1,21,251 Lakh and cost to the extent of Rs. 1,00,348 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 & twelve months ended 31st March 2019, revenue from operation is higher by Rs. 20,100 lakh and 20,743 lakh respectively and Net Profit before tax is higher by Rs.7,202 lakh and by Rs. 7,609 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 twelve months ended has increased by Rs 4.94 and Rs. 5.22 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			Current year ended	Previous Year ended
		31-Mar-19	31-Dec-18	31-Mar-18	31-Mar-19	31-Mar-18
		audited	Unaudited	audited	Audited	Audited
1	Revenue from Operations	6,026	454	334	8,439	2,754
2	Profit/(Loss) before tax	(9,743)	(1,605)	(6,837)	(14,463)	(10,739)
3	Profit/(Loss) after tax	(9,771)	(1,635)	(5,708)	(14,550)	(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.
- 6 Figures of Nitesh Urban Development Private Limited, Nitesh Housing Developers Private Limited and 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 31st March 2019 and negative net current assets situation because of support of holding company to the above mentioned subsidiaries.
- 7 The figures for the quarter ended March 31 2019 are the derived balancing figures between the audited figures in respect of twelve months ended 31st March 2019 and unaudited figures in respect of nine months period ended 31st December 2018 which were subjected to Limited Review.
- 8 The figures in respect of previous period have been regrouped/rearranged 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 : May 30, 2019



Consolidated Segment wise revenue, results

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No	Particulars	Quarter ended			current year ended	Previous Year ended
		31-Mar-19	31-Dec-18	31-Mar-18	31-Mar-19	31-Mar-18
		audited	Unaudited	audited	Audited	Audited
1	Segment revenue					
	(a) Residential	7,557	596	(4,936)	11,292	2,295
	(b) Retail	(841)	167	336	-	1,330
	-	-	-	-	-	-
	Total	6,716	763	(4,600)	11,292	3,625
	Less: Inter-segment revenue	-	-	-	-	-
	Net income from operations	6,716	763	(4,600)	11,292	3,625
2	Segment results					
	Profit/(loss) before tax and interest					
	(a) Residential	(1,636)	(8)	(12,795)	(3,660)	(21,366)
	(b) Retail	(1,780)	(1,184)	1,742	(3,331)	6,658
	-	-	-	-	-	-
	Total	(3,416)	(1,192)	(11,053)	(6,991)	(14,708)
	Add: Other income	(711)	629	(14)	23	2,004
	Less: Interest	(1,887)	4,122	3,264	9,490	13,983
	Total profit/(loss) before tax	(2,239)	(4,685)	(14,768)	(16,457)	(26,687)
3	Segment Assets					
	(a) Residential	257,450	265,559	175,521	257,450	175,521
	(b) Retail	33,060	57,497	58,423	33,060	58,423
	(c) Unallocated	1,140	1,122	1,394	1,140	1,394
	Total	291,650	324,178	235,338	291,650	235,338
4	Segment Liabilities					
	(a) Residential	304,635	316,964	198,460	304,634	198,460
	(b) Retail	11,443	50,230	45,712	11,443	45,712
	(c) Unallocated	1,178	1,227	1,991	1,178	1,991
	Total	317,255	368,420	246,163	317,255	246,163

