

Review report to the Board of Directors of Nitesh Estates Limited

1. We have reviewed the accompanying statement of Unaudited financial results of Nitesh Estates Limited for the quarter and half year ended September 30, 2014, attached herewith, being submitted by the company pursuant to the requirement of clause 41 of the listing agreement issued by the Securities Exchange Board of India ("Listing Agreement") except for the disclosures regarding 'Public Shareholding' and 'Promoters and promoter Group shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors at their meeting held on November 11, 2014. Our responsibility is to issue a report on the statement based on our review.
2. We conducted our review 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. 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.
3. Company has advanced an amount aggregating Rs. 1570 lakhs as at 30 September 2014, to the various parties for purchase/development of land/properties, purchase of transferable development rights as well as construction services. Considering the timeline of these advances, the same should have been converted into acquired land/Joint development agreements or these amounts should have been recovered. Management continues to believe that these advances have been made to third parties for which a joint development agreement / acquisition of land will get consummated and in the event that it does not consummate, these advances can be recovered. However in the absence of sufficient documentation to justify the timing around when these advances are capable of being converted into joint development agreements / acquisition of land and considering that they are not secured, we are not able to comment on the recoverability of these advances and the consequential effects, if any, on the financial results for the half year ended September 30, 2014.



4. Based on our review conducted as explained in the paragraphs 1 and 2 , *except for effect of the matter described in paragraph 3 above*, nothing has come to our attention that causes us to believe that accompanying statement of unaudited financial results for the quarter and half year ended September 30, 2014, prepared in accordance with the applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Ray & Ray
Chartered Accountants
Firm's Reg. No: 301072E

Date: November 11, 2014
Place: Bangalore

Mrinal Kanti Bandyopadhyay
Mrinal Kanti Bandyopadhyay
Partner
Membership Number: 051472



Part I Statement of unaudited standalone financial results for the quarter ended on September 30, 2014

(Rs. in Lakhs)

No	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30-Sep-14	30-Jun-14	30-Sep-13	30-Sep-14	30-Sep-13	31-Mar-14
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from operations						
	(a) Net Sales/Income from operations	3,095	2,067	2,995	5,162	6,894	11,205
	(b) Share in profit/(loss) of association of person(joint venture)	15	59	8	74	10	86
	Total Income from operations	3,110	2,126	3,004	5,236	6,905	11,291
2	Expenditure						
	(a) Land and construction cost	2,097	1,093	1,309	3,190	4,071	6,985
	(b) Employee benefit expense	159	148	210	307	440	926
	(c) Depreciation and amortization expense	(9)	44	39	35	80	158
	(d) Advertising and sales promotion expense	234	15	241	249	545	1,009
	(e) Other Expenditure	177	177	193	354	373	719
	Total Expenditure	2,658	1,477	1,993	4,135	5,509	9,797
3	Profit/(Loss) from operations before Other Income, Finance Costs and Exceptional Items (1-2)	452	649	1,011	1,101	1,396	1,494
4	Other Income	51	19	23	70	31	189
5	Profit/(Loss) from Ordinary Activities before Finance Costs and Exceptional Items (3+4)	503	668	1,034	1,171	1,427	1,683
6	Finance costs (net of inventorisation)	277	240	174	517	347	801
7	Profit/(Loss) from Ordinary Activities after Finance Costs but before Exceptional Items (5-6)	226	428	860	654	1,080	882
8	Exceptional Items	-	-	-	-	-	-
9	Profit/(Loss) from Ordinary Activities before tax	226	428	860	654	1,080	882
10	Tax expense/(credit)	36	90	108	126	149	112
11	Net Profit/(Loss) from Ordinary Activities after tax (9-10)	190	338	751	528	930	770
12	Extraordinary Items	-	-	-	-	-	-
13	Net Profit/ (Loss) for the period (11-12)	190	338	751	528	930	770
14	Paid-up equity share capital (Face value per equity share Rs.10)	14,583	14,583	14,583	14,583	14,583	14,583
15	Reserves excluding Revaluation reserves (as per balance sheet of previous accounting year)	-	-	-	-	-	28,869
16	Earnings/(Loss) Per Share ('EPS') (of Rs. 10 each) - (Rs.)						
	(a) Basic EPS	0.13	0.23	0.52	0.36	0.64	0.53
	(b) Diluted EPS	0.13	0.23	0.52	0.36	0.64	0.53

Part II Select Information for the quarter ended September 30, 2014

No	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30-Sep-14	30-Jun-14	30-Sep-13	30-Sep-14	30-Sep-13	31-Mar-14
A	Particulars of Shareholding						
1	Public shareholding						
	- Number of shares	78,250,360	78,250,360	79,021,657	78,250,360	79,021,657	78,446,245
	- Percentage of shareholding	53.66%	53.66%	54.19%	53.66%	54.19%	53.79%
2	Promoters and Promoter group shareholding						
	(a) Pledged/Encumbered						
	- Number of shares	6,802,460	6,802,460	10,437,459	6,802,460	10,437,459	10,437,459
	- Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	10.07%	10.07%	15.62%	10.07%	15.62%	15.49%
	- Percentage of shares (as a % of the total share capital of the company)	4.66%	4.66%	7.16%	4.66%	7.16%	7.16%
	(b) Non-encumbered						
	- Number of shares	60,779,280	60,779,280	56,372,984	60,779,280	56,372,984	56,948,396
	- Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	89.93%	89.93%	84.38%	89.93%	84.38%	84.51%
	- Percentage of shares (as a % of the total share capital of the company)	41.68%	41.68%	38.66%	41.68%	38.66%	39.05%



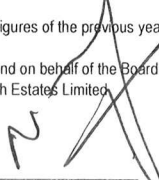
Part III Statement of assets and liabilities

Particulars	As on	
	30-Sep-14	31-Mar-14
	Unaudited	Audited
EQUITY AND LIABILITIES		
Shareholders' funds		
Share capital	14,583	14,583
Reserves and surplus	29,362	28,869
	43,945	43,452
Non-current liabilities		
Long-term borrowings	-	4
Long-term provisions	114	47
	114	51
Current liabilities		
Short-term borrowings	15,960	11,829
Trade payables	10,553	6,279
Other current liabilities	12,372	13,764
Short-term provisions	27	108
	38,913	31,980
	82,972	75,483
ASSETS		
Non-current assets		
Fixed assets		
- Tangible assets	209	238
- Intangible assets	149	190
Capital work-in-progress	-	-
	45,305	40,232
Non-current investments	5,012	9,292
Long-term loans and advances	70	163
Other non-current assets	-	-
	50,744	50,115
Current assets		
Inventories	10,203	9,828
Trade receivables	3,139	3,959
Cash and bank balances	211	510
Short-term loans and advances	14,903	8,110
Other current assets	3,772	2,960
	32,228	25,368
	82,972	75,483

Notes to the financial results:

- (1) The above standalone results has been reviewed by the Audit committee and on their recommendation have been approved by the Board of Directors at their meeting held on November 11, 2014. The statutory auditors have conducted a Limited Review of the above financial results.
- (2) The Company primarily operates in three business segments - 'Residential', 'Retail' and 'Hospitality'. All operations are in India and hence there is no geographical segment.
- (3) Details of number of investor complaints for the quarter ended September 30, 2014:
Beginning - Nil; Received - 11; Responded - 11; Pending - Nil.
- (4) The Company has advanced an amount aggregating Rs 1,570 lakhs as at 30 September 2014, to various parties for purchase/joint development of land/ properties. Considering the timeline of these advances, the same should have been converted into acquired land / joint development agreements or these amounts should have been recovered. Management continues to believe that these advances have been made to parties with which a joint development agreements / acquisition of land will be consummated and in the event that it does not consummate, these advances can be recovered. However, in the absence of sufficient documentation to justify the timing around when these advances are capable of being converted into joint development agreements / acquisition of land and considering that they are not secured, the auditors have qualified their opinion in relation to the recoverability of these advances and the consequential effect, if any, on the financial results for the quarter and half year ended 30 September 2014.
- (5) The figures of the previous year/period have been regrouped/ reclassified, wherever necessary.

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


Nitesh Shetty
Chairman and Managing Director



Place: Bangalore, India
Date: November 11, 2014

Standalone Segment wise revenue, results and capital employed

(Rs in lakhs)

No	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30-Sep-14	30-Jun-14	30-Sep-13	30-Sep-14	30-Sep-13	31-Mar-14
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment revenue						
	(a) Residential	3,110	2,126	3,004	5,236	6,905	11,291
	(b) Retail	-	-	-	-	-	-
	(c) Hospitality	-	-	-	-	-	-
	Total	3,110	2,126	3,004	5,236	6,905	11,291
	Less: Inter-segment revenue	-	-	-	-	-	-
	Net income from operations	3,110	2,126	3,004	5,236	6,905	11,291
2	Segment results						
	Profit/(loss) before tax and interest						
	(a) Residential	452	649	1,011	1,101	1,396	1,494
	(b) Retail	-	-	-	-	-	-
	(c) Hospitality	-	-	-	-	-	-
	Total	452	649	1,011	1,101	1,396	1,494
	Add: Other income	51	19	23	70	31	189
	Less: Interest	(277)	(240)	(174)	(517)	(347)	(801)
	Total profit/(loss) before tax	226	428	860	654	1,080	882
3	Capital employed						
	(a) Residential	24,687	26,144	25,773	24,687	25,773	22,736
	(b) Retail	18,575	17,092	14,881	18,575	14,881	17,092
	(c) Hospitality	16,286	16,274	13,108	16,286	13,108	15,037
	(d) Unallocated	357	391	491	357	491	428
	Total	59,905	59,901	54,252	59,905	54,252	55,293

