

# RAY & RAY

CHARTERED ACCOUNTANTS

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Independent Auditor's Report on unaudited standalone financial results of NEL HOLDINGS SOUTH LIMITED for quarter and half year ended September 30, 2021 Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

## INDEPENDENT AUDITOR'S REVIEW REPORT

TO

**THE BOARD OF DIRECTORS OF**

**NEL HOLDINGS SOUTH LIMITED (FORMERLY KNOWN AS NEL HOLDINGS LIMITED)**

1. We have reviewed the accompanying statement of Unaudited Standalone Financial Results of **NEL HOLDINGS SOUTH LIMITED** ("the Company") for the quarter and half year ended September 30, 2021 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations 2015").
2. 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 Indian Accounting Standard 34, 'Interim Financial Reporting' (Ind AS 34) prescribed under Section 133 of the Companies Act, 2013, (the 'Act') 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 on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by 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.



4. Attention is drawn to the following matters and other matters disclosed in the Notes of the Statement which are the subject matter of adverse conclusion as given in Para 5 below:

- a) The Company has incurred losses over the years resulting in negative net worth, negative working capital and negative cash flows. The default in payment of dues to banks and financial institution and creditors etc. are the identified events that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern. The Statement does not adequately disclose this fact.

The Company is in the process of exiting the projects and settling the loans from banks, financial institutions and creditors etc. Although these transactions have reduced the liability of the Company to banks and financial institutions, the ability of the Company to continue as a going concern remains uncertain in view of the above.

As the Company has not recognized this fact and has prepared the Unaudited Standalone Financial Results on a going concern assumption basis without carrying out any adjustments, the same may not give a true and fair view.

- b) The Company has accounted for Principal amount of Rs. 34,617 lakhs, Accrued Interest of Rs. 7,169 lakhs and Disputed Liability of Rs. 3,728 lakhs in its books of account as total outstanding to banks and financial institution as on 30<sup>th</sup> September, 2021. All the banks and financial institutions have declared the outstanding loan accounts of the company as Non-Performing Accounts (NPA) in the earlier years.

In relation to a loan taken from Yes Bank for the Commissariat Road (Soho) Project, the Bank has principally agreed for settlement of the loan for Rs. 3,000 lakhs. The Company has not provided any further interest on this loan since the previous year. Further, the Company has in the previous quarter written back to income, accrued interest amounting to Rs. 1,443 lakhs without any confirmation from the Bank in this regard. Due to non-availability of any information of such settlement, we are unable to comment on the non-provisioning and on the basis for such write back of interest. (Refer to note 12 of the Statement).

During the quarter and half year, the Company has not provided interest for the loan outstanding from Yes Bank against the Plaza Project. Further, the Company has classified the interest outstanding as on March 31, 2021 amounting to Rs. 3,728 lakhs, to the extent allocated to the project, as a disputed liability without any confirmation from the Bank in this regard. The basis and documentation for such non provision of interest and classification as disputed liability was not made available for our verification. (Refer to note 11 of the Statement).

- c) Penal interest on default on payment to banks and financial institution has not been provided for in the books of account of the Company. (Refer to note 5 of the Statement)



- d) During the previous year, the Company has sold/disposed two projects viz, Knightsbridge and Virgin Island. The remaining balance of the term loan related to these projects amounting to Rs 11,402 lakhs in respect of the borrowing from HDFC Limited has been written back as income in previous quarter. (Refer note 10 of the statement). We have not been provided with the necessary documentation or other appropriate correspondence with HDFC Limited regarding the waiver of such loans and interest outstanding.

(Rs. In lakhs)

Project Name	Principal	Interest	Total
Knightsbridge	-	256	256
Virgin Island	8,146	3,000	11,146
<b>Total</b>	<b>8,146</b>	<b>3,256</b>	<b>11,402</b>

- e) The outstanding balance of advances collected from customers in earlier years pertaining to closed/ suspended residential projects, which have now been abandoned, amounts to Rs. 446 lakhs as on the reporting date. Such receipts are in the nature of deemed deposits under Rule 2(c) (xii) (b) of the Companies Acceptance of Deposit (Rules) 2014 and is within the purview of the provisions of sections 73 to 76 of the Companies Act, 2013.
- f) In spite of negative net worth of the subsidiaries, the Company has not accounted for impairment of Rs. 5,197 lakhs against the advances given to them, resulting in the understatement of loss and overstatement of net worth by the said amount. The Company has further disbursed fresh advance amounting Rs. 26 lakhs during the half year for which no document has been provided to us for our verification and which in our opinion is a matter of concern and is prejudicial to the interest of the Company.
- g) The Company has not tested impairment of its projects' CWIP and Inventories amounting to Rs 8,835 lakhs and Rs 3,022 lakhs (Net of "Payable to land owner for land under JDA") respectively, for ascertaining the realizable value as on 30<sup>th</sup> September, 2021. To the extent of any possible diminution of value not accounted for, the unaudited standalone financial statements may not give a true and fair view as per the requirement of Ind AS 2.
- h) Balance confirmation certificates in respect of trade receivables, trade payables, vendor advances, advance from customers and a few other advances, have not been provided for our verification and record. In absence of adequate evidence, we are unable to ascertain as to whether any further provision may be necessary with respect to the carrying amounts of these balances as on the reporting date. Trade Receivable amounting to Rs. 88 lakhs as on 30<sup>th</sup> September, 2021 has not been considered for impairment loss based on expected credit loss method as per requirement of Ind AS 109.



- i) As per the records of the Company and information and explanations provided to us, the Company has been irregular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, Goods and Services tax, cess. The GST department has suo moto suspended the GST registration of the Company on June 15, 2021. The Company also has a receivable balance of Rs.1,220 lakhs from various government authorities. Due to such statutory non compliances, we are unable to comment on the actual recoverability of such balance.
  - j) The Company has an outstanding liability of Rs. 356 lakhs towards employee payable as on 30<sup>th</sup> September, 2021. Due to non-availability of additional information and ageing, we are unable to comment on the applicability of related statutory compliances or on the requirement of any further provision.
  - k) The Company has neither ascertained nor accounted for MAT and Deferred Tax Liabilities arising on account of write back of loans from financial institutions and difference in revenue recognition respectively, on the reporting date and its adjustment in the Statement of Profit & Loss during the quarter and half year.
  - l) The Company has an investment in Whitefield Housing Enterprises (Whitefield) amounting Rs 1,008 lakhs on the reporting date. Due to non-availability of the financial statements of Whitefield, we are unable to comment on the status of the investment.
  - m) The presentation of the Cash Flow Statement in the financial results is not as per the disclosure requirement of Ind AS 7.
5. Based on our review conducted as above, due to the significance of the matters stated in Para 4 above and it's consequential impact on the unaudited financial results for the quarter and half year ended September 30, 2021, we are of the view that the Statement read with notes thereon have not been prepared fairly in all material respect in accordance with aforesaid Indian Accounting Standards specified under section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other recognized accounting practices and policies, and has not disclosed fairly the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

### **Emphasis of Matter**

We draw attention to the fact that:

- a. The Company has given unsecured advance amounting to Rs. 1,887 lakhs to WLM Logistics Parks Private Limited (formerly known as Winter Lands Private Limited) (WLM) for acquiring various immovable properties on behalf of the Company for



which no Joint Development Agreement (JDA) could be produced to us. We have been informed that WLM is not in a position to honor its commitment or repay the advance. The management is of the view that provision for the same is not required as, WLM has sought to transfer its JDA rights in the Project at Commissariat Road, Bengaluru, to the extent of 9920 Sq. feet to the Company by way of Memorandum of Understanding (MOU). In this context, we have not been provided with any copy of No Objection Certificate (NOC) from the Land owners and also the basis of the valuation has not been satisfactorily explained to us.

In addition to the existing liability, WLM has acquired the following liabilities of Boulevard and Somerset as provided below:

- i. As reported earlier, the Company has given unsecured advance amounting to Rs. 3,515 lakhs to Boulevard Developers Private Limited (Boulevard) for acquiring various immovable properties on behalf of the Company for which no Joint Development Agreements (JDA) could be produced to us. We have been informed that Boulevard is not in a position to honor its commitment and repay the advance. The Company had fully provided for the same in the previous financial year.

During the quarter, this outstanding amount of Rs. 3,515 lakhs repayable to the Company by Boulevard has been taken over by WLM. Correspondingly, the provision against such advance has also been transferred to WLM.

The Company has entered into an MOU with WLM agreeing to enter into a JDA for development of Residential Layouts. In respect of this MOU, the Company has agreed to adjust an amount of Rs. 3,000 lakhs towards an interest free Refundable Security Deposits from the balance of Rs. 3,515 lakhs taken over by WLM as mentioned above. We have not been provided with any copy of No Objection Certificate (NOC) from the Land owners. Further, the ownership of WLM in such property has not been satisfactorily explained to us.

- ii. As reported earlier, the Company had advanced Rs. 1,228 lakhs to Somerset Infra Projects Private Limited (Somerset) for acquiring immovable properties and for transfer of development rights (TDR) in various cities like Chennai, Cochin, Bangalore, on behalf of the Company. Somerset has failed to procure land and/ or the licensed TDR Rights as per the agreement and has not refunded the money. The Company had made full provision for the said advance over the last four years without taking any legal action for recovery. During the quarter and half year, an amount of Rs. 500 lakhs received earlier from a third party towards assignment of the recovery of such advance has now been adjusted with this balance.



In respect of the remaining balance of Rs. 728 lakhs receivable, WLM has taken over this liability from Somerset and has subsequently assigned the rights of a certain villa in the project "True Blue Napa Valley" to the Company by way of MOU dated 12.08.2021. However, the ownership of WLM in such property has not been satisfactorily explained to us.

- b. In the previous quarter, the Company had written back loan outstanding along with accrued interest amounting to Rs. 3,763 lakhs pertaining to a term loan from HDFC Limited against a transferred project Park Avenue and Sriram City Union Finance Limited (SCUFL) pertaining to Company project Logos, which has been waived off by HDFC Limited and SCUFL respectively. Such waiver has been verified on the basis of the documents made available for our verification. (Refer note 9 and 10 of the statement)

Bank/Financial Institution	Project Name	Principal	Accrued Interest	Total
HDFC Limited	Park Avenue	2,422	1,057	3,479
SCUFL	Logos	284	-	284
<b>Total</b>		<b>2,706</b>	<b>1,057</b>	<b>3,763</b>

- c. The Company has not renewed the registration of project "Rio" under the provisions of Real Estate (Regulation and Development) Act, 2016 since 31<sup>st</sup> March 2019, resulting in non-compliance under the relevant rules and regulations of the Real Estate (Regulation and Development) Act, 2016
- d. The Gratuity plan of the Company is unfunded as at 30<sup>th</sup> September, 2021 and the Company has made provision for the entire Gratuity Liability. Employee Gratuity Liability is being met as and when they fall due. As per the Trust Fund Statement from LIC, the Policy Account Value (PAV) is Rs. 141.98 (absolute figure) as compared to Gratuity Liability of Rs. 94 lakhs as on 30.09.2021 accrued in books of accounts. We are unable to comment on the assets that are maintained by the Company and whether there is a liquidity risk that the Company may run out of cash resources which may further affect the financial position of the Company.
- e. As reported earlier, the Company is in the process of revising the budgeted cost of completion for the projects held in Inventory. During the quarter and half year ended 30<sup>th</sup> September, 2021, the Company has sold certain units of its two projects, the cost of sale of which will be readjusted to reflect the revised budgeted cost.
- f. Managerial personnel duly appointed by the members have intimated the Board that they are forgoing the remuneration retrospectively from their respective date of the appointments for compliance with the provisions of section 197(1) of the Companies Act, 2013. The same is subject to approval from the board.



- g. Effect of COVID-19: We draw attention to note no. 13 of the Statement, which describes the economic and social consequences/disruption that the entity is encountering as a result of the COVID-19 pandemic that has impacted supply chains and consumer demand across the Country and has negatively affected the business of the Company. The situation is still evolving and the management's assessment of the impact of the pandemic on subsequent periods is dependent on the circumstances as they evolve.

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

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



*Shipra*

Place: Bengaluru

Date: November 12, 2021

(Shipra Gupta)  
Partner  
Membership No. 436857  
UDIN: 21436857AAAABX8046.

NEL Holdings South Limited  
(Formerly Known as NEL Holdings Limited)  
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CIN: L07010KA2004PLC033412, website - www.nelholdings.in  
Phone Number: +91 80 4017 4000



Statement of unaudited standalone financial results for the period ended September 30, 2021

(Rs in lakh except EPS)

No	Particulars	Quarter ended			Period ended	
		3 months ended 30-09-2021	3 months ended 30-06-2021	Corresponding 3 months ended 30-09-2020	Year to date figures for current period ended 30.09.2021	Year to date figures for previous year ended 31.03.2021
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income					
	(a) Revenue from operations	1,040	759	481	1,799	7,372
	(b) Other Income	17,613	146	62	17,760	243
	<b>Total Income</b>	<b>18,653</b>	<b>905</b>	<b>543</b>	<b>19,559</b>	<b>7,615</b>
2	Expenses					
	(a) Land and construction cost	(1,079)	801	35	(277)	9,710
	(b) Changes in Inventories of Finished goods, work in progress & Stock in Trade	-	-	185	-	-
	(c) Employee benefits expense	158	150	134	308	556
	(d) Finance costs	500	520	1,997	1,020	6,619
	(e) Depreciation and amortization expense	2	2	3	4	13
	(f) Other Expenses	184	160	161	345	4,259
	<b>Total Expenses</b>	<b>(234)</b>	<b>1,633</b>	<b>2,515</b>	<b>1,400</b>	<b>21,157</b>
	Exceptional items	(17,470)	16,608	6,599	(861)	6,077
3	Profit/(Loss) before tax (1-2)	1,417	15,880	4,627	17,298	(7,465)
4	Tax expenses					
	i) Tax for previous years	37	8	-	37	-
	ii) Current Tax	-	-	53	-	-
	iii) Deferred tax	(8)	25	658	17	662
5	Profit/(Loss) after tax for the period (3-4)	1,388	15,847	3,916	17,244	(8,127)
6	Other Comprehensive Income					
	(i) Items that will not be reclassified to profit & Loss	(21)	(48)	18	(69)	-
	(ii) Remeasurement of Defined Benefit Plan	-	-	-	-	-
	(iii) FVOCI - equity investments	37	(37)	-	-	115
	(iv) Tax on above items that will not be reclassified to profit or loss	(8)	25	(5)	17	(29)
	<b>Total Other Comprehensive Income</b>	<b>8</b>	<b>(60)</b>	<b>13</b>	<b>(52)</b>	<b>86</b>
7	Total Comprehensive Income for the period [Comprising profit/(loss) and Other Comprehensive Income for the period (5+6)]	1,405	15,787	3,929	17,192	(8,041)
8	Earnings/(Loss) Per Share ('EPS') (of Rs. 10 each) - (Rs.) (not annualised)					
	(a) Basic EPS	0.95	10.87	2.68	11.82	(5.57)
	(b) Diluted EPS	0.95	10.87	2.68	11.82	(5.57)
9	Paid up equity share capital (Face Value of 10/-each)	14,583	14,583	14,583	14,583	14,583





1 Statement of Assets & Liabilities

(Rs in lakh)

Particulars	As on 30-Sep-21 unaudited	As on 31-Mar-21 audited
<b>ASSETS</b>		
<b>(1) Non-current assets</b>		
a) Property, Plant and Equipment	40	41
b) Right of use asset	-	-
c) Other Intangible assets	2	5
d) Capital work in progress	21,833	21,833
Less : Provision for impairment loss of CWIP	(12,998)	(12,998)
	8,877	8,880
e) Financial Assets		
(i) Investments	1,009	1,009
(ii) Loans	19	47
	39	39
f) Other non-current assets		
	1,067	1,095
<b>(2) Current assets</b>		
a) Inventories	16,756	31,650
b) Financials Assets		
(i) Trade receivables	88	753
(ii) Cash and cash equivalents	49	48
(iii) Other Bank balances	-	-
(iv) Loans	5,787	9,915
(v) Other current financials assets	-	-
c) Other current assets	22,781	15,645
d) Current tax assets, net	-	-
	45,460	58,010
<b>Total Assets</b>	<b>55,405</b>	<b>67,986</b>
<b>EQUITY AND LIABILITIES</b>		
<b>(1) Equity</b>		
Equity Share capital	14,583	14,583
Other Equity	(87,194)	(1,04,386)
	(72,612)	(89,804)
<b>(2) Non-current liabilities</b>		
a) Financial Liabilities		
(i) Other financial liabilities	-	-
(ii) Net employee defined benefit liabilities	-	-
b) Deferred tax liabilities, net	163	163
c) Provisions	96	88
<b>(3) Current liabilities</b>	259	251
a) Financial Liabilities		
(i) Borrowings	34,617	35,586
(iii) Lease liability	-	(0)
(iv) Trade payables	14,102	19,321
(v) Other current financial liabilities	3,780	14,933
(vi) Net employee defined benefit liabilities	-	-
b) Other current liabilities	70,235	87,244
c) Provisions	4,581	34
d) Current tax liabilities, net	443	419
	1,27,758	1,57,539
<b>Total Equity &amp; Liabilities</b>	<b>55,405</b>	<b>67,986</b>
	(0)	(0)



Notes to the financial results:

- 1 The above standalone financial results have been reviewed by the Audit committee and approved by the Board of Directors of the Company at its meeting held on 12th November, 2021. The statutory auditors have conducted a limited review of the standalone Financial Results of the Company for the period ended 30th September, 2021.
- 2 These standalone financial results 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. These results are uploaded on the Company website i.e. www.nelholdings.in and on the Stock Exchanges where the shares of the Company are listed i.e. www.bseindia.com.
- 3 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. However, it is not applicable for the Company as it does not hold any leases valid for more than 12 months as at 30th September, 2021.
- 4 The Company has exited Caesars Palace Project via Business Transfer Agreement (BTA) that has been executed and transferred the assets and liabilities of the projects to M/s. BRS Associates. RERA approval for this project has been obtained in the name of M/s. BRS Associates.
- 5 The Company has defaulted on payment to various lenders, Principal (Rs 34,617 lakhs) as on 30th September, 2021 as the facilities have been called off by the banks & financial institutions and entire facility has become due for payment. The penal interest has not been provided for which Management is confident to get the waiver of penal interest as the request is being made to lenders to take haircut of principal & normal interest outstanding also whenever a project exit is being discussed.
- 6 The Company primarily operates in two business segments - 'Residential' and 'Facility Management'. All operations are in India and hence there is no geographical segment.
- 7 The Company has divested 85% of its holding in NIRPL Ventures Pvt Ltd (formerly known as Nitesh Indiranagar Retail Private Limited) in the current quarter. Consequent to said divestment, NIRPL Ventures Pvt Ltd ceases to be the subsidiary of the Company as on 26th August 2021.
- 8 The Company has divested 100% of its holding (along with holding in NUDPL) in Courtyard Hospitality Private Limited (Formerly known as Courtyard Constructions Private Limited) in the current quarter. Consequent to said divestment, Courtyard Hospitality Private Limited ceases to be the subsidiary of the Company as on 30th September 2021.
- 9 The Company has settled the outstanding loan of M/s. Shriram City Union Finance Ltd (SCUF) in the previous quarter and the outstanding balance of Rs. 9.29 crores has been settled at Rs. 6.45 crores. Consequently Rs. 2.84 crores is written back in our records.
- 10 The Company has exited Park Avenue, Knightsbridge and Virgin Island projects and entered in to one time settlement with the lenders against loan outstanding for said projects. Accordingly the company has written back classified Rs. 148.81 crores in previous quarter as the bank has released its charge on such projects.
- 11 In respect of Plaza project, the company has reclassified the outstanding interest amount of Rs. 37.28 crs as disputed liability in the previous quarter.
- 12 The Company has been engaged with Yes Bank in relation to closure of Commissariat road project Loan or which Yes bank has principally agreed for a settlement of the said loan for Rs. 30 Crs. In view of this, Company has written back the interest of Rs. 14.43 crores in previous quarter.
- 13 The outbreak of second wave of COVID-19 pandemic has significantly impacted global businesses environment. The restriction of human movement through nationwide lockdown during the period from 27th April, 2021 to 21st June, 2021 imposed by the Government of India to prevent community spread of the disease has resulted significant reduction in economic activities with respect to the operations of the Company, The business of the Company has gone down drastically and the construction activities of the Company has been stopped due to non-availability of resources during lock down period. The Company has taken necessary steps to overcome the present situation by analysing various internal and external information inter-alia the assumptions relating to economic forecasts and future cash flows for assessing the recoverability of various assets and receivables viz, investments, contract and non-contract assets, trade and non-trade receivables, inventories, advances and contract costs as on the date of approval of these financial statements. The assumptions used by the company are being tested through sensitivity analysis and the company expects to recover the carrying amount of these assets and receivables based on the current indicators of future economic benefits. As the management is still assessing the impact of COVID-19 pandemic on the future period, the impact may be different from that estimated as at the date of approval of these financial statements and the company will continue to closely monitor the material changes if any, to the future economic conditions.
- 14 **Going concern**  
These financial statements have been prepared on a going concern basis notwithstanding accumulated losses as at the balance sheet date and a negative net current assets situation. As per the management with these exits of residential projects and the debt coming down, the company is hopeful of revival in the coming years.  
These financial statements therefore do not include any adjustments relating to recoverability and classification of asset amounts or to classification of liabilities that may be necessary if the Company is unable to continue as a going concern.
- 15 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 South Limited  
(Formerly Known as NEL Holdings Limited)

  
  
Rajeev Khanna  
DIN : 07143405  
Director Finance & Chief Financial Officer

Place: Bengaluru, India  
Date : 12th November 2021

**Standalone Segment wise revenue, results for the period ended September 30, 2021**

*(Rs in lakh except EPS)*

No	Particulars	Quarter ended			Period ended	
		3 months ended 30-09-2021	3 months ended 30-06-2021	Corresponding 3 months ended 30-09-2020	Year to date figures for current period ended 30.09.2021	Year to date figures for previous year ended 31.03.2021
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1</b>	<b>Segment revenue</b>					
	(a) Residential	1,040	759	481	1,799	7,372
	(b) Retail	-	-	-	-	-
	<b>Total</b>	1,040	759	481	1,799	7,372
	Less: Inter-segment revenue	-	-	-	-	-
	<b>Net income from operations</b>	1,040	759	481	1,799	7,372
<b>2</b>	<b>Segment results</b>					
	Profit/(loss) before tax and interest					
	(a) Residential	(15,696)	16,254	6,564	558	(1,089)
	(b) Retail	-	-	-	-	-
	<b>Total</b>	(15,696)	16,254	6,564	558	(1,089)
	Add: Other income	17,613	146	62	17,760	243
	Less: Interest	500	520	1,997	1,020	6,619
	<b>Total profit/(loss) before tax</b>	1,418	15,880	4,629	17,298	(7,465)
<b>3</b>	<b>Segment Assets</b>					
	(a) Residential	55,405	71,189	(962)	55,405	67,985
	(b) Retail	-	-	-	-	-
	(c) Unallocated					
	<b>Total</b>	55,405	71,189	(962)	55,405	67,985
<b>4</b>	<b>Segment Liabilities</b>					
	(a) Residential	1,28,016	1,45,206	1,83,519	1,28,016	1,57,788
	(b) Retail					
	(c) Unallocated					
	<b>Total</b>	1,28,016	1,45,206	1,83,519	1,28,016	1,57,788



**NEL Holdings South Limited (Formerly known as NEL Holdings Limited)**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

**Statement of Cash Flows for the period ended September 30, 2021**

	<b>Amount</b>
<b>Operating activities</b>	
<b>Profit/ (Loss) before tax</b>	<b>17,297.85</b>
<i>Non-cash adjustment to reconcile profit before tax to net cash flows</i>	
Other Comprehensive Income (net of tax)	-49.65
<i>Adjustments to reconcile profit before tax to net cash flows:</i>	
Depreciation of property, plant and equipment	2.76
Impairment Provision against Investments	-
Interest element on Preference shares of NHDPL	125.10
Writeback of Bank Borrowings	-
Writeback of Bank Interest Payable	-
Deferred tax charge/(credit)	-19.50
Finance costs	1,020.13
<i>Working capital adjustments:</i>	
(Increase)/ decrease in Inventories	14,893.75
(Increase)/ decrease in trade receivables	665.47
(Increase)/ decrease in other financial and non-financial assets	-2,980.71
Increase/ (decrease) in trade payables and other financial liabilities	-33,394.94
Increase/ (decrease) in provisions	4,429.72
<b>Net cash flows from/ (used in) operating activities (A)</b>	<b>1,989.96</b>
<b>Investing activities</b>	
Purchase of property, plant and equipment (including capital work-in-progress and capital advances)	-
Amount contributed to partnership current account	-
Proceeds from sale of property, plant and equipment	-
Redemption of Investments - net	-
Interest received	-
<b>Net cash flows from/ (used in) investing activities (B)</b>	<b>-</b>
<b>Financing activities</b>	
Proceeds from long-term borrowings	-969.27
Proceeds from current borrowings	-
Ind AS 115 / 116 - Retained earning entries	-
Interest paid (gross)	-1,020.13
<b>Net cash flows from/ (used in) financing activities (C)</b>	<b>-1,989.40</b>
Net increase/ (decrease) in cash and cash equivalents	0.56
Cash and cash equivalents at the beginning of the year	48.04
<b>Cash and cash equivalents at the end of the year</b>	<b>48.60</b>
<b>Components of cash and cash equivalents</b>	
Cash on hand	0.43
Balance with banks	-
- on current account	48.17
- on deposit account	-
Less - Bank overdraft	-
<b>Total cash and cash equivalents</b>	<b>48.60</b>

