

RAY & RAY

CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE BOARD OF DIRECTORS OF NEL HOLDINGS LIMITED (FORMERLY KNOWN AS NITESH ESTATES LIMITED)

We have reviewed the accompanying statement of unaudited standalone financial results of NEL Holdings Limited (formerly known as Nitesh Estates Limited) ("the Company"), for the quarter and six months ended September 30, 2019 ("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.

This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors and has been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015 as amended (Ind AS) prescribed under section 133 of the Companies Act 2013 read with the 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.

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. 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, nothing has come to our attention, *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*

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stated in the *Emphasis of Matter* paragraph below, nothing has come to our attention, that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed 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:

1. The Company has advanced substantial amounts to various parties for acquiring various land and immovable properties on behalf of the Company 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 Company 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 Company has decided to exit residential projects. To meet this objective, Company 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.

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



(K. K. Ghosh)
Partner

Place: Bengaluru
Date: November 13, 2019

Membership No. 059781
UDIN:19059781AAAABK5207

Statement of unaudited standalone financial results for the period ended September 30, 2019 (Rs in lakh except EPS)

S/no No	Particulars	Quarter ended			Half yearly		Previous year ended 31-03-2019
		3 months ended 30-09-2019	Preceding 3 months ended 30-06-2019	Corresponding 3 months ended 30-09-2018	Year to date figures for current period ended 30.09.2019	Year to date figures for current period ended 30.09.2018	
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	
1	Income						
	(a) Revenue from operations	492	157	1,662	649	1,959	8,439
	(b) Other Income	293	51	78	344	102	178
	Total Income	785	208	1,740	993	2,061	8,617
2	Expenses						
	(a) Land and construction cost	433	4,059	1,587	4,492	47,294	47,121
	(b) Changes in Inventories of Finished goods, work in progress & Stock in Trade	(88)	(3,960)	(267)	(4,048)	(45,699)	(43,880)
	(c) Employee benefits expense	308	274	293	582	676	1,331
	(d) Finance costs	1,808	1,238	1,293	3,046	2,014	4,751
	(e) Depreciation and amortization expense	22	4	5	26	10	23
	(f) Other Expenses	4,890	151	613	5,041	881	13,734
	Total Expenses	7,373	1,766	3,524	9,139	5,176	23,080
3	Profit/(Loss) before tax (1-2)	(6,588)	(1,558)	(1,784)	(8,146)	(3,115)	(14,463)
4	Tax expenses						
	i) Current Tax						
	ii) Deferred tax	(1,529)	21	12	(1,508)	29	87
5	Profit/(Loss) after tax for the period (3-4)	(5,059)	(1,579)	(1,796)	(6,638)	(3,144)	(14,550)
6	Other Comprehensive Income						
	(i) Items that will not be reclassified to profit & Loss						
	(ii) Remeasurement of Defined Benefit Plan	-	-	13		11	17
	(iii) FVOCI - equity investments	4,546	-	-	4,546	-	-
	(iv) Tax on above items that will not be reclassified to profit or loss	(1,546)	-	(5)	(1,546)	(4)	(6)
	Total Other Comprehensive Income	3,000	-	8	3,000	7	11
7	Total Comprehensive Income for the period [Comprising profit/(loss) and Other Comprehensive Income for the period (5+6)]	(2,059)	(1,579)	(1,788)	(3,638)	(3,137)	(14,539)
8	Earnings/(Loss) Per Share ('EPS') (of Rs. 10 each) - (Rs.) (not annualised)						
	(a) Basic EPS	(3.47)	(1.08)	(1.23)	(4.55)	(2.16)	(9.98)
	(b) Diluted EPS	(3.47)	(1.08)	(1.23)	(4.55)	(2.16)	(9.98)
9	Paid up equity share capital (Face Value of 10/-each)	14,583	14,583	14,583	14,583	14,583	14,583



NEL

Holdings Limited
(Rs in lakh)

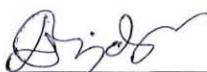
Statement of Assets & Liabilities

Particulars	As on 30-Sep-19 Unaudited	As on 31-Mar-19 audited
ASSETS		
(1) Non-current assets		
a) Property, Plant and Equipment	53	58
b) Right of use asset	97	-
c) Other Intangible assets	8	10
d) Capital work in progress	12,998	12,998
	13,156	13,066
e) Financial Assets		
(i) Investments	33,603	25,697
(ii) Loans	269	279
	-	-
f) Other non-current assets	33,872	25,976
(2) Current assets		
a) Inventories	77,092	73,044
b) Financials Assets		
(i) Trade receivables	2,004	2,050
(ii) Cash and cash equivalents	6	217
(iii) Other Bank balances	-	-
(iv) Loans	2,297	2,296
(v) Other current financials assets	-	-
c) Other current assets	38,154	38,663
d) Current tax assets, net	(102)	(91)
	1,19,451	1,16,180
Total Assets	1,66,479	1,55,222
EQUITY AND LIABILITIES		
(1) Equity		
Equity Share capital	14,583	14,583
Other Equity	(3,170)	(1,713)
	11,413	12,870
(2) Non-current liabilities		
a) Financial Liabilities		
(i) Other financial liabilities	-	-
(ii) Net employee defined benefit liabilities	-	-
b) Deferred tax liabilities, net	(541)	1,682
c) Provisions	192	194
	(349)	1,876
(3) Current liabilities		
a) Financial Liabilities		
(i) Borrowings	51,645	52,332
(iii) Lease liability	165	-
(iv) Trade payables	21,981	19,673
(v) Other current financial liabilities	-	-
(vi) Net employee defined benefit liabilities	-	-
b) Other current liabilities	81,589	68,437
c) Provisions	34	34
	1,55,414	1,40,476
Total Equity & Liabilities	1,66,479	1,55,222

Notes to the financial results:

- The above unaudited standalone financial results of NEL Holdings Limited 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 have conducted a Limited Review of the standalone Financial Results of the Company for the half year ended 30th September 2019. These results are uploaded on the Company website i.e. www.niteshestates.com and on the Stock Exchanges where the shares of the Company are listed i.e. www.bseindia.com and www.nseindia.com.
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.
- 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. 77.99 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. 13.49 lakhs and Depreciation and Amortisation Expenses is increased by Rs. 18.12 lakhs and lease rent expenses is reduced by Rs. 38.29 lakhs and Profit before Tax for the period is increased by 6.68 lakhs.
- The company has received an intimation from debenture holders for non redemption of debentures and recovery of unpaid principle of Rs. 55 Crores and corresponding interest.
- The Company primarily operates in two business segments - 'Residential' and 'Retail'. All operations are in India and hence there is no geographical segment.
- 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 : Nov 13, 2019



NEL Holdings Limited

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

NEL

Holdings Limited

Operating activities	Year to date figures for current period ended 30.09.2019
Profit/ (Loss) before tax	-7,914.27
	-
<i>Non-cash adjustment to reconcile profit before tax</i>	-
	-
<i>Adjustments to reconcile profit before tax to net</i>	-
Depreciation of property, plant and equipment	8.03
Profit from sale of fixed assets	-
Gain/ (loss) on disposal of property, plant and	-
Other comprehensive income	-
Deferred tax charge/(credit)	-
Gain/ (loss) on disposal of investments	-
Interest income	-
Finance income (including fair value change in	-
Finance costs	2,812.98
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	-4,280.32
(Increase)/ decrease in trade receivables	45.55
(Increase)/ decrease in other financial and non-	-7,700.42
Increase/ (decrease) in trade payables and other	20,325.69
Increase/ (decrease) in provisions	-2.26
Increase/ (decrease) in other non-financial liabilities	-
	-
Income tax paid (net of refund)	-
Net cash flows from/ (used in) operating activities (A)	3,294.97



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	-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	-
Interest received	-
Net cash flows from/ (used in) investing	-6.14
	-
Financing activities	-
Proceeds from long-term borrowings	-686.98
Repayment of long-term borrowings	-
Proceeds from short-term borrowings	-
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)	-2,812.98
Dividends paid on equity shares	-
Tax on equity dividend paid	-
Net cash flows from/ (used in) financing	-3,499.96
	-
Net increase/ (decrease) in cash and cash	-211.14
Cash and cash equivalents at the beginning of the	217.49
Cash and cash equivalents at the end of the	6.36
	-
Components of cash and cash equivalents	-
Cash on hand	0.26
Balance with banks	-
- on current account	6.10
- on deposit account	-
Less - Bank overdraft	-
Total cash and cash equivalents	6.36



(Rs in lakh except EPS)

No	Particulars	Quarter ended			Half year ended		Previous year ended 31-03-2019
		3 months ended 30-09-2019	Preceding 3 months ended 30-06-2019	Corresponding 3 months ended 30-09-2018	Year to date figures for current period ended 30.09.2019	Year to date figures for current period ended 30.09.2018	
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	
1	Segment revenue						
	(a) Residential	492	157	1,662	649	1,959	8,439
	(b) Retail	-	-	-	-	-	-
	Total	492	157	1,662	649	1,959	8,439
	Less: Inter-segment revenue	-	-	-	-	-	-
	Net income from operations	492	157	1,662	649	1,959	8,439
2	Segment results						
	Profit/(loss) before tax and interest						
	(a) Residential	(5,074)	(371)	(569)	(5,444)	(1,203)	(9,890)
	(b) Retail	-	-	-	-	-	-
	Total	(5,074)	(371)	(569)	(5,444)	(1,203)	(9,890)
	Add: Other income	293	51	78	344	102	178
	Less: Interest	1,808	1,238	1,293	3,046	2,014	4,751
	Total profit/(loss) before tax	(6,588)	1,238	(1,784)	(8,146)	(3,115)	(14,463)
3	Segment Assets						
	(a) Residential	1,66,479	1,58,673	1,61,675	1,66,479	1,61,675	1,55,221
	(b) Retail	-	-	-	-	-	-
	(c) Unallocated	-	-	-	-	-	-
	Total	1,66,479	1,58,673	1,61,675	1,66,479	1,61,675	1,55,221
4	Segment Liabilities						
	(a) Residential	1,55,065	1,45,200	1,35,781	1,55,065	1,35,781	1,40,670
	(b) Retail	-	-	-	-	-	-
	(c) Unallocated	-	-	-	-	-	-
	Total	1,55,065	1,45,200	1,35,781	1,55,065	1,35,781	1,40,670

