

## Limited Review Report

### REVIEW REPORT TO THE BOARD OF DIRECTORS OF NITESH ESTATES LIMITED

We have reviewed the accompanying statement of unaudited standalone financial results of **Nitesh Estates Limited** ("the Company") for the quarter and half year ended September 30, 2017 and standalone unaudited statement of Assets and Liabilities as at September 30, 2017 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement (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 provides 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 that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards i.e. 'Ind AS' prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies have not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

#### Other matters

1. We have not audited or reviewed the Statement and other financial information for the quarter and half year ended September 30, 2016 which have been presented solely based on the information compiled by the management. Management has adjusted those unaudited financial results for the differences in the accounting principles adopted by the Company on transition to Indian Accounting Standards ('Ind AS') and presented a reconciliation for the



2. same, which has been approved by the Company's Board of Directors but have not been subject to review.
  
3. Gross accounting method is followed by considering the fair value of the land belonging to the land owners while computing the percentage of profit for revenue recognition. This method has been adopted as per prevailing accounting practice in real estate industry with reference to "Ind AS 18-Revenue", as the same has not been specifically mentioned in "Ind AS 11 Construction Contracts". Due to this revenue has been decreased by Rs.1,073 Lakhs and Construction Cost (net of changes in inventory) decreased by Rs.2,380 Lakhs for the half year ended September 30, 2017 and revenue has been increased by Rs.12,173 Lakhs and Land and Construction Cost (net of changes in inventory) increased by Rs.11,754 Lakhs for the half year ended September 30, 2016. We are unable to form an opinion in this matter.

For **RAY & RAY**  
Chartered Accountants  
Firm Registration No.301072E



Mrinal Kanti Banerjee  
Partner  
Membership No 051472

Place: Bengaluru

Date: 12<sup>th</sup> December, 2017



Statement of unaudited standalone financial results for the quarter and half year ended on September 30, 2017

(Rs in lakhs)

No	Particulars	Quarter ended			Half year ended	
		30-Sep-17	30-Jun-17	30-Sep-16	30-Sep-17	30-Sep-16
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
1	Income					
	(a) Revenue from operations	573	1,500	4,968	2,073	19,293
	(b) Other Income	40	43	38	83	65
	<b>Total Income</b>	<b>613</b>	<b>1,543</b>	<b>5,006</b>	<b>2,156</b>	<b>19,358</b>
2	Expenses					
	(a) Land and construction cost	(4,052)	5,709	932	1,657	3,767
	(b) Changes in Inventories of Finished goods, work in progress & Stock in Trade	4,601	(4,272)	3,616	329	13,638
	(c) Employee benefit expense	314	541	296	855	628
	(d) Finance costs	668	711	605	1,379	1,214
	(e) Depreciation and amortization expense	10	12	17	22	31
	(f) Other Expenditure	313	244	474	557	750
	<b>Total Expenses</b>	<b>1,854</b>	<b>2,945</b>	<b>5,940</b>	<b>4,799</b>	<b>20,028</b>
3	Profit/(Loss) before tax (1-2)	(1,241)	(1,402)	(934)	(2,643)	(670)
4	Tax expenses					
	i) Current Tax	72	(72)	(45)	-	-
	ii) Deferred tax	(60)	-	138	(60)	148
5	5. Profit/(Loss) for the period (3-4)	(1,253)	(1,330)	(1,027)	(2,583)	(818)
6	Other Comprehensive Income					
	(i) Items that will not be reclassified to profit & Loss	(50)	33	(4)	(17)	(4)
	(ii) Income tax on items that will not be reclassified to profit or loss	11	(11)	2	-	2
	<b>Total Other Comprehensive Income</b>	<b>(39)</b>	<b>22</b>	<b>(2)</b>	<b>(17)</b>	<b>(2)</b>
7	Total Comprehensive Income for the period (Comprising profit/(loss) and Other Comprehensive Income for the period (5+6))	(1,292)	(1,308)	(1,029)	(2,600)	(820)
8	Earnings/(Loss) Per Share ('EPS') (of Rs. 10 each) - (Rs.)					
	(a) Basic EPS	(0.86)	(0.91)	(0.70)	(1.77)	(0.56)
	(b) Diluted EPS	(0.86)	(0.91)	(0.70)	(1.77)	(0.56)
9	Paid up equity share capital (Face Value of 10/-each)	14,583	14,583	14,583	14,583	14,583



*Shwini June*

## Statement of assets and liabilities for half year ended on September 30, 2017

Particulars	As on	
	30-Sep-17	
	Unaudited	
<b>ASSETS</b>		
<b>(1) Non-current assets</b>		
a) Property, plant and equipment		85
b) Capital work in progress		12,998
c) Other Intangible assets		24
		13,107
d) Financial Assets		49,540
(i) Investments		4,319
(ii) Loans		70
e) Other non-current assets		53,929
<b>(2) Current assets</b>		31,012
a) Inventories		
b) Financials Assets		2,169
(i) Trade receivables		420
(ii) Cash and bank balances		20,492
(iii) Loans		-
(iv) Others		9,375
c) Other current assets		63,468
		<b>1,30,504</b>
<b>EQUITY AND LIABILITIES</b>		
<b>(1) Equity</b>		
Equity Share capital		14,583
Other Equity		27,695
<b>(2) Non-current liabilities</b>		42,278
a) Financial Liabilities		
(i) Other financial liabilities		-
(ii) Net employee defined benefit liabilities		-
b) Deferred tax liabilities, net		3,033
c) Provisions		45
<b>(3) Current liabilities</b>		3,078
a) Financial Liabilities		
(i) Borrowings		41,316
(ii) Trade payables		14,441
(iii) Other financial liabilities		-
(iv) Net employee defined benefit liabilities		-
b) Other current liabilities		29,261
c) Provisions		131
		85,148
		<b>1,30,504</b>

## Notes to the financial results:

- 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 December 12, 2017. The statutory auditors have carried out a limited review of the Financial Results for the quarter ended September 30, 2017. These results are uploaded on the Company website i.e. [www.nitshestates.com](http://www.nitshestates.com) and on the Stock Exchanges where the shares of the Company are listed i.e. [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).
- The Company primarily operates in two business segments - 'Residential' and 'Retail'. All operations are in India and hence there is no geographical segment.
- The company has adopted Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 (Ind AS) from April 1, 2017, the date of transition being April 1, 2016. All the periods presented in the financial results & other financial information has been prepared in accordance with recognition & measurement principles laid down in Ind AS & disclosure information required to be disclosed under Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, read with SEBI circular no. CIR/CFD/FAC/62/2016 dated July 5, 2016



*Ashwini Yune*

- 4 Reconciliation of the Net Profit/(Loss) as previously reported on account of transition from previous GAAP to Ind AS for the quarter and half year ended on September 30, 2016 is given below:

(Rs in Lakhs)

Particulars	3 months ended 30.9.2016	6 months ended 30.9.2016
Net Profit /(Loss) as per previous GAAP (Indian GAAP)	(1,306)	(1,126)
Actuarial loss on employee defined benefit plan recognised in Other Comprehensive Income as per Ind AS 19	(4)	(4)
Fair Valuation of Financial Assets & Liabilities as per Ind AS 109	431	421
Processing Fees	27	52
Deferred Tax impact of above adjustments	(174)	(160)
Net Profit/(Loss) as per Ind AS	(1,027)	(818)
Other Comprehensive Income	(2)	(2)
Total Comprehensive income for the period	(1,029)	(820)

- 5 The Ind AS financial results for the quarter and half year which ended September 30, 2016 have been compiled by the management after considering the necessary changes to give a true & fair value of the results in accordance with Ind AS. The Ind AS adjustments made in the financial results for the quarter and half year which ended September 30, 2016 has not been subjected to any limited review or audit.
- 6 Disclosure of figures for previous year ended 31st March 2017 and quarter ended 31st March 2017 is not mandatory as per Circular issued by SEBI no - CIR/CFD/FAC/62/2016 Dated 5th July 2016.
- 7 The Land and construction cost includes Rs. 271 Lakhs as finance cost towards interest for half year ended on September 30, 2017.
- 8 Gross accounting method is followed by considering the fair value of the land belonging to the land owners while computing the percentage of profit for revenue recognition. This method has been adopted as per prevailing accounting practice in real estate industry with reference to "Ind AS 18-Revenue", as the same has not been specifically mentioned in "Ind AS 11 Construction Contracts". Due to this revenue and land & construction cost (net of changes in inventory) have been decreased by Rs 1073 Lakhs and Rs 2380 Lakhs for the half year ended September 30, 2017 and have been increased by Rs 12173 Lakhs and Rs 11754 Lakhs for the half year ended September 30, 2016 respectively.
- 9 The figures in respect of previous period have been regrouped/recast wherever necessary.

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

*Ashwini Kumar*

Ashwini Kumar  
DIN: 02034498  
Executive Director & Chief Operating Officer

Place: Bengaluru, India  
Date : December 12, 2017



**Standalone Segment wise revenue, results**

(Rs in lakhs)

No	Particulars	Quarter ended			Half year ended	
		30-Sep-17	30-Jun-17	30-Sep-16	30-Sep-17	30-Sep-16
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
1	<b>Segment revenue</b>					
	(a) Residential	573	1,500	4,968	2,073	19,293
	(b) Retail	-	-	-	-	-
	<b>Total</b>	573	1,500	4,968	2,073	19,293
	Less: Inter-segment revenue	-	-	-	-	-
	<b>Net income from operations</b>	573	1,500	4,968	2,073	19,293
2	<b>Segment results</b>					
	Profit/(loss) before tax and interest					
	(a) Residential	(613)	(735)	(367)	(1,347)	479
	(b) Retail	-	-	-	-	-
	<b>Total</b>	(613)	(735)	(367)	(1,347)	479
	Add: Other income	40	43	38	83	65
	Less: Interest	668	711	605	1,379	1,214
	<b>Total profit/(loss) before tax</b>	(1,241)	(1,402)	(934)	(2,643)	(670)
3	<b>Segment Assets</b>					
	(a) Residential	1,30,504	1,38,069	1,14,371	1,30,504	1,14,371
	(b) Retail	-	-	-	-	-
	(c) Unallocated	-	-	-	-	-
	<b>Total</b>	1,30,504	1,38,069	1,14,371	1,30,504	1,14,371
4	<b>Segment Liabilities</b>					
	(a) Residential	88,226	87,387	71,710	88,226	71,710
	(b) Retail	-	-	-	-	-
	(c) Unallocated	-	-	-	-	-
	<b>Total</b>	88,226	87,387	71,710	88,226	71,710



*Aswini Kumar*