NEL

Holdings Limited

September 5, 2019

To

The BSE Limited
(Stock Code: 533202)
Floor 25, P J Towers
Dalal Street
Mumbai-400 001

The National Stock Exchange of India Limited
(Stock Code: NITESHEST, Series- EQ)
Exchange Plaza, Plot No. C/1, G Block
Bandra – Kurla Complex, Bandra (E)
Mumbai - 400 051

Dear Sir/Madam,

Sub: Annual Report 2018-19

Pursuant to Regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the copy of the 15th Annual Report of the Company for the financial year 2018-19.

The notice of the 15th Annual General Meeting along with the Annual Report has also been uploaded on the website of the company www.nelholdings.in.

Request you to take the same on record.

Thanking you,

For NEL Holdings Limited
(Formerly Nitesh Estates Limited)

NEL Holdings Limited * Bangalore *

Prasant Kumar

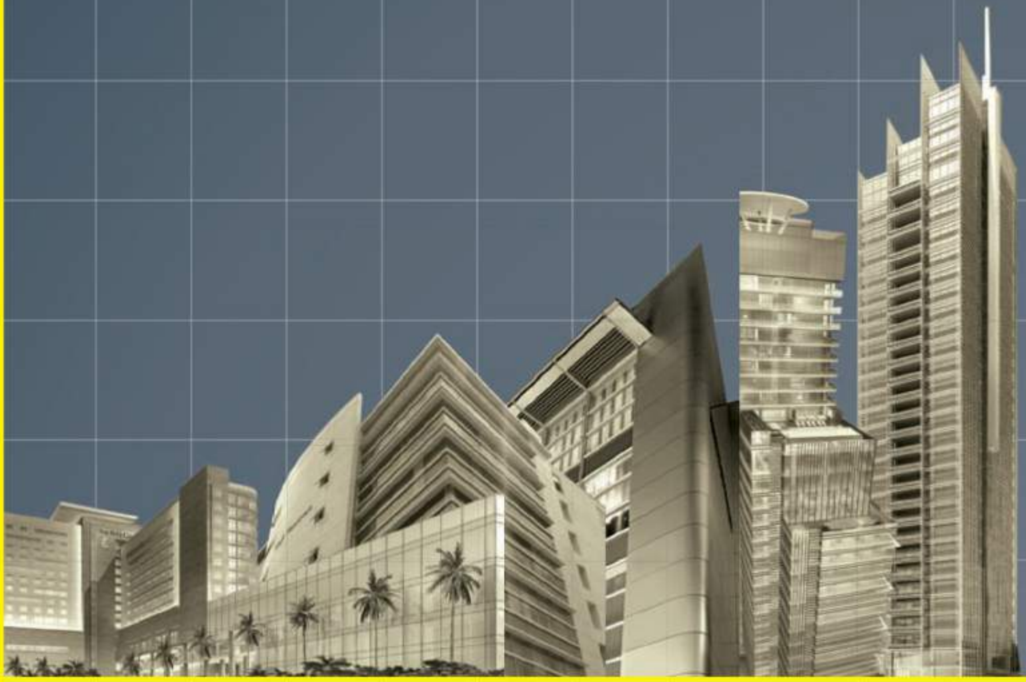
Prasant Kumar
Company Secretary & Chief Compliance Officer

Encl.: As above

NEL

Holdings Limited

15th annual report 2018-19






CORPORATE INFORMATION

BOARD OF DIRECTORS

MR. NITESH SHETTY
Chairman & Managing Director

MR. L. S. VAIDYANATHAN
Executive Director

MR. ASHWINI KUMAR
Executive Director & Chief Operating Officer

MR. G N BAJPAI
Independent Director (upto 17th August, 2019)

MR. JAGDISH CAPOOR
Independent Director

MR. M.D. MALLYA
Independent Director (upto 5th April 2018)

MR. SHANTANU CONSUL
Independent Director (w.e.f 26th Feb 2019)

MR. S ANANTHANARAYANAN
Independent Director (w.e.f 26th Feb 2019)

MRS. DIPALI KHANNA
Independent Director

MR. MAHESH BHUPATHI
Independent Director

MR. RAKESH SINGH
Chief Executive Officer (from April 10, 2019)

MR. M A VENKATESHAN
Chief Financial Officer (upto April 10, 2019)

MR. KAMAL DALUKA
Executive Director & CFO (from April 10,2019)

MR. D SRINIVASAN
Company Secretary & Chief Compliance Officer
(upto August 02, 2018)

MR. PRASANT KUMAR
Company Secretary & Chief Compliance Officer
(from August 10, 2018)

COMMITTEES OF THE BOARD

Audit Committee

Mr. Jagdish Capoor -Chairman
Mr. G. N. Bajpai – Member (upto August 17, 2019)
Mr. L. S. Vaidyanathan – Member
Mrs. Dipali Khanna - Member

Nomination & Remuneration Committee

Mr. G. N. Bajpai – Chairman (upto August 17, 2018)
Mrs. Dipali Khanna - Member
Mr. Jagdish Capoor – Chairman (from August 17, 2018)
Mr. Mahesh Bhupathi –Member (from Nov 12, 2018)

Stakeholders Relationship Committee

Mr. Jagdish Capoor - Chairman
Mr. L. S. Vaidyanathan - Member
Mr. Nitesh Shetty - Member (from February 13, 2019)

STATUTORY AUDITORS INCLUDING SUBSIDIARIES

M/s Ray & Ray,
Chartered Accountants
No: 824, Ground Floor
2nd Cross, 11th Main, Hal 2nd Stage, Indiranagar
Bangalore-560 008

SECRETARIAL AUDITORS INCLUDING SUBSIDIARIES

M/s. S. Kedarnath & Associates
Practicing Company Secretaries
004, Ojus Apartments, 4th Main Road,
Malleswaram,
Bangalore-560 003

INTERNAL AUDITORS

Pricewaterhouse Coopers Private Limited
“Registered Office at Plot Y-14, Block EP, Sector V,
Saltlake, Kolkata 700 091

REGISTRAR & SHARE TRANSFER AGENT

Karvy Fintech Private Limited
Karvy Selenium Tower B, Plot No 31 & 32
Gachibowli, Financial District,
Nanakramguda, Serilingampally
Hyderabad – 500 032
Telephone No. : 040 67161510:
Toll Free no.: 1800-345-4001
Email: mailmanager@karvy.com

EQUITY SHARES LISTED AT

BSE Limited (BSE)
National Stock Exchange of India Limited (NSE)

PRINCIPAL BANKERS

HDFC Limited
Yes Bank Limited
Corporation Bank

SOLICITORS

Holla & Holla
Ravi B Naik
Cyril Amarchand Mangaldas
J. Sagar Associates

REGISTERED OFFICE
Level 7, Nitesh Timesquare
#8, M.G. Road
Bengaluru – 560 001
Tel: +91 80 4017 4000; email ID:investor@niteshestates.com
Website: www.niteshestates.com

SUBSIDIARY COMPANIES

NITESH HOUSING DEVELOPERS PRIVATE LIMITED

Registered Office: Level 7, Nitesh Timesquare
#8, M.G. Road,Bengaluru-560 001

Board of Directors

MR. L. S. VAIDYANATHAN	Managing Director
MR. ASHWINI KUMAR	Director
MR. S. ANANTHANARAYNAN	Independent Director
MS. DIPALI KHANNA	Independent Director

NITESH URBAN DEVELOPMENT PRIVATE LIMITED

Registered Office: Level 7, Nitesh Timesquare
#8, M.G. Road,Bengaluru-560 001

Board of Directors

MR. ASHWINI KUMAR	Managing Director
MR. L. S. VAIDYANATHAN	Director
MR. S. ANANTHANARAYNAN	Independent Director
MS. DIPALI KHANNA	Independent Director
MR. PRADEEP NARAYAN	Additional Director

NITESH INDIRANAGAR RETAIL PRIVATE LIMITED

Registered Office: Level 7, Nitesh Timesquare
#8, M.G. Road,Bengaluru-560 001

Board of Directors

MR. NITESH SHETTY	Director
MR. L. S. VAIDYANATHAN	Director
MR. ASHWINI KUMAR	Director
MR. S. ANANTHANARAYNAN	Independent Director
MS. DIPALI KHANNA	Independent Director

LOB PROPERTY MANAGEMENT PRIVATE LIMITED

Registered Office: Level 7, Nitesh Timesquare
#8, M.G. Road,Bengaluru-560 001

Board of Directors

MR. P. C. ASHOK	Director
MR. PRADEEP NARAYAN	Director

COURTYARD CONSTRUCTIONS PRIVATE LIMITED

Registered Office: Level 7, Nitesh Timesquare
#8, M.G. Road,Bengaluru-560 001

Board of Directors

MR. L. S. VAIDYANATHAN	Director
MR. ASHWINI KUMAR	Director
MR. PRADEEP NARAYAN	Director

NEL Holdings Limited
(formerly Nitesh Estates Limited)
CIN: L07010KA2004PLC033412
Regd. Office: Level 7, Nitesh Timesquare, # 8, M. G. Road, Bengaluru-560 001, India
Ph. +91-80-4017 4000
Website: www.niteshestates.com; email: investor@niteshestates.com, cs@nelholdings.in

Notice

NOTICE is hereby given that the 15th Annual General Meeting of NEL Holdings Limited will be held at **"Dr. B. R. Ambedkar Memorial Trust" (Ambedkar Bhavana), Miller's Road, Vasanthnagar, Bengaluru – 560 052** on Friday, the 27th September, 2019 at 9.00 a.m., to transact the following business:

ORDINARY BUSINESS:

1. **To consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended 31st March 2019, together with the Reports of the Board of Directors and Auditor's thereon**

   To consider and if thought fit, to adopt the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** the Audited Annual Financial Statements for the year ended March 31, 2019 in the prescribed format, annexed to and forming part of the accounts for the year ended March 31, 2019, including the consolidated Financial Statements for the year ended as on that date, together with the report of the Director's and Auditors' thereon, be and are hereby approved and adopted."

2. **To appoint the Statutory Auditors of the Company**

   To consider and if thought fit, to adopt the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or reenactment thereof), M/s. Ray & Ray, Chartered Accountants, Bangalore having Firm Registration No. 301072E allotted by the Institute of Chartered Accountants of India (ICAI), be and are hereby appointed as Statutory Auditors of the Company for the second term of five consecutive years, from the conclusion of this Annual General Meeting i.e Fifteenth Annual General Meeting until the conclusion of Twentieth Annual General Meeting to be held in the year 2024, on such remuneration as recommended by the Audit Committee and finalized by the Board of Directors of the Company."

SPECIAL BUSINESS:

3. **To appoint Mr. Subramanian Ananthanarayanan (DIN: 07621318) as a Director (Independent Director) of the Company:**

   To consider and if thought fit, to adopt, the following resolution as an **Ordinary Resolution**:

RESOLVED THAT pursuant to the Articles of Association of the Company and the provisions of Section 161 of the Companies Act, 2013 read with Rules made there under (including any statutory modification(s) or reenactment thereof), Mr. Subramanian Ananthanarayanan (DIN: 07621318), who was appointed as an Additional Director of the Company by the Board of Directors and who holds the office up to the date of this Annual General Meeting, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and provisions of Listing Regulations, Mr. Subramanian Ananthanarayanan, be and is hereby appointed as Independent Director of the Company to hold office for a period of 5 (Five) consecutive years i.e., starting from February 22, 2019 to February 21, 2024 and his office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors and/or Company Secretary of the Company be and are hereby severally authorized to do all acts, deeds and things as may be deemed necessary to give effect to the above Resolution."

4. **To appoint Mr. Jagdish Capoor (DIN: 00002516) as an Independent Director of the Company for the second term.**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to provisions of sections 149, 152, and any other applicable provisions of the Companies Act, 2013, and the Rules made thereunder read with Schedule IV to the Companies Act, 2013 and Regulations 17 and 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Jagdish Capoor (DIN : 00002516), who was appointed as an Independent Director of the Company for a first term of Five years up to September 25, 2019, is eligible for being re-appointed as an Independent Director for a Second Term, be and is hereby reappointed as an Independent Director of the Company, to continue to hold office upto September 25, 2024, and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors and/or Company Secretary of the Company be and are hereby severally authorized to do all acts, deeds and things as may be deemed necessary to give effect to the above Resolution."

5. **To approve the divestment of subsidiary – Nitesh Indiranagar Retail Private Limited**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to Regulation 24 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2018 the provisions of the Companies Act, 2013 and rules made there under, the consent of the Shareholders be and is hereby accorded to sell/dispose of the entire Equity Shares held by the Company in Nitesh Indiranagar Retail Private Limited, a Wholly Owned Subsidiary, not below the value of Rs. 42 Crores, to such person(s) as may be decided by the Board of Directors, at such price as may be fixed by the Board of Directors and agreed upon by the prospective Buyer(s).

RESOLVED FURTHER THAT Mr. Nitesh Shetty, Chairman and Managing Director or any other Director/Officer so authorized by the Board for the purpose, be and is hereby authorized to negotiate, determine the terms of the said disposal of investments including the selling price thereof, and to do all such further acts, deeds, things, and to execute all such documents, instruments and writings as may be required to give effect to the above resolution."

By order of the Board
For NEL HOLDINGS LIMITED

Registered Office:
Level 7, Nitesh Timesquare,
8, M G Road,
Bengaluru – 560 001

Sd/-
Prasant Kumar
Company Secretary &
Chief Compliance Officer

Place: Bengaluru
Date: May 30, 2019

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY IN ORDER TO BE VALID MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

   A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN 10% OF THE PAID UP SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

2. A Corporate Member entitled to attend the meeting shall along with their authorized representative(s) send a certified true copy of a resolution passed by the Board of Directors and vote on their behalf at the meeting.

3. The Statement pursuant to Section 102 of the Companies Act, 2013 for the special business is annexed to the notice as **Annexure I**.

4. All documents referred to in the accompanying Notice will be open for inspection at the Registered Office of the Company between
   10.00 A.M. to 12.00 Noon from Monday to Friday on all business days up to and including the date of the meeting.

5. As required under Section 91 of the Companies Act, 2013 and the provisions of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, Securities Transfer Registers, Register of Members and Register of Debenture holders, shall remain closed from **Saturday, September 21, 2019 to Friday, September 27, 2019 (both days inclusive).**

6. Pursuant to the applicable provisions of the Companies Act, 2013 and Regulation 36 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, the brief details of the director seeking re-appointment at the Annual General Meeting is appended to this Notice in **Annexure - II**.

7. Members are requested to advise any changes in their communication address, register their e-mail address, PAN details and Bank details such as Bank and Branch Name, IFSC Code and MICR No. etc with Karvy Fintech Private Limited, the Registrars and Share Transfer Agents of the Company at Karvy Selenium, Tower B, Plot No. 31 & 32. Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 038, Tel: +91 040 67161510.

8. For the convenience of Members / Proxy Holders and for the proper conduct of the meeting, entry to the place of meeting will be regulated by an Attendance Slip, which is annexed to this Notice. The Members/ Proxy Holders are requested to bring the duly completed and signed Attendance Slip along with their copy of the Annual Report to the meeting. Additional copies will not be provided at the meeting.

9. The Securities and Exchange Board of India (SEBI) vide its circular dated 20th April, 2018 has mandated registration of Permanent Account Number (PAN) and Bank Account Details for all securities holders. Members holding shares in physical form are therefore, requested to submit their

PAN and Bank Account Details to Company's Share Transfer Agents by sending a duly signed letter along with self-attested copy of PAN Card and original cancelled cheque. The original cancelled cheque should bear the name of the Member printed on it. In the alternative Members are requested to submit a copy of bank passbook / statement attested by the bank. Members holding shares in demat form are requested to submit the aforesaid information to their respective Depository Participant.

10. The Members may note that on account of the amendment made to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, on 8th June, 2018, the Company will not entertain the request for registration of physical transfer of shares from 1st April, 2019. Hence, Members holding shares in physical form, in their own interest, are requested to dematerialize the shares.

11. The Notice is being sent to all the Members (electronic or physical copy), whose names appeared in the Register of Members as on **Friday, August 30, 2019**. The Notice of the meeting is posted on the website of the Company www.nelholdings.in and is also available on the websites of the Stock exchanges where the shares of the Company are listed i.e. the BSE Limited www.bseindia.com and the National Stock Exchange of India Limited www.nseindia.com.

12. **The businesses as set out in the Notice will be transacted through remote electronic voting system and the Company will provide a facility for voting by remote electronic means**. In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of Companies (Management and Administration) Rules, 2014, the Company is pleased to offer the facility of remote e-voting means, as an alternate, to all its Members to enable them to cast their votes electronically. Please note that the remote voting through electronic means is optional.

13. The remote voting through electronic means will commence on **Tuesday, September 24, 2019 at 9.00 AM to Thursday, September 26, 2019 at 5.00 P.M.** The Members will not be able to cast their vote electronically beyond the date and time mentioned here. Once the vote on a resolution is cast by a shareholder via remote e-voting, it cannot be changed subsequently or cast the vote again. However, a member may participate in the meeting even after exercising his/her right to vote through remote e-voting but shall not be allowed to vote again at the meeting.

14. During the period when the facility for remote e-voting is provided, the Members of the Company holding the shares either in physical or in dematerialised form as on **Friday, September 20, 2019** may opt to vote via remote electronic voting process.

15. Physical Poll/ Ballot voting will be conducted by the Company on the day of the meeting and members who have not cast their vote via remote e-voting process, shall only be entitled to exercise their right to vote by way of Poll Paper/Ballot at the meeting.

16. The Company has appointed Mr. Sudhindra K. S., Practicing Company Secretary (FCS 7909, CP No. 8190) to act as the Scrutinizer for conducting the electronic voting process and ballot voting at the meeting in a fair and transparent manner.

17. ***The procedure and instructions for the voting through electronic means is, as follows***:

Open your web browser during the voting period and log on to the e-voting website

https://evoting.karvy.com Now, fill up the following details in the appropriate boxes:

User-ID	a) For NSDL:- 8 characters DP ID followed by 8 Digits Client ID b) For CDSL:- 16 digits beneficiary ID
Password : please refer to the cover email enclosing this Notice	
PAN* Enter your 10 digit alpha-numeric PAN issued by Income Tax Department	
* Members who have not updated their PAN with the Company are requested to use default number 'ABCDE12345' in the PAN field.	

a) After entering the details appropriately, click on **LOGIN.**

b) You will reach the Password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. The system will prompt you to change your password and update any contact details like mobile, email etc. on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

c) You need to login again with the new credentials.

d) On successful login, the system will prompt you to select the EVENT i.e., **NEL HOLDINGS**

e) On the voting page, the number of shares as held by the shareholder as on the Cut-off Date will appear. If you desire to cast all the votes assenting/dissenting to the Resolution then enter all shares and click "FOR" / "AGAINST" as the case may be. You are not required to cast all your votes in the same manner.

f) Shareholders holding multiple folios / demat account shall choose the voting process separately for each folios / demat account.

g) Cast your vote by selecting an appropriate option and click on SUBMIT. A confirmation box will be displayed. Click OK to confirm else CANCEL to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, shareholders can login any number of times till they have voted on the resolution.

h) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer through e-mail: sudhindraksfcs@gmail.com

i) Once you have cast your vote on a resolution you will not be allowed to modify it subsequently.

j) The Portal will remain open for voting from: Tuesday, the September 24, 2019 at 9.00 AM and will end on Thursday, the September 26, 2019 at 5.00 P.M

k) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders available at the download section of https://evoting.karvy.com or contact Mr. Rajendra Prasad, Karvy Fintech Pvt. Ltd. at 040-67161500 or at 1800-345-4001 (toll free).

l) The results of e-voting will be announced by the Company on its website and the same shall also be informed to the stock exchanges.

m) **Kindly note that once you have cast your vote you cannot modify or vote on poll at the Annual General Meeting. However, you can attend the meeting and participate in the discussions, if any.**

By order of the Board
For NEL HOLDINGS LIMITED

Registered Office:
Level 7, Nitesh Timesquare,
8, M G Road,
Bengaluru – 560 001

sd/-
Prasant Kumar
Company Secretary &
Chief Compliance Officer

Place: Bengaluru
Date: May 30, 2019

Annexure I

Statement pursuant to Section 102 of the Companies Act, 2013

Item No. 2:

Pursuant to Section 139 of the Companies Act, 2013, M/s Ray & Ray, Chartered Accountants (Firm No. 301072E), were appointed as the Statutory Auditors of the Company for a term of five years i.e up to 2018-19 (first term) at the 10th Annual General Meeting held on September 26, 2014.

Since their term will be completed at the ensuing Annual General Meeting, based on the recommendation of the Audit Committee, the Board of Directors proposes to appoint them for the second term as per the provisions of the Companies Act, 2013 and the rules made thereunder.

None of the Directors, Key Managerial Personnel and their relatives is concerned or interested, financially or otherwise, in this resolution other than set out in Item No. 2.

Item No. 3:

The Board of Directors of your Company vide a resolution passed on February 26, 2019 have appointed Mr. Subramanian Ananthanarayanan (DIN: 07621318), as the Additional Director (Independent) of the Company. Pursuant to Section 161 of the Companies Act, 2013 (“the Act”) he will hold office up to the date of this Annual General Meeting.

Further, pursuant to the provisions of Sections 149, read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Listing Regulations, 2015, it is proposed to ratify Mr. Subramanian Ananthanarayanan’s appointment as an Independent Director of the Company to hold office for 5 (five) consecutive years starting from February 26, 2019 to February 25, 2024. Accordingly, the resolution set in Item No. 3 is submitted before the Shareholders for the appointment of Mr. Subramanian Ananthanarayanan as a Director and Independent Director for a term of 5 years.
Except Mr. Subramanian Ananthanarayanan, none of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in this resolution.

Item No. 4:

The Board Mr. Jagadish Capoor was appointed as an Independent Director of the Company for an initial term of 5 years at the 10th Annual General Meeting held on 26 September, 2014 of the company and his 5 years term is coming to an end on 25th September, 2019.

Mr. Capoor brings with him a wealth of knowledge regarding the banking and financial sector as he has earlier worked as chairman of HDFC Bank as well as Deputy Governor of Reserve Bank of India. The Board, considering his rich knowledge and immense experience in the field of finance which he brings Balance to the Board in various decision making and strategic planning of the Company, the Board wishes to continue his Directorship in the Company. Further, with his ability to bring in the balance to the Board in various strategic matters which are very much required in the day-to-day functioning of the Company and decision making, the Board has decided to continue the Directorship of Mr. Jagdish Capoor for a Second Term of five years as an Independent Director.

Accordingly, the resolution set in Item No. 4 is submitted before the Shareholders for the appointment of Mr. Jagdish Capoor as an Independent Director for a Second term of 5 years.

Except Mr. Jagdish Capoor, none of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution.

Item No.5:

Nitesh Indiranagar Retail Private Limited (NIRPL) is a Wholly Owned Subsidiary of the Company. The Company currently proposes to divest its holdings in NIRPL and consolidate its holdings in terms of Holding Company.

Hence, it is proposed to dispose/sell of the holdings in NIRPL by sale of the entire Equity shares held by the Company in NIRPL to a Buyer, at a price not less than a value of Rs. 42 Crores with adjustments to current assets and current liabilities.

As per the applicable provisions of the Companies Act, 2013 and Regulation 24 of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, listed entity shall dispose of shares in its subsidiary resulting in reduction of its shareholding to less than fifty percent or cease the exercise of control over the subsidiary only after necessary approval through special resolution in its General Meeting.

Accordingly, the resolution set in Item No. 5 is submitted before the Shareholders for the approval of divestment in the Wholly Owned Subsidiary.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution.

By order of the Board
For NEL HOLDINGS LIMITED

Registered Office:
Level 7, Nitesh Timesquare,
8, M G Road,
Bengaluru – 560 001

Sd/-
Prasant Kumar
Company Secretary &
Chief Compliance Officer

Place: Bengaluru
Date: May 30, 2019

Annexure II

Brief particulars of the Director being appointed pursuant to the applicable provisions of the Companies Act, 2013 and Regulation 36 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Name of Directors	Mr. Jagdish Capoor	Mr. Subramanian Ananthanarayanan
Age	80	68
Date of Appointment in the current designation	September 26, 2014	February 26, 2019
Expertise in specific Functional areas	Mr. Jagdish Capoor brings with him a wealth of knowledge regarding the banking and financial sector as he has earlier worked as chairman of HDFC Bank as well as Deputy Governor of Reserve Bank of India. He has rich knowledge and immense experience in the field of finance.	Financial Advisor, Chief Accounts Officer
Other Directorships held in Listed Companies	Manappuram Finance Limited LIC Housing Finance Limited	NA
Membership of Committees in Listed Companies	Audit Committee: Manappuram Finance Limited LIC Housing Finance Limited Nomination & Remuneration Committee: Manappuram Finance Limited Executive Committee: LIC Housing Finance Limited	NA
No. of shares held in the Company as on the date of the notice	Nil	Nil

By order of the Board
For NEL HOLDINGS LIMITED

Registered Office:
Level 7, Nitesh Timesquare,
8, M G Road,
Bengaluru – 560 001

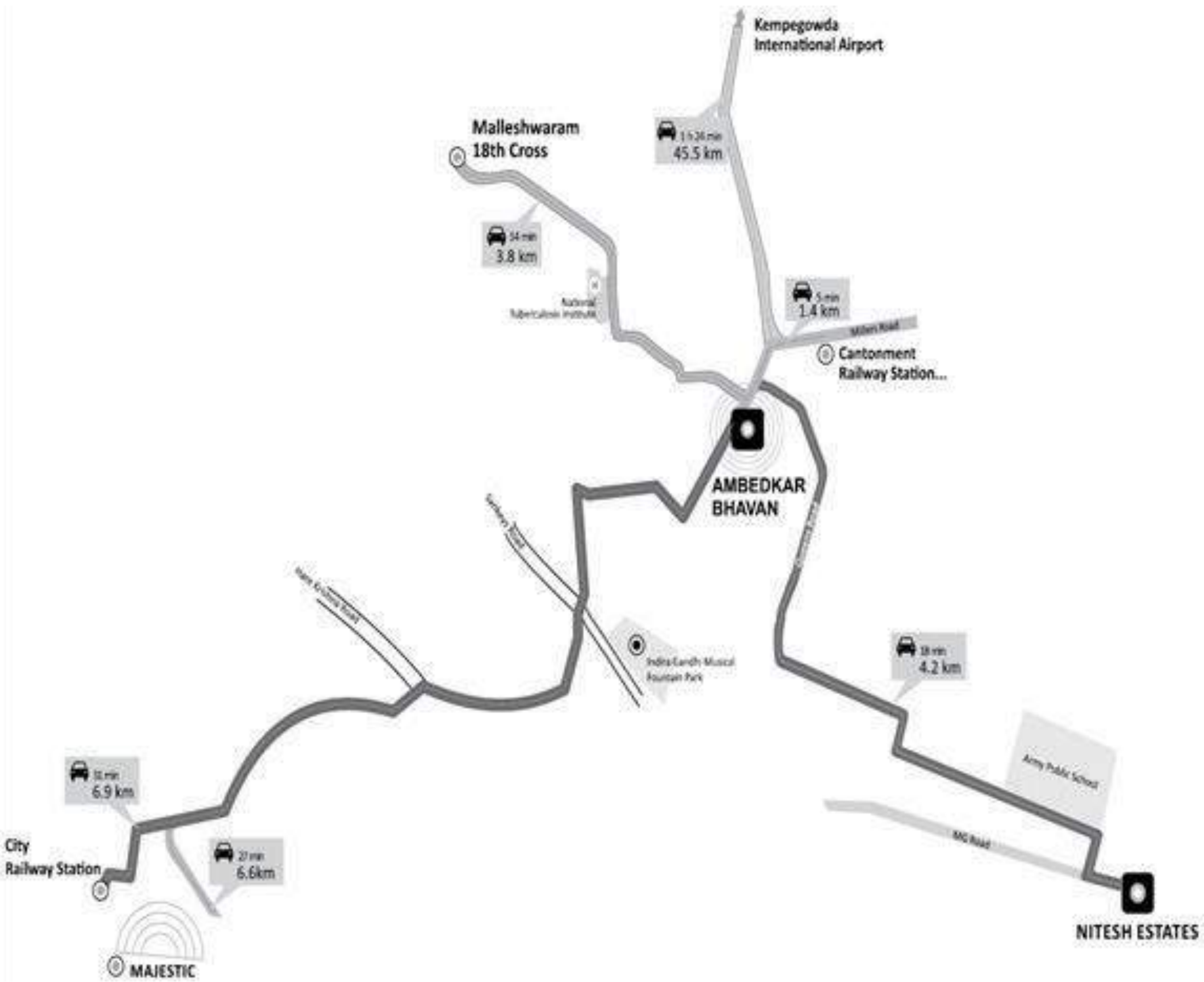
Sd/-

Prasant Kumar
Company Secretary &
Chief Compliance Officer

Place: Bengaluru
Date: May 30, 2019

ROUTE MAP TO THE VENUE

FOR THE 15th ANNUAL GENERAL MEETING OF THE COMPANY



NEL HOLDINGS LIMITED
(formerly Nitesh Estates Limited)
CIN: L07010KA2004PLC033412
Regd. Office: Level 7, Nitesh Timesquare, # 8, M. G. Road, Bengaluru-560 001, India
Ph. +91-80-4017 4000
Website: www.niteshestates.com; email: investor@niteshestates.com

BOARD'S REPORT

Dear Members,

Your Directors present their Fifteenth Annual Report with the standalone and consolidated annual audited accounts of the Company for the year ended March 31, 2019.

1. Financial Results:

(Rupees in Lakhs)

Particulars	**Standalone**		**Consolidated**	
	2018-19	**2017-18**	**2018-19**	**2017-18**
Income :				
Revenue from operations	8439	2754	11292	3625
Other Income	178	1357	23	1982
Total Income	**8617**	**4111**	**11315**	**5629**
Profit/(Loss) before depreciation	(14440)	(10694)	(16415)	(25445)
Less : Depreciation	23	44	42	1264
Profit/(Loss) before tax	(14463)	(10739)	(16457)	(26709)
Less : Tax	87	(1177)	(93)	(1087)
Profit / (Loss) after tax	**(14550)**	**(9562)**	**(16550)**	**(25621)**
Less: Minority interest & share of profit/ (loss) in Associate	-	-	-	-
Net Profit/(Loss)	**(14550)**	**(9562)**	**(16550)**	**(25621)**

2. Dividend:

In view of the loss, no dividend could be considered.

As per the provisions of the Companies Act, 2013 (the Act), unclaimed amount of Rs. 40,080 in respect of dividend declared in the year 2010-11 have been transferred to the IEPF Authority. Further, as per the new requirements of the Act, 70,771 Equity Shares of Rs. 10/- each of the Company held by 194 Members, in respect of which the Dividend amounts have not been claimed in seven consecutive years have also been transferred to the DEMAT account of the IEPF Authority.

3. Deposits

The Company has not accepted any deposits as mentioned under Section 73 of the Act.

4. Transfer to Reserves

In view of the loss incurred by the Company during the financial year, no amount was transferred to the reserves.

5. State of Company's Affairs:

a. Change of name of the Company:

After duly complying with all the procedures of the Companies Act, 2013 and the SEBI Listing Regulations, the name of the Company has been changed from Nitesh Estates Limited to NEL Holdings Limited with effect from April 27, 2019.

b. Financial Statement:

The Ministry of Corporate Affairs vide its notification dated 16th February, 2015 notified the Companies (India Accounting Standard) Rules, 2015 and the same was made effective from 1st April, 2015. As per the said Rules, the Indian Accounting Standard (IND-AS) was made applicable to the Company and to the subsidiary companies with effect from 1st April, 2017. Accordingly the financial statements (both standalone and consolidated) for the year ended March 31, 2019 was prepared based on IND-AS.

The Company has compiled with the applicable provisions of the Act and Regulations of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements), Regulations, 2015 ('the Listing Regulations') in preparation of Standalone and Consolidated financial statements.

The audited consolidated Balance Sheet as at 31st March, 2019, consolidated statement of Profit and Loss for the year ended as on that date, Cash flow Statements together with the Notes and Reports of Auditors thereon forms part of the Annual Report. The financial figures have been regrouped, wherever required, in line with disclosure requirement of Schedule III of the Act.

Standalone:

During the year under review the Company had achieved a turnover of Rs. 8439 Lakhs as against Rs. 2754 Lakh in the previous year and other income of Rs. 178 Lakh as compared to Rs. 1357 Lakh in the previous year. The operations had resulted in a loss of Rs. 14550 Lakh as compared to previous year loss of Rs. 9562 Lakhs.

Consolidated:

The total consolidated revenue for the year ended 31st March 2019 amounted to Rs. 11292 Lakh and other income of Rs. 23 Lakh, as compared to Rs. 3625 Lakhs and other income of Rs. 1982 Lakh in the previous year. The Company has incurred a loss after tax of Rs. 16549 Lakhs (previous year's Loss Rs. 25621 Lakh).

6. Material changes and commitments, if any, affecting the financial position of the Company occurred between the end of the financial year to which the financial statement relate and the date of the report:

There were no such material changes and commitments, affecting the financial position of the Company occurred between the end of the financial year and the date of this Report.

7. Significant or material orders passed by the regulators/ courts :

During the year under review, there were no significant or material orders passed by the regulators or courts or tribunals against the Company, impacting the going concern status and Company's operations in future.

8. The Board of Directors

I. Composition of the Board

The Board of the Company comprises of 8 (Eight) Directors of which five are Independent Directors. The Composition of the Board of Directors is in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations.

Declaration by Independent Directors: The Company has received necessary declarations from the Independent Directors stating that they meet the criteria of independence as specified in Section 149 (6) of the Companies Act, 2013 and in the Listing Regulations.

II. Change in the Board

During the period under review, Mr. G. N. Bajpai, Independent Director resigned from the Board on August 17, 2018 due to his personal commitments. Your Board places its deep appreciation for the services rendered by him during his association with the Company.

Further, Mr. Shantanu Consul and Mr. Subramanian Ananthanarayan were appointed as Independent Director of the Company on February 26, 2019.

III. Key Managerial Personnel

During the year Mr. Srinivasan D. the Company Secretary and Chief Compliance Officer of the Company had retired from the Services with effect from August 02, 2018 and the Board has appointed Mr. Prasant Kumar as the Company Secretary and Chief Compliance Officer with from August 10, 2018.

Mr. Venkateshan M. A. the Chief Financial Officer of the Company has retired in April 30, 2019.

Mr. Kamal Daluka was appointed and joined the Company in April 2019 as Chief Financial Officer of the Company.

Mr. Rakesh Singh was appointed and joined the Company in April 2019 as Chief Executive Officer of the Company.

All the appointments, resignations/retirements of the Directors and the Key Managerial Personnel of the Company have been duly intimated to the Stock Exchanges and to the Ministry of Corporate Affairs, New Delhi.

IV. Meetings of the Board

The Board of Directors met 6(Six) times during the year on May 30, 2018, July 02, 2018, August 10, 2018, September 28, 2018, November 12, 2018 and February 13, 2019.

In accordance with the provisions of the Companies Act, 2013, a separate meeting of the Independent Directors was held on February 13, 2019.

The Composition of the Board and the Committees along with the meeting attendance details are provided in the Corporate Governance Report.

V. Annual Evaluation of the Board, its Committees and Individual Directors

The Independent Directors of the Company at their separate meeting held as per the provisions of Section 149 read with Schedule V of the Companies Act, 2013 and the Listing Regulations, had carried out an annual evaluation of the Board, Committees and individual Directors' performance. The performance of the Board was evaluated after seeking inputs from the Independent Directors on the basis of criteria such as Board composition, structure, Board processes and their effectiveness, information given to the Board, etc.

The Board and the Nomination and Remuneration Committee (NRC) reviewed the performance of the individual Directors' on the basis of criteria such as their participation, contribution at the meetings and their preparedness on the agenda items to be discussed etc. Additionally the Chairman was also evaluated on key aspects of his role.

VI. Familiarization program for Independent Directors

The Company proactively keeps its Directors informed of the activities of the Company, its Management and operations and provides an overall industry perspective as well as issues being faced by the industry.

The Company also keeps the Board updated on the applicable Laws, Regulations, Enactments etc. and any changes, amendments thereon from time to time.

9. Directors' Responsibility Statement

a. In terms of the requirements of Section 134(5) of the Companies Act, 2013, we, on behalf of the Board of Directors, hereby state that:
b. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
c. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the company for that period;
d. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
e. the directors had prepared the annual accounts on a going concern basis; and
f. the directors had laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively.
g. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

10. The Nomination and Remuneration Policy

The Nomination and Remuneration Committee (NRC) has formulated a policy relating to nomination of and remuneration for the Directors, Key Managerial Personnel and Senior Management personnel.

The Nomination and Remuneration policy has been prepared pursuant to the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations.

Non-Executive Directors are remunerated by way of sitting fees for attending the meetings of the Board and the Committees thereof. The sitting fees paid for Board Meetings and Audit Committee meetings is Rs. 50,000/- per meeting, the Nomination & Remuneration Committee is Rs 25,000/- per meeting and the Stakeholders Relationship Committee, other Committees including for a separate meeting of Independent Directors is Rs. 20,000/- per meeting.

The Nomination & Remuneration Policy of the Company is uploaded on the Website of the Company at https://nelholdings.in/investor-relations/policies-other-related-matters

Remuneration Details of Directors and Employees pursuant to Section 134 of the Companies Act, 2013 and the Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

Ratio of remuneration of each director to the median remuneration of the employees and percentage increase in the remuneration is as follows:

Sl. No.	Name of the Directors	Designation	Ratio of remuneration to median remuneration of the Company	% increase in the remuneration of Directors
1.	Mr. Nitesh Shetty	Managing Director	46	0.0%
2.	Mr. L. S Vaidyanathan	Executive Director	26	0.0%
3.	Mr. Ashwini Kumar	Executive Director	8	0.0%

Note:

i. *The median remuneration of Directors during the financial year was 355,776 (Rupees Three Lakhs Fifty Five Thousand Seven Hundred and Seventy Six Only)*

ii. *The percentage increase in the remuneration for the year ended 31st March, 2019 to the Key Managerial Personnel (other than Directors) namely, Company Secretary & Chief Compliance Officer and Chief Financial Officer is 0 %.*

iii. *The median remuneration of employees during the financial year 2018-19 was 7,22,532 (Rupees Seven Lakhs Twenty Two Thousand Five Hundred and Thirty Two Only). Hence, there is no increase in the percentage of median remuneration of employees.*

iv. *The number of permanent employees on the rolls of the Company as on 31st March, 2019 was 90.*

v. *Independent Directors of the Company are not being paid any remuneration apart from the sitting fee for attending the Board and the Committee Meetings.*

11. Vigil Mechanism / Whistle Blower Policy

The Company has a vigil mechanism policy for its Directors and Employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the code of conduct/business ethics that provides for adequate safeguards against victimization of the director(s) and employee(s) who avail of the mechanism. None of the Directors/Employees of the Company have been denied access to the Chairman of the Audit Committee. No complaint has been received during the financial year 2018-19.

12. Corporate Social Responsibility

In view of continues losses, the Company was not required contribute towards CSR activities.

13. Internal Financial Controls

The Board of the Company is of the opinion that the Company's Internal Financial Controls were adequate and effective during the period ended as on 31st March, 2019, based on the framework of Internal Financial Controls and compliance systems established and maintained by the Company (with its inherent weaknesses), work performed by the internal, statutory and secretarial auditors including audit of Internal Financial Controls over financial reporting by the Statutory Auditors, and the reviews performed by Management and the relevant Board committees, including the Audit Committee.

The Company has an established Internal Financial Control framework including internal controls over financial reporting, operating controls and anti-fraud framework. The framework is reviewed regularly by the management and tested by internal audit team and presented to the audit committee. Based on periodical testing, the framework is strengthened, from time to time, to ensure adequacy and effectiveness of Internal Financial Controls.

The Company has a proper and adequate Internal Control System to ensure that all the assets of the Company are safeguarded and protected against any loss and that all the transactions are properly authorized and recorded. Information provided to Management is reliable and timely. Company ensures adherence to all statutes.

14. Statutory Auditors

M/s Ray & Ray Chartered Accountants (Firm Registration Number: 301072E), were appointed as the Statutory Auditors of the Company for an initial term of 5 (five) consecutive years at the 10th Annual General Meeting of the Company held on 26th September, 2014 till 15th Annual General Meeting of the Company. The Board has recommended to reappointment of M/s Ray & Ray Chartered Accountants as Statutory Auditor of the Company for the second term of 5 (five) consecutive years from the 15th Annual General

Meeting of the Company to be held on 27th September, 2019 till 20th Annual General Meeting of the Company to be held in the year 2024.

There are no qualifications or adverse remarks in the Statutory Auditors' Report which require any explanation from the Board of Directors of the Company. The Statutory Auditors have expressed an unmodified opinion in their Audit Report for the financial year ended 31st March, 2019.

15. Secretarial Auditor

M/s. Kedarnath & Associates, the Practicing Company Secretaries, were appointed as the Secretarial Auditors of the Company for the financial year 2018-19 by the Board of Directors of the Company.

The Secretarial Audit Report for the year ended 31st March, 2019 issued by the Secretarial Auditors in accordance with the provisions of Section 204 of the Companies Act, 2013 and the rules made thereunder is annexed to this report separately as **Annexure - A.**

There are no qualifications or adverse remakes in the Secretarial Audit Report which requires any explanation from the Board of Directors of the Company.

16. Particulars of employees

The details of remuneration to Directors, Key Managerial Personnel and the statement of employees in receipt of remuneration exceeding the limits prescribed under Section 134 of the Companies Act, 2013 read with rules made thereunder has been provided in **Annexure-B** to this report.

17. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

In terms of Section 134 of the Companies Act, 2013 read with rules made thereunder, the particulars of conservation of energy, technology absorption, and foreign exchange earnings and outgo are set out in **Annexure-C** to this report.

18. Corporate Governance

The report on Corporate Governance and certificates from the Managing Director and from M/s. S. Kedarnath & Associates, Practicing Company Secretaries affirming the compliance with the various provisions of the Corporate Governance in terms of Regulation 27 read with Schedule V of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 for the year 2018-19 forms part of the Annual Report.

19. Code of Conduct

In terms of Regulation 34 read with Schedule V of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, a declaration signed by Mr. Nitesh Shetty, the Chairman & Managing Director of the Company affirming compliance with the Code of Conduct by the Directors and Senior Management Personnel of the Company for the financial year 2018-19 forms part of the Corporate Governance Report.

20. Management Discussion and Analysis Report

In terms of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report is presented in a separate section of the Annual Report.

21. Extract of the Annual Return

In accordance with the provisions of Section 134 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return in the prescribed format of MGT-9 for the financial year 2018-19 is provided in **Annexure-D** to this Report.

22. Particulars of Loans, Guarantees and Investments

Pursuant to the provisions of Section 134 of the Companies Act, 2013 the particulars of the loans, guarantees and investments made by the Company under Section 186 of the Companies Act, 2013 is detailed in the Notes to Accounts section of the Annual Audited Financial Statements.

23. Related Party Transactions

During the year under review, the Company has not entered into any contract/ arrangement/ transaction with a related party which can be considered as material in terms of the policy adopted by the Company, Section 188 of the Companies Act, 2013 and the Listing Regulations on the Related Party transactions.

The Related Party Transactions under IND-AS 24 undertaken during the financial year 2018-19 are detailed in the Notes to Accounts section of the Annual Financial Statements.

The Company has also filed the Related Party transactions details as per INDAS to both the exchanges in compliance with the SEBI LODR.

24. Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder for prevention and redressal of complaints of sexual harassment at workplace. No complaint was received by the Management during the year.

25. Risk Management Policy

The Company has formulated a comprehensive Risk Management Policy.

26. Review of Subsidiaries and Associates

Pursuant to Section 129 of the Companies Act, 2013, the consolidated financial statements of the Company and its subsidiaries and associates, prepared in accordance with the relevant Accounting Standards specified under Section 133 of the Companies Act, 2013 read with the rules made thereunder, forms part of the Annual Report.

A statement containing the salient features of the financial statements of the Company's subsidiaries is annexed to the Consolidated Financial Statement in the prescribed format of Form **AOC-1**.

Further, pursuant to the provisions of Section 136 of the Companies Act, 2013, the financial statements of the Company, consolidated financial statements along with the relevant documents and separate accounts in respect of subsidiaries are available on the website of the Company.

During the year the following material changes occurred relating to subsidiaries:

a. Change in status Subsidiary- Nitesh Office Parks Private Limited

Nitesh Office Parks Private Limited (Formerly known as Kakanad Enterprises Private Limited) (NOPPL) was a wholly owned subsidiary of the Company. In accordance with the provision of Companies (Amendment) Act, 2017, Nitesh Office Parks Private Limited had made Private Placement Offer to the Investor to raise funds for the operations and has allotted 210,000 shares to the investor on September 29, 2018.

Accordingly, the shareholding percentage of the Company in NOPPL is reduced to 19.23% and hence, NOOPL is no longer a subsidiary of the Company with effect from September 29, 2018.

b. Exit of Nitesh HUB, Pune a shopping Mall of Koregaon Park High Street Properties Private Limited (Formerly Nitesh Pune Mall Private Limited), a step down - tier II subsidiary of the Company

The Company through its Wholly Owned Subsidiary Nitesh Indiranagar Retail Private Limited has signed Share Purchase Agreements with Abbey's Realtors LLP a nominee of Ela Realty Private Limited, Group Entity - ABIL Group, headquartered at Pune, and sold its 100% holdings in step down Tier- II Subsidiary - Koregaon Park High Street Properties Private Limited to Abbey's Realtors LL P.

Hence the "Koregaon Park High Street Properties Private Limited" (Formerly Nitesh Pune Mall Private Limited) is no more a subsidiary of the Company as on March 08, 2019.

Redemption of 2350 Debentures held by Goldman Sachs Investments (Mauritius) I Limited. 2350 Secured, Listed, Non-Convertible Debentures of Rs. 10,00,000/- (Rupees Ten lakhs Each) each, aggregating to Rs. 2,35,00,00,000/- (Rupees Two Hundred and Thirty Five Crores Only) of the Company's Subsidiary - Koregaon Park High Street Properties Private Limited held by Vistra ITCL (India) Limited as the Debenture Trustee of Goldman Sachs Investments (Mauritius) I Limited, which was listed with BSE Limited, has been successfully redeemed fully on 8th day of March, 20 19.

The Company does not have any liability towards the above debentures as on date and has fully redeemed with full satisfaction of the Debenture Trustee of Goldman Sachs Investments (Mauritius) I Limited.

Material Subsidiary:

In terms of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company has adopted a policy for determining material subsidiaries. The Policy as approved by the Board of Directors may be accessed on the Company's website at the link: https://nelholdings.in/investor-relations/policies-other-related-matters/Material Subsidiary Policy.

All important and pertinent investor information such as financial results, investor presentations, press releases, project updates are made available on a regular basis on the website (www. nelholdings.in) of the Company.

27. Acknowledgement:

Your Directors are pleased to place on record their sincere appreciation of the valuable assistance and co-operation extended to the Company by its Customers, Bankers, Financial Institutions, State and Central Government authorities, Service Providers, Contractors and the Shareholders for the Company's operations.

Your Directors also place on record their appreciation on the significant contributions made, and support extended, by the employees of the Company at all levels during the year.

For and on behalf of the Board of Directors

Sd/-

Place: Bengaluru **Nitesh Shetty**
Date: May 30, 2019 **Chairman & Managing Director**
DIN: 00304555

'Annexure A'

FORM No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2019

[Pursuant to Section 2014(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
NEL Holdings Limited
Bengaluru 560001

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and adherence to good corporate practices by **NEL Holdings Limited** (Formerly known as Nitesh Estates Limited) having CIN: L07010KA2004PLC033412 (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31stMarch, 2019 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
3. The Securities Contract (Regulation) Act, 1956 (SCRA) and the Rules made there under;
4. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under as applicable;
5. The Securities and Exchange Board of India Act, 1992 ('SEBI Act') as amended from time to time.

   i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations,2011;
   ii. The Company has complied with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 as to the requirements of providing necessary information on the Company's website and other necessary disclosures;
   iii. There were no occasions needing compliance under the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; and hence not applicable
   iv. The Company has not issued any securities under ESOP/ESPS during the year under the

provisions of the Securities and Exchange Board of India (Share Based Employees Benefits) Guidelines, 2014;

v. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2006. Not applicable as the Company is not registered as Registrar to issue and Share Transfer Agent during the year under review.

vi. The Company has not applied for delisting of Equity Shares in any stock exchanges under the provisions of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and hence not applicable.

vii. The Company has not bought back any securities during the financial year under the provisions of The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2013; and hence not applicable

We further report that based on the Industry Specific Laws identified by the Company and the guidelines issued by the Institute of Company Secretaries of India ('the ICSI') as applicable to the Company and as per the information received from the Management, records maintained, and on test check basis, the Company has, in our opinion, generally complied with the provisions of the following Industry specific laws / Guidelines to the extent applicable to it:.

(a) Real Estate (Regulation and Development) Act, 2016 and the rules made there under as applicable in Karnataka.
(b) The Urban Land (Ceiling & Regulation) Act, 1976 ("Urban Land Ceiling Act") and the rules made there under.
(c) Transfer of Property Act, 1882 ("T.P. Act") and the rules made there under.
(d) Registration Act, 1908 ("Registration Act") and the rules made there under.
(e) The Indian Stamp Act, 1899 ("Stamp Act") and the rules made there under.
(f) Easements Act, 1882 ("Easements Act") and the rules made there under.
(g) The Land Acquisition Act, 1894 and the rules made there under.
(h) Karnataka Land Revenue Act, 1964 ("KLR Act") and the rules made there under.
(i) Karnataka Apartment Ownership Act, 1972 ("KAO Act") and the rules made there under.
(j) Karnataka Ownership Flats (Regulation of the Promotion of Construction, Sale, Management and Transfer) Act, 1972 and the rules made there under.
(k) Karnataka Rent Control Act, 1999 ("Rent Act") and the rules made there under.
(l) Karnataka Stamp Act, 1957 ("KSA") and the rules made there under.
(m) Bangalore Water Supply and Sewage Act, 1964 and the rules made there under.
(n) Karnataka Town and Country Planning Act, 1961 ("KTCP Act") and the rules made there under.
(o) Karnataka Municipal Corporation Act, 1976 ("KMC Act") and the rules made there under.
(p) Bangalore Mahanagara Palike Building Bye Laws - 2003 ("BMP Bye Laws") and the Rules made there under.
(q) Bangalore Development Authority Act, 1976 ("BDA Act") and the rules made there under.
(r) Bangalore Metropolitan Region Development Authority Act, 1985 ("BMRDA Act") and the rules made there under.
(s) The Building and Other Construction Workers (Regulation of Employment and Condition of Service) Act, 1996 ("Constructions Workers") and the rules made there under.

We have also examined compliances with respect to:

a) The Secretarial Standards SS-1 and SS-2 issued by the ICSI and as notified by the Ministry of Corporate Affairs and report that the Company has generally complied with the said Standards.

b) The applicable clauses of the Listing Agreement with the BSE Limited and National Stock Exchange Limited under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) and report that the Company has complied with the same.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We state that since the provisions relating to Audit of Accounts and the related financial records including Goods and Services Taxes, Income Tax, Customs Law and other connected laws, orders and notifications have not been dealt with in any manner in our Secretarial Audit.

We further report that:

The Board and the Committees there under are constituted with proper balance of Executive Directors and Independent Directors. The changes in the composition of the Board and committees there under that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board and Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions were carried through while dissenting member’s views were captured or recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company, commensurate with the size and operations of the Company to monitor and ensure compliance with the applicable laws, rules, regulations and guidelines.

We further report, the following specific actions / events having major bearing on the Company’s affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc., covering the audit period 2018-19 are as under:

1. The Company has transferred Rs. 40,068 to Investor Education Protection Fund account during the year as unclaimed dividend, which was declared in the Annual General Meeting of the Members held on 28th September, 2011. Further, as per the provisions of the Companies Act, 2013 and the Rules made there under, 70,771 Equity Shares of Rs. 10/- held by 194 Members of the Company, in respect of which the Dividend amounts have remained unclaimed for a period of

seven consecutive years have been transferred to the IEPF.

2. During the Year 2018-19 the Nitesh Office Parks Private Limited (wholly owned subsidiary of Nitesh Estates Limited) has issued 2,10,000 (Two Lakh Ten Thousand) shares under private placement to Mr. Nitesh Shetty, resulting in reduction of NEL holdings to 19.80 percent in the said Subsidiary and consequently losing the subsidiary status.
3. Nitesh Pune Mall Private Limited (Tier II Subsidiary of the Company) was sold to an party (Ela Realty Private Limited) for Consideration of Rs. 268 Crores. An amount of Rs. 235 Crores was used for redemption of Non-Convertible Debentures in held by Goldman Sachs.
4. The Company has passed Resolution through Postal Ballot on 11th March, 2019 for change the name of from Nitesh Estates Limited to NEL Holdings Limited.
5. The Company has passed the resolution through Postal Ballot on 30th March, 2019 for appointment of Mr. Jagdish Capoor as Independent Director as per amended Regulation of SEBI LODR.
6. The Company underwent a raid by Central Crime Branch in connection with the non-completion of the Projects on time due to complaints from various customers.
7. With regard to compliances under Industry Specific Laws it is observed that the Company has received advance from customers against projects which are not registered with RERA. The said amounts of advance were not refunded as per the RERA.

For S Kedarnath & Associates
Company Secretaries

Sd/-

Date: 30th May, 2019 **S. Kedarnath**
Place: Bangalore **Company Secretary**
C P No 4422

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

To,
The Members
NEL Holdings Limited
Bengaluru – 560001

Dear Sir,

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of any of the financial records and Books of Accounts of the Company including the records pertaining to Goods and Service Taxes, Income Tax, Customs and other related enactments applicable to the Company

4. Where ever required, the Company has represented about the compliance of laws, rules and regulations and happening of events etc as applicable from time to time. The compliance under the industry specific laws were examined based on the list of applicable laws provided by the company.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.

6. The secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For S Kedarnath & Associates
Company Secretaries

Sd/-
S. Kedarnath
Company Secretary
C P No 4422

Date: 30th May, 2019
Place: Bangalore

NEL Holdings Limited
(formerly Nitesh Estates Limited)
CIN: L07010KA2004PLC033412
Regd. Office: Level 7, Nitesh Timesquare, # 8, M. G. Road, Bengaluru-560 001, India
Ph. +91-80-4017 4000
Website: www.niteshestates.com; email: investor@niteshestates.com, cs@nelholdings.in

Annexure-B

Statement pursuant to Section 134 of the Companies Act, 2013 and Rule 5 (2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sl. No.	Name	Age	Designation	Nature of Employment	Gross Remuneration (per Annum) (Including reimbursement	Quali-fication	Experience (in years)	Date of commencement of employment	Previous employment held
(A)	**Employed throughout the financial year**								
1	Mr. Nitesh Shetty	41	Chairman & Managing Director	Permanent employee	150,00,000	B.Com	18	20 Feb.2004	-
(B)	**Employed for part of the financial year - NIL**								

Note:

i. Gross remuneration comprises of salary, allowances, company's contribution to the provident fund and taxable value of perquisites.

ii. None of the employees mentioned above are relative of any Director of the Company.

iii. All the employees referred above are permanent employees of the Company and there is no other employee who is in receipt of remuneration in terms of the provisions of Section 134 of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

For and on behalf of Board of Directors

Date: May 30, 2019
Place: Bengaluru

Sd/-
Nitesh Shetty
Chairman & Managing Director
DIN: 00304555

NEL Holdings Limited
(formerly Nitesh Estates Limited)
CIN: L07010KA2004PLC033412
Regd. Office: Level 7, Nitesh Timesquare, # 8, M. G. Road, Bengaluru-560 001, India
Ph. +91-80-4017 4000
Website: www.niteshestates.com; email: investor@niteshestates.com, cs@nelholdings.in

Top ten employees in terms of remuneration

(In Rs.)

Sl. No	Name	Designation	Salary Drawn (2018-19)
1	Mr. Nitesh Shetty	Managing Director	15000000
2	Mr. Vaidyanathan L S	Executive Director	9585012
3	Mr. Venkateshan M A	Chief Financial Officer	7172132
4	Mr. Pradeep Narayan	Executive Vice President – Operations	6173904
5	Mrs. Sunitha George	Vice President – CRM Relation Management	4371216
6	Mr. Elangovan S. P.	Vice President – Construction Management	4169712
7	Mr. Arun Kumar J	Sr. General Manager - Contracts & Procurement	3692448
8	Mr. Karthikeyan S	Senior General Manager - Finance & Accounts	3683004
9	Mr. Reghunadhan Pillay K. G.	Vice President - Legal	3000000
10	Mr. Hitesh Zaveri	DGM - Planning & QS	2635200

For and on behalf of Board of Directors

Date: May 30, 2019
Place: Bengaluru

Sd/-
Nitesh Shetty
Chairman & Managing Director
DIN: 00304555

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Annexure C

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHNAGE EARNINGS AND EXPENDITURE

I. Conservation of Energy

a) Energy conservation measure taken:

The Company has taken energy savings measures, viz.,

- Energy efficient design of the buildings. The buildings have been laid out and positioned in the best possible location to allow more natural light and ventilation and thereby reducing the energy consumption.
- Care has been taken to avoid direct sun light into the flats to the extent possible to reduce heat load and thereby reducing electricity consumption for cooling.
- High performance, double glass unit, curtain wall system for some buildings
- Installation of solar water heaters to reduce the EB power consumption
- Implementing rain water harvesting system in the projects. By this, the ground water table is recharged and rain water is utilized for domestic purposes, thereby reducing the dependency on municipal water supply.
- Use of water efficient plumbing fixtures to reduce water consumption
- Recycling of waste water thereby reducing net water consumption and reducing load on municipal drainage system.
- Adopting energy efficient light fixtures in common areas.

b) Additional investment and proposal:

The company as a matter of policy has regular program for investments in energy saving devices. Investments are being done for the procurement of lifts which are more efficient and based on variable drive.

c) Impact of measure taken:

The impact and the energy conservation by the system adopted in (a) and (b) above will be known in the long run. These cannot be quantified at this stage but will result in substantial reduction in power consumption.

II. TECHNOLOGY ABSORPTION

a. Company works on a mechanized process to reduce cost and increase the efficiency of the operations.

I. ERP system using SAP implemented successfully and the Company is benefitting from the same.

II. By appointing oversees architects, consultants technology up gradation has been brought to the projects.

III. Use of light weight blocks for construction of walls in the projects – The new technology available from Germany has been adopted in the projects. This has considerably saved the construction cost and time.

IV. The Sewage Treatment Plant (STP) – latest technology has been adopted, which is more efficient.. The recycling of treated water helps in conservation of water.

V. Use of high performance insulated glass curtain walls in some projects will substantially contribute to reduction in power consumption for lighting and cooling.

b. Benefits derived as a result of the above efforts:

The benefits can be listed as follows:

i. The functions and efficiency has improved with more transparency in the system.

ii. The designs brought into our projects have been praised by the customer.

iii. Savings in construction cost and time

iv. The new technology in STP saves space and energy.

III. RESEARCH AND DEVELOPMENT

a. Specific area in which R & D carried out by the Company:

The Company has introduced more robust quality checking norms for the building materials and workmanship, so that the quality product is delivered. Safety norms of the Company have been rolled out. The quality and safety work shop are conducted regularly at all the project sites, so that the end user is aware of the standards.

b. Benefits derived as a result of the above R & D

The benefits are in the long run by delivering the quality product to the customer.

c. Future Plan of Action

Continuous improvement in the above field, identifying new products, technologies in the construction sector, attending the seminars and training the staff, etc.

d. Expenditure on R & D

It forms part of the project cost and cannot be quantified separately.

IV. FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of foreign exchange inflow and outflow during the year are as follows:

Expenditure in foreign currency (on accrual basis)

Amount in Rupees

Particulars	**Year ended 31.03.19**	**Year ended 31.03.18**
Inflow	Nil	Nil
Outflow (Architect & other related fees)	6,48,320	19,19,744

For and on behalf of Board of Directors

Date: May 30, 2019
Place: Bengaluru

Sd/-
Nitesh Shetty
Chairman & Managing Director
DIN: 00304555

Annexure-D

MGT-9
EXTRACT OF ANNUAL RETURN

as on the Financial Year ended on 31st March, 2019

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	**CIN**	L07010KA2004PLC033412
ii.	**Registration Date**	20th February, 2004
iii.	**Name of the Company**	NEL Holdings Limited (formerly Nitesh Estates Limited)
iv.	**Category** **Sub-Category of the Company**	Company limited by shares Indian Non-Government Company
v.	**Address of the Registered office and contact details**	Level 7, Nitesh Timesquare, # 8, M.G. Road, Bengaluru-560 001 Ph. No. : 080-40174000 www.nelholdings.in email: investor@niteshestates.com ; cs@nelholdings.in
vi.	**Whether Listed Company**	Yes
vii.	**Name, Address and Contact details of Registrar and Transfer Agent, if any**	Karvy Fintech Private Limited Karvy Selenium Tower B, Plot No 31 & 32 Gachibowli, Financial District, Nanakramguda, Serilingampally Hyderabad – 500 032 Telephone No. : 91-040 67161510/ 67161512

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Name and Description of main products/ services	NIC Code of the Product/ service	% total turnover of the company
Development and construction of properties	410 Construction of buildings	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

Name & Address	CIN	Holding/ Subsidiary	% of shares held	Applicable Section
Nitesh Housing Developers Private Limited[1] No. 110, Level 1, Andrews Building, M.G. Road, Bangalore- 560001	U45201KA2007PTC044553	Subsidiary	100%	2 (87)

Nitesh Urban Development Private Limited 7th Floor, Nitesh Timesquare, No.8, M.G. Road, Bengaluru-560 001	U45201KA2007PTC044561	Subsidiary	100%	2 (87)
Nitesh Indiranagar Retail Private Limited 7th Floor, Nitesh Timesquare, No.8, M.G. Road, Bengaluru-560 001	U45201KA2007PTC042660	Subsidiary	100%	2 (87)
Lob Property Management Private Limited (Formerly Nitesh Property Management Private Limited) 7th Floor, Nitesh Timesquare, No.8, M.G. Road, Bengaluru-560 001	U70102KA2010PTC056128	Subsidiary	100%	2 (87)
Courtyard Constructions Private Limited 7th Floor, Nitesh Timesquare, No.8, M.G. Road, Bengaluru-560 001	U70100KA1995PTC088020	Subsidiary	100%	2 (87)
Nitesh Office Parks Private Limited2 No. 110, Level 1, Andrews Building, M.G. Road, Bangalore- 560001	U70200KA2007PTC020808	-	-	-
Koregaon Park High Street Properties Private Limited3 (Formerly Nitesh Pune Mall Private Limited) Nitesh Mall, 37/4/2 North Main Road, Ghorpadigaon, Pune - 411001	U45209PN2005PTC021214	-	-	-

1. *The Company together with Nitesh Urban Development Private Limited holds 100% of the shares, wherein the Company's shareholding is 89.10%.*
2. *Nitesh Office Parks Private Limited is no more a Subsidiary of the Company with effect from September 29, 2018.*
3. *Pursuant to the sale of Koregaon Park High Street Properties Private Limited on March 08, 2019 (Formerly Nitesh Pune Mall Private Limited), it is no more related to the Company.*

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as % of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	DEMAT	Physical	Total	% of Total Shares	DEMAT	Physical	Total	% of Total Shares	
A. PROMOTERS									
1. Indian									
a) Individual/ HUF	43060595	0	43060595	29.53	43104594	0	43104594	29.56	0.03
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State	0	0	0	0	0	0	0	0	0

Govt.(s)									
d) Bodies Corp.	25399482	0	25399482	17.42	24872736	0	24872736	17.06	-0.36
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
(A) (1)	**68460077**	**0**	**68460077**	**46.94**	**67977330**	**0**	**67977330**	**46.61**	**-0.33**
2. Foreign									
a) Individual / HUF	0	0	0	0	0	0	0	0	0
b) Bodies Corporate	0	0	0	0	0	0	0	0	0
(A) (2)	**68460077**	**0**	**68460077**	**46.94**	**67977330**	**0**	**46.61**	**0**	**-0.33**
Total A=A(1)+A(2)	**68460077**	**0**	**68460077**	**46.94**	**67977330**	**0**	**67977330**	**46.61**	**-0.33**

B. PUBLIC SHAREHOLDING									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	10987863	0	10987863	7.53	10909663	0	10909663	7.48	-0.05
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies-	0	0	0	0	0	0	0	0	0
g) FIIs	9200189	0	9200189	6.31	9200189	0	9200189	6.31	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
(B)(1)	**20188052**	**0**	**20188052**	**13.84**	**20109852**	**0**	**13.79**	**13.79**	**-0.05**
2. Non-Institutions									
a) Bodies Corporates	12951815	0	12951815	8.88	9387614	0	9387614	6.44	-2.44
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 Lakh	17570338	1007	17571345	12.05	18129891	1007	18130898	12.43	0.38
ii. Individual shareholders holding nominal share capital in	23907674	0	23907674	16.39	28440220	0	28440220	19.50	3.11

excess of Rs 1 Lakh									
c) Others									
Clearing Members	354973	0	354973	0.24	68172	0	68172	0.05	-0.20
Directors and their Relatives	560083	1	560084	0.38	413318	1	413319	0.28	-0.10
Non Resident Indians	767995	0	767995	0.53	818265	0	818265	0.56	0.03
NRI Non-Repatriation	164945	0	164945	0.11	409191	0	409191	0.28	0.17
IEPF	0	0	0	0.00	70771	0	70771	0.05	0.05
NBFC	903240	0	903240	0.62	4568	0	4568	0.00	-0.62
Trusts	1900	0	1900	0.00	1900	0	1900	0.00	0.00
d) Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0
(B)(2)	**57182963**	**1008**	**57183971**	**39.21**	**57743910**	**1008**	**57744918**	**39.60**	**0.38**
Total B=B(1)+B(2)	**77371015**	**1008**	**77372023**	**53.06**	**77853762**	**1008**	**77854770**	**53.39**	**0.33**
C. SHARES HELD BY CUSTODIAN FOR GDRs & ADRs									
Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0	0.00
Grand Total (A+B+C)	**145831092**	**1008**	**145832100**	**100.00**	**145831092**	**1008**	**145832100**	**100.00**	**0.00**

(ii) Shareholding of Promoters:

Sl. No.	**Name of the Promoters**	**Shareholding at the beginning of the period**			**Shareholding at the end of the period**			% change in shareholding during the period
		No. of Shares	% of total Shares of the company	% of Pledged/ Encumbered Shares	No. of Shares	% of total Shares of the Company	% of Pledged/ Encumbered Shares	
1	Mr. Nitesh Shetty	43029295	29.51	0.00	43073295	29.54	0.00	0.03
2	Nitesh Industries Private Limited	15834209	10.86	0.00	18070276	12.39	0.00	1.53
3	Bolgati Enterprises Private Limited	6802460	4.66	0.00	6802460	4.66	0.00	0.00
4	Hampton Investments Private Limited	2762813	1.89	0.00	000	000	0.00	(1.89)
5	Mrs. Sujata K. Shetty	26300	0.00	0.00	26300	0.00	0.00	0.00

6	Mrs. Pushpalatha V. Shetty	5000	0.00	0.00	5000	0.00	0.00	0.00
	Total	**68460077**	**46.94**	**0.00**	**67977331**	**46.59**	**0.00**	

(iii) Change in Promoters' Shareholding:

Sl. No	Name of the Shareholders	Shareholding at the beginning of the year		Date wise Increase / Decrease in Promoters holding			Cumulative Shareholding during the year	
		No of Shares	%				No of Shares	%
				Date	Increase/ (Decrease)	Reason		
1	Mr. Nitesh Shetty	43029295	29.51	11.05. 18	44000	Purchase	43073295	0.03
				31.03. 19	Closing Balance		3073295	29.54
2	Nitesh Industries Private Limited	15834209	10.86	14.12.18	1971067	Purchase	17805276	12.21
				01.02.19	265000	Purchase	18070276	12.39
				31.03.19	Closing Balance		18070276	12.39
3	Bolgati Enterprises Private Limited	6802460	4.66	31.03.19	Closing Balance		6802460	4.66
4	Hampton Investments Private Limited	2762813	1.89	11.05.18	(791746)	Sale	1971067	1.35
				14.12.18	(1971067)	Sale	0000	0.00
				31.03.19	Closing Balance		00	00
5	Mrs. Sujata K Shetty	26300	0.02	31.03.19	Closing Balance		26300	0.02
6	Mrs. Pushpalatha V. Shetty	5000	0.00	31.03.19	Closing Balance		5000	0.00

(iv) Shareholding Pattern of Top Ten Shareholders

Sl. No	Name of the Shareholders	Shareholding at the beginning of the year		Date wise Increase / Decrease due to Market Purchase/Sale			Cumulative Shareholding during the year	
		No of Shares	% of total shares of the Company				No of Shares	% of total shares of the Company
				Date	Increase/ (Decrease)	Reason		
1	HSBC Indian Equity Mother Fund	9200189	6.31	31.03.19	Closing Balance		9200189	6.31
2	Life Insurance Corporation of India	6208422	4.26	31.03.19	Closing Balance		6208422	4.26
3	JM Financial Institutional Securities Limited	4933600	3.38	19.10.18	(69655)	Sale	4863945	3.34
				02.11.18	(32201)	Sale	4831744	3.31
				09.11.18	(48344)	Sale	4783400	3.28
				16.11.18	(530)	Sale	4782870	3.28
				31.03.19	Closing Balance		4782870	3.28
4	Bank of Baroda	4048241	2.78	31.03.19	Closing Balance		4048241	2.78
5	Kamlesh B Shah	1125000	0.77	08.06.18	693000	Purchase	1818000	1.25
				31.03.19	Closing Balance		1818000	1.25
6	Sahujain Services Limited	989700	0.68	06.07.18	(989700)	Sale	0	0.00
				31.03.18	Closing Balance		0	0.00

7	Mukul Mahavir Agrawal	939714	0.64	06.07.18	939714	Sale	0	0.00
				31.03.18	Closing Balance		0	0.00
8	Maverick Financial Services Private Limited	900000	0.62	08.06.18	482703	Sale	417297	0.29%
				15.06.18	17297	Sale	400000	0.27%
				22.06.18	352081	Sale	47919	0.03%
				29.06.18	47919	Sale	00	0.00
				31.03.19	Closing Balance		00	00
9	Sharekhan Limited	678580	0.47	06.04.18	1236	Sale	678580	0.46
				13.04.18	397	Sale	677344	0.46
				20.04.18	53	Sale	676947	0.46
				27.04.18	561	Sale	676894	0.46
				04.05.18	1207	Purchase	676333	0.46
				11.05.18	7446	Purchase	677540	0.47
				18.05.18	12288	Sale	684986	0.46
				25.05.18	690	Sale	672698	0.46
				01.06.18	912	Sale	672008	0.46
				08.06.18	666095	Sale	671096	0.00
				15.06.18	1045	Sale	5001	0.00
				22.06.18	354	Purchase	3956	0.00
				29.06.18	3364	Purchase	4310	0.01
				06.07.18	1864	Sale	7674	0.00
				13.07.18	200	Sale	5810	0.00
				20.07.18	3295	Purchase	5610	0.01
				27.07.18	1575	Sale	8905	0.01
				03.08.18	2519	Sale	7330	0.01
				10.08.18	3725	Purchase	4811	0.01
				17.08.18	4275	Sale	8536	0.01
				24.08.18	60	Purchase	4261	0.01
				31.08.18	374	Sale	4321	0.01
				07.09.18	260	Sale	3947	0.01
				28.09.18	1428	Purchase	3687	0.01
				05.10.18	727	Sale	5115	0.01
				12.10.18	400	Purchase	4388	0.01
				19.10.18	900	Purchase	4788	0.01
				26.10.18	1600	Sale	5688	0.01
				02.11.18	1399	Purchase	4088	0.01
				09.11.18	2501	Purchase	5487	0.01
				16.11.18	213	Purchase	7988	0.01
				23.11.18	287	Purchase	8201	0.01
				30.11.18	5400	Sale	3088	0.01
				07.12.18	220	Purchase	3308	0.01
				14.12.18	4001	Purchase	7309	0.01
				21.12.18	4326	Sale	2983	0.01
				28.12.18	10	Purchase	2993	0.01
				31.12.18	10	Sale	2983	0.01
				11.01.19	1410	Purchase	4393	0.01
				18.01.19	410	Sale	3983	0.01
				25.01.19	3	Purchase	3986	0.01

				01.02.19	101	Purchase	4087	0.01
				08.02.19	99	Purchase	4186	0.01
				15.02.19	503	Sale	3683	0.01
				22.02.19	1350	Purchase	5033	0.01
				01.03.19	1349	Sale	3684	0.01
				08.03.19	550	Purchase	4234	0.01
				15.03.19	2049	Purchase	6283	0.01
				22.03.19	260	Purchase	6543	0.01
				29.03.19	48	Purchase	6591	0.01
				31.03.18	Closing Balance		6591	0.01
10	Mohsin Ali Vakil	676616	0.46	06.04.18	163265	Purchase	839881	0.58%
				08.06.18	7905	Purchase	847786	0.58%
				15.06.18	112695	Purchase	960481	0.66%
				31.03.19	Closing Balance		960481	0.66

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No	Name of the Shareholders	Shareholding at the beginning of the year		Date wise Increase / Decrease			Cumulative Shareholding during the year	
		No of Shares	%				No of Shares	%
				Date	Increase/ (Decrease)	Reason		
1	Mr. Nitesh Shetty	43029295	29.51	11.05. 18	44000	Purchase	43073295	0.03
				31.03.19	Closing Balance		3073295	29.54
2	Mr. L. S. Vaidyanathan	139501	0.10	31.03.19	Closing Balance		139501	0.10
3	Mr. Ashwini Kumar	138818	0.10	31.03.19	Closing Balance		138818	0.10
4	Mr. Mahesh Bhupathi	146765	0.10	27.04.18	38018	Sale	108747	0.07
				25.05.18	38747	Sale	70000	0.01
				22.06.18	35000	Sale	35000	0.01
				27.07.18	35000	Sale	00	0.00
				31.03.19	Closing Balance		00	0.00
5	Mr. G. N. Bajpai*	100000	0.07	31.03.19	Closing Balance		100000	0.07
6.	Mr. Jagdish Capoor	-	-	-	-		-	-
7.	Mrs. Dipali Khanna	-	-	-	-		-	-
8.	Mr. Ananthanarayana	-	-	-	-		-	-
9.	Mr. Shantanu Consul	-	-	-	-		-	-

**Director up to 17.08.2018.*

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Amount in Rs.)

	Secured Loans excluding deposits	**Unsecured Loans**	**Deposits**	**Total Indebtedness**
Indebtedness at the beginning of the financial year				
i)Principal Amount	4981435363	0	0	4981435363
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	4981435363	**0**	**0**	4981435363
Change in Indebtedness during the financial year				
• Addition	723838193	0	0	723838193
• Reduction	300414992.2	0	0	300414992.2
Net Change	**423423200.8**	0	0	**423423200.8**
Indebtedness at the end of the financial year				
i) Principal Amount	5404858564	0	0	5404858564
ii) Interest due but not paid	846973223.6	0	0	846973223.6
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	**6251831787**	**0**	**0**	**6251831787**

VI. REMUNERATION OF DIRECTORS:

A. Remuneration to Managing Director, Whole-time Directors

		Mr. Nitesh Shetty Chairman & Managing Director	Mr. L. S. Vaidyanathan Executive Director	Mr. Ashwini Kumar Executive Director	Total
1.	Gross salary a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 b. Value of perquisites u/s 17(2) Income-tax Act, 1961 c. Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Rs.1,50,00,000 - -	Rs.95,85,012 - -	Rs.90,00,000 - -	Rs.3,35,85,012
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
5.	Others, please specify, (i) Variable pay	-	-	-	-
	Total (A)	Rs.1,50,00,000	Rs.95,85,012	Rs.90,00,000	Rs.3,35,85,012
	Ceiling as per the Act	10% of the Net profits of the Company calculated as per Section 198 of the Companies Act, 2013 and the rules made thereunder. However, the Company has obtained the approval of the Central Government for the aforesaid remuneration.			

B. Remuneration to other Directors

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Jagdish Capoor	Mr. G. N. Bajpai	Mr. Mahesh Bhupathi	Mrs. Dipali Khanna	
1	Independent Directors Fee for attending Board and Committee Meetings · Commission · Others, please specify	-	-	-	-	
	Total (1)					
2	Other Non-Executive Directors · Fee for attending board and/or committee meetings · Commission · Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)					
	Total Managerial Remuneration (A)	-	-	-	-	
	Overall Ceiling as per the Act	The Independent Directors are paid only the Sitting fees within the limits as prescribed under the Companies Act, 2013 and no other remuneration is being paid to them.				

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD-NA

		Mr. D. Srinivasan CS (Up to 2.08.2018)	Mr. Prasant Kumar CS (from 10.08.2018)	Mr. M. A. Venkateshar CFO	Total
1.	a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 b. Value of perquisites u/s 17(2) Income-tax Act, 1961 c. Profits in lieu of salary under section 17(3) Income- tax Act, 1961	15,45,540	13,19,872	71,72,132	1,00,37,544
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	**15,45,540**	**13,19,872**	**71,72,132**	**1,00,37,544**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any
A. COMPANY					
Penalty	NIL				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	NIL				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL				
Punishment					
Compounding					

For and on behalf of the Board of Directors
of NEL Holdings Limited

Sd/-
Nitesh Shetty
Chairman & Managing Director
(DIN: 00304555)

Place: Bengaluru
Date: May 30, 2019

NEL HOLDINGS LIMITED
(formerly Nitesh Estates Limited)
CIN: L07010KA2004PLC033412
Regd. Office: Level 7, Nitesh Timesquare, # 8, M. G. Road, Bengaluru-560 001, India
Ph. +91-80-4017 4000
Website: www.niteshestates.com; email: investor@niteshestates.com

REPORT ON CORPORATE GOVERNANCE

Company's Philosophy on Code of Governance

Your Company believes that Corporate Governance is a key element in improving efficiency and growth, as well as enhancing investor confidence.

The Company's philosophy on Corporate Governance is sustained growth, increase in Stakeholders' value, total transparency, accounting fidelity and to ensure service quality; all with a view to achieve business excellence. The Company places high emphasis on business ethics. The Company follows the Code of Business Conduct and Ethics.

The Corporate Governance framework of your Company is based on an effective Board with majority being Non-Executive Directors, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

The operations of the Company are conducted under the supervision and directions of the Board within the framework set by the Companies Act, 2013 and the Rules made there under ('the Act'), its Articles of Association, SEBI Guidelines, and the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

1. Board of Directors

a. Composition

The Board has an optimum combination of Executive and Non-Executive Directors. The composition of the Board is in conformity with the applicable provisions of the Act and the Listing Regulations.

The Board of Directors of the Company consists of 8 Directors, including the Chairman & Managing Director and 2 Whole Time Directors and five Independent Directors including a woman Director.

During the year, Mr. Mr. G. N. Bajpai, Independent Director has resigned before the expiry of his tenure due to the personal commitments. Apart from that there was no other material reason for his resignation.

The composition of the Board as on the date of the report is as under:

Name of Directors	Category of Directors	Inter-se relationship	No. of Meetings entitled to attend	No. of meetings attended	Attendance at the AGM held during the year
Mr. Nitesh Shetty	Promoter-Promoter	NA	6	6	Yes
Mr. L. S. Vaidyanathan	Executive-Non-Independent	NA	6	6	Yes
Mr. Ashwini Kumar	Executive - Non-Independent	NA	6	1	No
Mr. G. N. Bajpai *	Non-Executive-Independent	NA	3	2	NA
Mr. Jagdish Capoor	Non-Executive-Independent	NA	6	5	Yes
Mrs. Dipali Khanna	Non-Executive-Independent	NA	6	5	No
Mr. Mahesh Bhupathi	Non-Executive-Independent	NA	6	1	No
Mr.Ananthanarayanan S**	Non-Executive-Independent	NA	0	0	NA
Mr. Shantanu Consul**	Non-Executive-Independent	NA	0	0	NA

* *Mr. G. N. Bajpai ceased to be Director with effect from August 17, 2018*
** *Mr. Ananthanarayan S. and Mr. Shantanu Consul were appointed on February 26, 2019*

b. Board Meetings

The Board met 6 (Six) times on the following dates:

May 30, 2018	July 02, 2018
August 10, 2018	September 28, 2018
November 12, 2018	February 13, 2019

c. The details of other directorships as on the date of this report are below:

Name of the Directors	No of Listed Entity excluding NEL	Name of the Listed Entity and category	Other Directorships in unlisted Public Companies	Chairman / Member held in the Committees of other Companies excluding NEL
Mr. Nitesh Shetty	-	NA	-	-
Mr. L. S. Vaidyanathan	-	NA	-	-
Mr. Ashwini Kumar	-	NA	-	-
Mr. Mahesh Bhupathi	-	NA	-	-
Mr.Ananthanarayanan S**	-	NA	-	-
Mr. Shantanu Consul**	-	NA	-	-
Mr. Jagdish Capoor	2	Manappuram Finance Limited *Independent Director* LIC Housing Finance Limited *Independent Director*	3	5
Mrs. Dipali Khanna	2	Hindustan Aeronautics Limited *Independent Director* India Power Corporation Limited *Independent Director*	-	-

* *Mr. G. N. Bajpai ceased to be a Director with effect from August 17, 2018.*

** *Mr. Shantanu Consul and Mr. Ananthanarayan S. were appointed on February 26, 2019.*

*** *Alternate Directorships and Directorships in Private Limited Companies, Foreign Companies, Associations and Government Bodies are excluded.*

d. Skills / Expertise / Competencies of the Board of Directors:

The following is the list of core skills / expertise / competencies identified by the Board of Directors:

i. Knowledge on Company's businesses, policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities and knowledge of the industry in which the Company operates;
ii. Business Strategy, Sales & Marketing, Corporate Governance, Administration, Decision Making;
iii. Financial and Management skills; and
iv. Technical and specialized knowledge in relation to the Company's business.

In the opinion of the Board, the Independent Directors fulfill the conditions specified in the SEBI Regulations and are independent of the Management.

e. Shares held by Non-Executive Directors:

Name of the Directors	No. of Shares held
Mr. Jagdish Capoor	Nil
Mrs. Dipali Khanna	Nil
Mr. Mahesh Bhupathi	Nil
Mr.Ananthanarayanan S	Nil
Mr. Shantanu Consul	Nil

f. Code of Conduct

The Company had adopted the Code of Conduct for all the employees including Senior Management and the Directors. The Code of Conduct has been posted on the Company's website at https://nelholdings.in/investor-relations/policies-other-related-matters/Code of Conduct.

Further, pursuant to the Regulation 26(3) of the Listing Regulations, all the Board members and Senior Management Personnel have affirmed their compliance with the Code of Conduct. A declaration to this effect signed by the Chairman & Managing Director forms part of this Report.

g. Familiarization Programme for Independent Directors:

At the time of appointing a Director, a formal letter of appointment is given to the Board Members, which inter alia explains the role, function, duties and responsibilities expected from them as a Director of the Company. The Director is also explained in detail the compliances required from him under the Companies Act, SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and other relevant regulations. The Board members are provided with necessary documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices. The terms and conditions of Independent Directors are posted on the Company's website at https://nelholdings.in/investor-relations/policies-other-related-matters/.

2. Audit Committee

In compliance with the Section 177 of the Act and Regulation 18 of the Listing Regulations, the Board has duly constituted the Audit Committee.

The Audit Committee is responsible for overseeing the Company's financial reporting process, reviewing the quarterly/half-yearly/annual financial statements, reviewing with the Management on the financial statements and adequacy of internal audit function, Internal Financial Control systems, recommending the appointment/ reappointment of statutory auditors and fixation of audit fees, reviewing the significant internal audit findings/related party transactions, reviewing the Management Discussion and Analysis of financial condition and result of operations. The Committee acts as a link between the management, external and internal auditors and the Board of Directors of the Company.

a. Powers & Roles of the Audit Committee:

The Powers of the Audit Committee has been based on the terms of reference made by the Board from time to time and as applicable under the Listing Regulations and as prescribed by the SEBI. Some of the powers enumerated below apart from the other prescribed under the Listing Regulations and the Companies Act, 2013:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Powers

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
   a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
   b. Changes, if any, in accounting policies and practices and reasons for the same
   c. Major accounting entries involving estimates based on the exercise of judgment by management
   d. Significant adjustments made in the financial statements arising out of audit finding
   e. Compliance with listing and other legal requirements relating to financial statements
   f. Disclosure of any related party transactions
   g. Qualifications in the draft Audit Report
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

b. Composition and Attendance of the Meetings:

Name of the Members	Position	No. of Meetings entitled to attend	No. of meetings attended
Mr. Jagdish Capoor Independent Director	Chairman	5	5
Mr. G. N. Bajpai** Independent Director	Member	3	2
Mrs. Dipali Khanna * Independent Director	Member	4	3
Mr. L. S. Vaidyanathan Executive Director	Member	5	5

* *Mrs. Dipali Khanna became the member of Audit Committee with effect from May 30, 2018.*
* * *Mr. G. N. Bajpai ceased to be Member with effect from August 17, 2018.*

c. Audit Committee Meetings:

The Audit Committee met 5 (Five) times during the year on following dates:

May 30, 2018	July 02, 2018
August 10, 2018	November 12, 2018
February 13, 2019	

3. The Nomination and Remuneration Committee

In compliance with Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013, the Board has constituted the "Nomination and Remuneration Committee"

a) The terms of reference of the Nomination and Remuneration Committee are as follows:

The role of the committee shall, inter-alia, include the following:

1. To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees. To determine the remuneration packages for executive directors including pension rights and any compensation payments. To determine the remuneration to executive directors as required under the Companies Act, 2013 and the Rules made there under.

2. To formulate criteria for evaluation of Independent Directors and the Board;

3. Devising a policy on Board diversity;

4. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

5. The Nomination and Remuneration Committee shall also function as Compensation Committee to look after the Compensation & Benefits of employees. The same committee shall also consider the benefit and administration of the ESOP or any other similar scheme under the Securities Exchange Board of India Guidelines as and when the same is considered by the Board.

6. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

b. Composition and Attendance of the Meetings:

Name	Position	No. of Meetings entitled to attend	No. of meetings attended
Mr. G. N. Bajpai* Independent Director	Chairman (up to August 17)	2	2
Mr. Jagdish Capoor Independent Director	Chairman (from November 12)	2	2
Mrs. Dipali Khanna** Independent Director	Member	1	0
Mr. Mahesh Bhupathi*** Independent Director	Member	0	0

** Mr. G. N. Bajpai ceased to be Member with effect from August 17, 2018.*

*** Mrs. Dipali Khanna became the member of Nomination & Remuneration Committee with effect from May 30, 2018.*

**** Mr. Mahesh Bhupathi became the member of Nomination & Remuneration Committee with effect from November 12, 2018*

c. The Nomination & Remuneration Committee Meetings:

The Nomination & Remuneration Committee met 2 (Two) times during the year:

May 30, 2018	August 10, 2018

d. Performance evaluation criteria for Independent Directors

The Nomination & Remuneration Committee has laid down the Performance Evaluation criteria of Independent Directors in terms of Regulation 19 read with Part D of the Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration.

e. Remuneration Policy:

The Company has a credible and transparent policy in determining and accounting for the remuneration of the Executive /Non-Executive Directors. The remuneration is governed by the external competitive environment and industry standards. The remuneration paid to the Managing Director and Executive Directors are subject to the approval of the Board of Directors, the Members and the Central Government.

Non-Executive Directors are remunerated only by way of sitting fees for the meetings of the Board and the Committees thereof, attended by them.

There are no other pecuniary relationships or transactions of the non-executive Directors vis-à-vis with the Company.

Remuneration paid to the Executive Directors during the financial year 2018-19:

(In Rs)

Names of the Directors	Salary	Sitting Fees	Commission	Bonus	Share based payment
Mr. Nitesh Shetty*	15000000	-	-	-	-
Mr. L.S. Vaidyanathan*	9585012	-	-	-	-
Mr. Ashwini Kumar*	9000000	-	-	-	-
Mr. Jagdish Capoor	-	245000	-	-	-
Mr. G. N. Bajpai	-	125000	-	-	-
Mrs. Dipali Khanna	-	200000	-	-	-
Mr. Mahesh Bhupathi	-	50000	-	-	-
Mr. Shantanu Consul	-	-	-	-	-
Mr. Ananthanarayanan	-	-	-	-	-

** the Company has obtained necessary approvals for the payment of remuneration to the Executive Directors from the shareholders and the remuneration paid was within the limit prescribed under schedule V of the Companies Act, 2013, hence no approval of Central Government was required to be obtained.*

Meeting of the Independent Directors

Pursuant to the provisions of the Act read with the Rules made thereunder and the Listing Regulations, the Independent Directors of the Company have met on February 13, 2019.

4. Stakeholders' Relationship Committee:

In compliance with the provisions of Section 178 of the Act and the Listing Regulations, the Board has constituted the "Stakeholders' Relationship Committee".

The Stakeholders' Relationship Committee has been formed for the effective redressal of the investors' complaints, reviewing the activities of the share transfer committee and reporting of the same to the Board periodically.

a. Composition and Attendance of the Meetings

Name	Position	Meetings held during the year	Attendance
Mr. Jagdish Capoor	Chairman	3	3
Mr. Nitesh Shetty	Member	0	0
Mr. L. S. Vaidyanathan	Member	3	3

b. No. and the date of the Meetings held during the year

The Stakeholders' Relationship Committee met 3 (Three) times during the year on

May 30, 2018	August 10, 2018	November 12, 2018

c. Details of complaints received and resolved during the year are as under:

During the year No queries/complaints were received from the Shareholders.

Details of Compliance Officer - Mr. Prasant Kumar, are the Company Secretary & Chief Compliance Officer of the Company.

5. General Meetings

a. Date, time and location of the last three Annual General Meetings:

Year	Date	Time	Location
2018	September 28, 2018	9.00 AM	Dr. B. R. Ambedkar Memorial Trust (Ambedkar Bhavana), Miller's Road, Vasanthnagar, Bangalore – 560 052
2017	September 28, 2017	2.30 PM	
2016	September 28, 2016	2.00 PM	

b. No special resolution was passed during previous three Annual General Meetings held in the year 2016, 2018 and 2018.

6. Extraordinary General Meeting (EGM): The Company has not conducted any Extraordinary General Meeting during the period under review.

7. Postal Ballot conducted during the financial year 2018-19:

During the year 4 (Four) Postal Ballots were conducted by the Company. The details of the Postal Ballots are as under:

1. Date of Notice: July 02, 2018
   Voting period: July 06, 2018 to August 04, 2018
   Date of Result: August 06, 2018

Resolution Proposed	Resolution Type	Total Votes	Votes in Favor		Votes Against	
			No. of votes	%	No. of votes	%
To approve divestment of subsidiary – Nitesh Pune Mall Private Limited	Special	62004765	61814858	99.69	189907	0.31

2. Date of Notice: September 28, 2018
   Voting period: October05, 2018 to November 03, 2018
   Date of Result: November 05, 2018

Resolutions Proposed	Resolution Type	Total Votes	Votes in Favor		Votes Against	
			No. of votes	%	No. of votes	%
To rescind the resolution - approved through Postal Ballot on August 6, 2018	Ordinary	68423393	68422183	99.99	1210	0.01
To approve divestment of subsidiary – Nitesh Pune Mall Private Limited	Special	68422893	68421882	99.99	1011	0.01

3. Date of Notice: January 31, 2019
   Voting period: February 07, 2019 to March 08, 2019
   Date of Result: March 11, 2019

Resolution Proposed	Resolution Type	Total Votes	Votes in Favor		Votes Against	
			No. of votes	%	No. of votes	%
To approve the change of name of the Company to “NEL Holdings Limited”.	Special	77652658	77645559	99.99	7099	0.01
To alter the Name						

Clause in the Memorandum of Association and to substitute the name in the Articles of Association of the Company.	Special	77652658	77645559	99.99	7099	0.01

4. Date of Notice: February 25, 2019
   Voting period: February 28, 2019 to March 29, 2019
   Date of Result: March 30, 2019

Resolution Proposed	Resolution Type	Total Votes	Votes in Favor		Votes Against	
			No. of votes	%	No. of votes	%
Approval for continuation of Directorship of Mr. Jagdish Capoor (DIN: 00002516) as Independent Director of the Company, who has attained the age of more than 75 years	Special	74532715	74528754	99.99	3961	0.01

Mr. Sudhindra K. S, Practicing Company Secretary (C.P. No. 8190), who is not in employment with the Company was appointed as the Scrutinizer for the poll process by the Board of Directors of the Company.

Procedure adopted for Postal Ballot:

In compliance with Sections 108 and 110 and other applicable provisions of the Companies Act, 2013, read with the related Rules, the Company has provided e-voting facility, in addition to physical ballot, to all its members.

For this purpose, the Company has engaged the services of Karvy Fintech Private Limited. Postal ballot notices and forms were dispatched, along with postage-prepaid Business Reply Envelopes to Registered Members / Beneficiaries as on the cut-off dates. The same notices were sent by email to Members who have opted to receive communication through the electronic mode.

Further, the Company has also published the notices in the newspaper declaring the details and requirements as mandated by the Act and applicable rules.

The Postal Ballot results were communicated to the Stock Exchanges in all cases and were hosted on the Company's Website.

Further, as on the date of this report, there is no proposal of passing any Resolution through Postal Ballot during the financial year 2019-20.

8. Means of Communication

a. The quarterly unaudited results and Audited Annual Financial Results, in the prescribed format are normally published in the following Newspapers within 48 hours of the approval by the Board and also been submitted to the Stock Exchanges:

   i. Financial Express (English Daily) and
   ii. Hosa Digantha (Kannada Daily)

b. The financial results are also available on the Company's website at www.nelholdings.in
c. The news releases, if any are posted on the Company's website and submitted to the Exchanges.
d. There were no presentations made to Institutional investors/ Analysts during the year.

9. General Shareholder Information

a. Annual General Meeting

Date	Friday, September 27, 2019
Time	9.00 A.M.
Venue	Dr. B. R. Ambedkar Memorial Trust (Ambedkar Bhavana), Miller's Road, Vasanthnagar, Bangalore – 560 052

b. Financial Calendar

Financial Year: April 1, 2019 to March 31, 2020
First Quarter Results: In August, 2019
Half Yearly Results: In November, 2019
Third Quarter Results: In February, 2020
Results for the year
ended 31st March: By May, 2020

10. Listing Information

The Company's shares are listed on BSE Limited and the National Stock Exchange of India Limited from 2010.

It is hereby confirmed that as on the date of this Report, the Company has paid the listing fee to BSE Limited and Payment towards National Stock Exchange of India Limited is pending.

Name of the Stock Exchanges	Stock Code
B S E Limited Floor 25, P J Towers, Dalal Street Mumbai 400 001	533202
National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G Block Bandra – Kurla Complex Bandra (E) Mumbai – 400 051	NITESHEST, Series-EQ
ISIN - INE639K01016	

11. Stock Data

a. Monthly High & Low prices at BSE & NSE during the Financial Year 2018-19

Month	NSE		BSE	
	High	Low	High	Low
Apr-18	13.1	11.35	13.10	11.32
May-18	13.15	8.90	13.00	8.80
Jun-18	9.05	6.65	9.20	6.65
Jul-18	7.4	6.25	7.49	6.19
Aug-18	8.85	6.70	8.90	6.85
Sep-18	8.05	5.75	7.99	5.77
Oct-18	6.70	5.05	6.50	4.85
Nov-18	6.60	4.5	6.40	5.00
Dec-18	6.20	4.35	6.00	4.85
Jan-19	7.45	5.20	7.47	5.10
Feb-19	6.30	5.20	6.49	5.10
Mar-19	8.15	5.55	8.23	5.65

b. Distribution of shareholding as on March 31, 2019

Category	No. of Shareholders	% of Shareholders	Total Shares	% Holdings
0001- 5000	11767	59.36	2403029	1.65
5001- 10000	3201	16.15	2850161	1.96
10001- 20000	1944	9.81	3163101	2.17
20001- 30000	746	3.76	1987917	1.37
30001-	370	1.87	1354818	0.93

40000				
40001-50000	466	2.35	2247562	1.53
50001-100000	637	3.21	5060013	3.46
100001& Above	693	3.50	126765499	86.93
Total	**19,823**	**100.00**	**145,832,100**	**100.00**

c. Shareholding pattern as on March 31, 2019

Category	No. of Holders	Total Shares	% To Equity
Banks	3	4701241	3.22
Clearing Members	37	68172	0.05
Directors and their Relatives	5	413319	0.28
Employees	10	17195	0.01
Foreign Portfolio – Corp.	1	9200189	6.31
HUF	571	2703645	1.85
IEPF	1	70771	0.05
Indian financial institutions	1	6208422	4.26
Bodies corporates	273	9387614	6.44
NBFC	2	4568	0.00
Non Resident Indians	137	818265	0.56
NRI- Non-Repatriation	63	409191	0.28
Promoter Companies	2	24872736	17.06
Promoter Individuals	3	43104594	29.56
Resident Individuals	18713	43850278	30.07
Trusts	1	1900	0.00
Total	**19823**	**145832100**	**100.00**

d. Shares held in physical and dematerialized form as on March 31, 2019

Category	No. of Holders	Total Shares	% to Equity
Physical	5	1008	0.00
NSDL	11380	127195819	87.22
CDSL	8438	18635273	12.78
Total	**19823**	**145832100**	**100.00**

e. Share Transfer

The Company has appointed Karvy Fintech Private Limited (formerly Karvy Computer Share Private Limited), as Registrars and Share Transfer Agents (SEBI Registration No. INR000000221). The real time transfer will take place in case of dematerialised shares and in case of physical shares, the share transfers are normally effected within the maximum period of Fifteen days from the date of receipt, if all the required documentations are submitted.

f. Registrar and Transfer Agents:

Karvy Fintech Private Limited
Karvy House, No. 46, 8-2-609/K, Avenue 4, Street No. 1
Karvy Selenium Tower B
Plot No 31 & 32 Gachibowli, Financial District
Nanakramguda, Serilingampally Hyderabad – 500 032
Telephone No. : 91 040 67161510 Toll Free no.: 1800-345-4001
Email: mailmanager@karvy.com

g. Compliance Officer:

Mr. Prasant Kumar, Company Secretary & Chief Compliance Officer
Level 7, Nitesh Timesquare, # 8, M G Road, Bengaluru-560 001
Tel: +91 80 4017 4000,
Email: investor@niteshestates.com, cs@nelholdings.in

12. Disclosures

a. Disclosures on materially significant related party transactions that may have potential conflict with the interest of the Company

Pursuant to Regulation 23 of the Listing Regulations, the Board of Directors has formulated a Policy on Related Party Transactions which can be accessed from the website of the Company at www.niteshestates.com/Investor Relations/Policies and other related matters/ Related Party Transaction Policy

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business and do not attract the provisions of Section 188 of the Companies Act, 2013.

There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company.

The Company has a policy for determining 'Material Subsidiary' which is disclosed on the Company's website at www.niteshestates.com/Investor Relations/Policies and other related matters/ Material Subsidiary Policy

b. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

The Company has complied with the requirements of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as well as regulations and guidelines of the SEBI and other Statutory Authorities on all matters relating to the capital markets. The Company has not paid any fines during the last three financial years.

c. Whistle Blower Policy and Vigil Mechanism

The Company has a vigil mechanism policy for its directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the code of conduct/business ethics that provides for adequate safeguards against victimization of the director(s) and employee(s) who avail of the mechanism.

None of the directors/employees of the Company have been denied access to the Chairman of the Audit Committee and no complaints have been received during the financial year 2018-19.

d. Non-mandatory Recommendation under the Listing Regulations

The Company has adopted non-mandatory requirements as per Schedule II Part E of the Listing Regulations.

e. Total fees for all services paid by the listed entity and its subsidiaries to the Statutory Auditors:

The Statutory Auditors of the Company and Subsidiary Companies M/s. Ray and Ray, Chartered Accountants was paid a total fee of Rs.27, 13,625/- during the year. Further, the Statutory Auditors have not rendered any services other Statutory Audit.

f. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. No complaint was received by the Management during the year.

g. Compliance Certificate certified by the Managing Director

A declaration signed by the Managing Director stating that the Board of Directors and Senior Management Personnel have affirmed compliance with the code of conduct of Board of Directors and Senior Management forms part of this Annual Report.

h. Compliance Certificate

a. A Certificate from S. Kedarnath & Associates, Practicing Company Secretary, Bangalore confirming the compliance with the conditions of Corporate Governance under Regulation 27 read with Schedule V of the Listing Regulations forms part of this Annual Report.

b. A Certificate from S. Kedarnath & Associates, Practicing Company Secretary in pursuance of sub clause (i) of clause 10 of Part C of Schedule V of The Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Annual Report.

i. Disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the LODR:

Regulation	Requirements	Compliance
17(1)	Board composition	Yes
17(2)	Meeting of the Board of Directors	Yes
17(3)	Review of Compliance Reports	Yes
17(4)	Plans for orderly succession for appointments	NA
17(5)	Code of Conduct	Yes
17(6)	Fees/compensation	Yes
17(7)	Minimum Information	Yes
17(8)	Compliance Certificate	Yes
17(9)	Risk Assessment & Management	Yes
17(10)	Performance Evaluation of Independent Directors	Yes
18(1)	Composition of the Audit Committee	Yes
18(2)	Meeting of the Audit Committee	Yes
19(1) & (2)	Composition of the Nomination & Remuneration Committee	Yes
20(1) & (2)	Composition of the Stakeholder Relationship Committee	Yes
21(1),(2),(3),(4)	Composition and role of Risk Management Committee	NA
22	Vigil Mechanism	Yes
23(1),(5),(6),(7) & (8)	Policy for Related Party Transaction	Yes
23(2), (3)	Prior or Omnibus approval of Audit Committee for all Related Party Transactions	NA
23(4)	Approval for Material Related Party Transactions	NA
24(1)	Composition of Board of Directors of unlisted material Subsidiary	Yes

24(2),(3),(4),(5) & (6)	Other Corporate Governance requirements with respect to subsidiary of listed entity	Yes
25(1) & (2)	Maximum Directorship & Tenure	Yes
25(3) & (4)	Meeting of Independent Directors	Yes
25(7)	Familiarization of Independent Directors	Yes
26(1)	Memberships in Committees	Yes
26(3)	Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	Yes
26(4)	Disclosure of Shareholding by Non-Executive Directors	Yes
26(2) & 26(5)	Policy with respect to Obligations of Directors and Senior Management	Yes

Compliance as per Regulation 46(2) (b) to (i)	
Terms and conditions of appointment of Independent Directors	Yes
Composition of various committees of Board of Directors	Yes
Code of conduct of Board of Directors and Senior Management Personnel	Yes
Details of establishment of Vigil Mechanism/ Whistle Blower policy	Yes
Criteria of making payments to Non-Executive Directors	NA
Policy on dealing with Related Party Transactions	Yes
Policy for determining 'Material' Subsidiaries	Yes
Details of familiarization programs imparted to Independent Directors	Yes
Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances	Yes
Email address for grievance Redressal and other relevant details	Yes
Financial Results	Yes
Shareholding pattern	Yes
Details of agreements entered into with the media companies and/or their associates	NA
New name and the old name of the Company	Yes

For and on behalf of the Board of Directors

Sd/-
NITESH SHETTY
Chairman & Managing Director
DIN: 00304555

Place: Bengaluru
Date: May 30, 2019

CONFIRMATION OF CODE OF CONDUCT

This is to confirm that the Company has adopted a code of conduct for its Board of Directors and the Senior Management Personnel and the same is made available on the Company's website.

I hereby confirm that the Company has received the declarations for the financial year ended March 31, 2019 in confirmation of the compliance with the Code of Conduct by the members of the Board of Directors and the Senior Management Personnel of the Company as required under the provisions of Regulation 34 read with Schedule of V of the Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015,

Sd/-
Nitesh Shetty
Chairman & Managing Director
DIN: 00304555

Date: May 30, 2019
Place: Bengaluru

Compliance Certificate on Corporate Governance

To
The Shareholders of
NEL Holdings Limited
(CIN: L07010KA2004PLC033412)

I have examined the compliance of conditions of Corporate Governance by NEL Holdings Limited ("the Company") for the year ended 31st March, 2019 as stipulated under Regulation 27 and Para C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulation").

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examinations were limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of provision relating to Corporate Governance as stipulated in the aforesaid Listing Regulations. It is neither an audit nor an expression on opinion on the financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representation of the Management, we certify that the Company has complied in all material aspects with the conditions of Corporate Governance as stipulated in above mentioned Listing Regulations.

We further state that such compliance is neither an assurance as to the further viability of the Company nor the efficiency of effectiveness with which the management has conducted the affairs of the Company.

Sd/-
S. Kedarnath
Practising Company Secretary
C.P. No. 4422

Date: May 30, 2019
Place: Bengaluru

CERTIFICATE

(Pursuant to clause 10 of Part C of Schedule V of LODR)

In pursuance of sub clause (i) of clause 10 of Part C of Schedule V of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015; (LODR) on the basis of the written representation/declaration received from the Directors and taken on record by the Board of Directors of NEL Holdings Limited (CIN: L07010KA2004PLC033412) ('the Company'), I hereby certify that as on date of this Certificate, none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Director of companies by the SEBI / Ministry of Corporate Affairs or any such Statutory Authority.

Sd/-
S. Kedarnath
Practising Company Secretary
C.P. No. 4422

Date: May 29, 2019
Place: Bengaluru

FY 2019 : Management Discussion and Analysis

Socio Economic Environment

The global economic activity has slowed down followed the escalation of US China trade tensions, tighter credit policies in China and financial tightening alongside the normalization of monetary policy in larger advanced economies. The Indian economy slackened last year with GDP growth at 6.8 % compared to 7.2% in the previous year. This moderation in growth momentum is primarily due to lower growth in 'Agriculture & allied', Trade, hotel, transport, storage, communication and services related to broadcasting', and 'Public administration and defence' sectors. The Reserve Bank of India has projected the GDP growth for the year 2019-20 to be around 7.2 per cent.

Real Estate Market

Indian Real Estate Market

There has been a series of radical and transformational reforms such as demonitisation, Real Estate Regulation & Development Act (RERA), FDI relaxations, GST, Benami Transactions (Prohibition) Amendment Act, Change in Accounting standards, all coming in a row and in quick succession. This will increase the transparency of Indian real estate transactions, making it more credible and attractive with only organized players on the ground. Home ownership being a priority ambition and investment objective for Indians, these reforms will have positive implications for home buyers.

The demand for homes has stabilized at a new low and is attracting only end users and investors are staying away from the market. The cycle time for purchase decisions has become long.

Real Estate Regulation & Development Act (RERA) came into effect and in the state of Karnataka with notification dated 10th July, 2017. This law will enforce unprecedented transparency and accountability requirements for developers and will increase the confidence of the consumers. The Goods and Service Tax (GST) and Benami Transactions (Prohibition) Amendment Act will also have a major impact on the operations of the real estate developers.

Ministry of Housing and Urban Poverty Alleviation (MoHUPA) has introduced in June 2015, an interest subsidy scheme called Credit Linked Subsidy Scheme (CLSS) under Pradhan Mantri Awas Yojana (URBAN)-Housing for All, for purchase/construction/extension/improvement of house to cater Economical Weaker Section (EWS)/Lower Income Group (LIG)/Middle Income Group (MIG), given the projected growth of urbanization & the consequent housing demands in India. The qualifying criteria for affordable housing have been relaxed. This effectively increases the size of affordable housing market across India. These segments saw several new launches and were marketed under the buzzword of "smart", "millennial", "efficient" homes.

Sectors such as IT and ITeS, retail, consulting and e-commerce have registered high demand for office space in recent times. The office space absorption in 2016 across the top eight cities amounted to 29 million square feet (msf) with Bengaluru recording the highest net absorption during the year. Information Technology and Business Process Management sector led the total leasing table with 52 per cent of total space uptake in 2016. Mumbai is the best city in India for commercial real estate investment, with returns of 12-19 per cent likely in the next five years, followed by Bengaluru and Delhi-National Capital Region (NCR).

Bengaluru Real Estate Market

Bengaluru is proving to be a shining spot for the real estate industry. It has witnessed phenomenal migration in last few decades to become the Silicon Valley of India with a 40% share of IT industry. Due to good market drivers – IT/ITes sector – which ensures strong macro-economic dynamics, most home buyers find Bengaluru a perfect place to settle and retire. There has been a significant decline in the absorption, however Bengaluru has been affected to a lesser extent as compared to the other cities in India. The average yield rental yields are comparatively better ranging between 2-4% as compared to cities like Mumbai where yields are in range of 1-3%.For investors looking for less volatile market in a long term, Bengaluru provides an attractive investment option.

The Company

Company Overview and Market Positioning

NEL Holdings Limited (“NEL” or “Company”) is an integrated property developer and one of India's most recognized luxury real estate brands with presence in multiple asset classes: Residential, Commercial and Hotel. Since inception, the Company has brought over 21.60 mn sq. ft. of area under development. The Company made its initial public offering in May 2010 and was listed on the Bombay Stock Exchange and the National Stock Exchange.
The Company has a very strong brand equity, business processes and partnerships to attain the next stage of growth. Since inception, the Company has completed 17 projects across residential, commercial and hospitality segments covering a developable area of 3.53 mn sq. ft. NEL currently has 14 ongoing residential projects with a total developable area of approx. 6.8 mn sq. ft. The revenue potential of these projects is over Rs. 1850 Crore over 3-5 years.

In the commercial space, NEL has 3 ongoing/upcoming commercial projects in Bangalore central business district (CBD) covering an area of over 1.15 mn sq. ft. The Company is targeting to attain an annual rental income of over Rs. 300 Crore within the next 5 years through its portfolio of income generating assets.

The Ritz-Carlton, one of the world's finest brands for luxury hospitality, partnered with the Company to bring India’s first Ritz Carlton Hotel in Bengaluru. Operational since October 2013, The Ritz-Carlton is an epitome of luxury and NEL development capabilities & has become an important landmark in the city.

NEL has a comprehensive corporate governance framework with an eminent Board and strong management team with significant experience across industries. In line with best in class corporate governance practices, the Company has a high proportion of independent directors.

Operational Performance

During the year, the Company sold 60,243 sq. ft. of area with a Sales Value of Rs. 37.48 Crores exclusive of taxes. The average realization for the year was Rs. 6,221 per sq. ft., which is one of the best in the Bengaluru real estate industry. The Company sold 24 units in the mid-income, high-income and luxury residential segments. The collections were at Rs. 24.15 Crores in FY 2018-19.

Financial Performance in IND AS (Figures)

NEL generated revenue of Rs. 113.15 Crore, compared with FY 2018 revenue of Rs. 56.29 Crores. The Earnings before interest, tax, depreciation and amortization (EBITDA) was Rs. (-) 70.09 Crores as compared to Rs. -114.61 Crores in the previous year. The Profit / (Loss) after taxes during the year was Rs. (166) Crores.

There were 10 projects under income recognition during the year with Unrecognized Income of Rs. 211 Crores. The Company expects increased revenue going forward owing to various projects getting to advanced stages of construction.

Revenue Breakup: - IND AS (Figures)

Rupees in lakhs	**FY2019**	***% share***	**FY2018**	***% share***
Property Development	5,686	*50.25*	2,114	*37.70*
Contractual Activities / Other Operating Income	0	*0*	2	*0.04*
Income from Sale of Land	5,500	*48.60*	0	*0*
Maintenance Income	106	*0.93*	807	*14.39*
Lease Rent	0	*0*	702	*12.52*
Misc. - Other Income	23	*0.22*	2,004	*35.35*
Total	**11,315**		**5,629**	

Financial Condition *IND AS (Figures)*

(Rs. in Lakhs)

Particulars	March 31, 2019	March 31, 2018
Sources of funds		
a. Shareholders' funds	(29,649)	(8,951)
b. Minority Interest	-	-
c. Loan funds	1,02,067	1,30,592
Total	**72,418**	**1,21,641**
Application of funds		
a. Fixed assets (net)	41,904	67,350
b. Investments	5,343	4,341
c. Net current assets	19,377	47,304
d. Deferred tax/ miscellaneous expense, among others	5,794	2,646
Total	**72,418**	**1,21,641**

Particulars	12 months ended March 31, 2019	12 months ended March 31, 2018
Profit before tax	(16,457)	(26,709)
Add: Adjustments	(6,011)	25,477
Add: Net working capital	24,212	1,234
Less: Income Tax paid	(6)	-
Net cash flow from operating activities	**1,738**	**(13,572)**
Net cash flow from investing activities	3,926	439
Cash flow from financing activities	(5,937)	13,524
Net cash inflow / (outflow)	**(273)**	**393**

Liquidity

As of March 31, 2019, the Company had cash and cash equivalents of **Rs. 3,14,28,535/-.** On a standalone basis, the Company had a total debt of **Rs. 523,32,27,268/-** and the net worth was at **Rs. 128,69,79,079/-.** The Company is closely monitoring the debt levels and plans to reduce the high cost debt from the cash generated from on-going projects and exiting some non-core assets in the portfolio from time to time.

Business Strategy

Complying with Real Estate Regulation and Development Act

The main motive behind establishment of Real Estate Regulation and Development Act (RERA) is to ensure that real estate transactions happen in an efficient and transparent manner and to protect the interest of the consumers along with establishment of an adjudicating mechanism for speedy dispute redressal. NEL has geared up its internal processes for becoming compliant with the requirements of RERA.

Revenue diversification and expansion of rental income

NEL has been strategically focused on diversifying its revenue to include recurring income stream. The Company intends to expand its rental revenue to Rs. 300 Crore annually in next 5 years. NEL also has 3 ongoing/upcoming commercial properties in Bangalore central business district (CBD) covering an area of over 1.15 mn sq. ft.

Investment in systems and technologies

Information Technology continues to support all aspects of business and operations at NEL through continued investment in enterprise wide SAP platform including data analytics.. The Company continues to explore and implement new emerging technologies for furthering business objectives. IT forms the core of all communication and information exchange for ongoing monitoring and effective decision making.

Selective geographic expansion

The Company believes that deep insights into the community and clientele and a thorough understanding of the policies, priorities and processes of the local Government are essential factors that drive success. In line with this belief, NEL has chosen to operate in the South Indian market. Majority of the ongoing and upcoming projects are located in Bengaluru, where the Company has strong experience of executing several projects since its incorporation. Furthermore, Bangalore is considered to be one of the best real estate markets in India. NEL is also selectively pursuing opportunities in other southern cities such as Chennai, Kochi and Goa.

Managing and promoting talent

NEL's culture is focused on customer-centricity, collaborative team work, result orientation, entrepreneurial mindset and developing people. One of the key growth strategies at NEL is to manage and promote talent by providing growth opportunities, rewards, respect, learning and fun. The Company's employees are both an important stakeholder group and key players in its business. With their skills and achievements, the Company is driving a culture of innovation, sustained growth and profitability for NEL.

Exploring Co-Living opportunities

India is ranked 3rd in the start-up ecosystem. A growing number of domestic enterprises are developing solutions aimed at solving and managing urban challenges. While a majority of these are tech start-ups concerned with ecommerce, consumer product and services and food, a few of them have chosen to enter the unorganized rental ecosystem space aiming at providing hassle free rental services to the growing millennial in the urban areas. Therefore, the Company is also looking forward to shake hand with one of such players and explore opportunities in the residential rental space.

Opportunities and Threats

Opportunities in all segments of real estate development are driven by the macroeconomic forces on account of the unique current situation where a large part of the population consists of people less than 24 years of age, that is people who are young and productive. The benefits to the economy, commonly termed as the demographic dividend is benefitting the real estate sector. The other macroeconomic force is the rapid rate of urbanization on account of migration of population to cities, the growth centers. Implementation of Real Estate Regulation and Development Act (RERA) will bring in more transparency to the real estate transactions and boost buyer’s confidence. The disposable income has been steadily increasing and there is easier availability of consumer finance coupled with a declining interest rate trend. All the aforesaid aspects result in opportunities in all segments of real estate.

The key threats to real estate business emanate from the cyclicality of the business owing to the tide and ebb in consumer and business confidence. Going forward, with the e-commerce market in India making itself look attractive, can pose a serious threat to the retail real estate. Other immediate challenges to the business are from:

- environmental risks such as depletion of water table
- potential impact of global slowdown on the Bengaluru IT/ITES industry
- increase in cost of commodities and building materials
- increase in interest rates which could result in depressed demand from customers and at the same time increase our interest burden
- shortage of labour and skilled technical manpower and the consequent upward pressure on cost of human resources
- regulatory and policy changes results in higher costs and delays in approvals related with projects

Risk management

The Company has an established enterprise risk management framework to optimally identify and manage risks, as well as to address operational, strategic and regulatory risks. The ability to anticipate risks and respond effectively is critical for achieving the Company’s objectives and provide value to stakeholders. The risk management process also addresses long term strategic and operational planning, talent acquisition and retention, treasury management, financial reporting and controls, information technology and security, environment health and safety compliance, legal, taxation, communication, regulatory compliance and code of conduct for employees. The Company believes that risk is an integral part of every business and promotes a culture of building ability to anticipate and manage the risks effectively and converting them into opportunities. Risk assessment is conducted by the risk management committee and the program is reviewed periodically by the Audit Committee.

There are several areas of risk related with:

- the macroeconomic environment
- the title of land and joint development partners
- the information technology systems and disaster recovery
- the project management resulting in deviation from planned time, quality, cost and safety
- the availability and cost of building materials
- the changes in statutes and processes in decision making by the Government
- the availability of finance and the cost of financing
- the human resources – their availability, costs and compliance with the code of ethics of the Company
- the vendors and business partners
- the assets of the Company
- the customers and the competitors

Internal Control Systems

NEL has an elaborate internal control system which monitors compliance to internal processes. It ensures that all transactions are authorized, recorded and reported correctly. Well established and robust internal audit processes, both at business and corporate levels, continuously monitor the adequacy and effectiveness of the internal control environment across the Company and the status of compliance with operating systems, internal policies and regulatory requirements. In the networked IT environment of the Company, validation of IT security continues to receive focused attention of the internal audit. The Company has appointed PricewaterhouseCoopers as their internal auditor. The Internal Auditors independently evaluate the adequacy of internal controls and concurrently audit the majority of the transactions in value terms. Independence of the audit and compliance is ensured by direct reporting to the Audit Committee of the Board.
In order to ensure compliance with the Company's Act related with Internal Financial Control (IFC), the Company appointed KPMG to carry out a study on the processes of the Company and suggest remedial measures if any. Certain process changes were instituted and KPMG reported that the Company is compliant with the requirements of IFC. For the subsequent periods, internal audit has been mandated to specifically carry out audits with respect to the compliance with IFC requirements.

The Company strives to continuously strengthen the internal control systems by adopting standard operating procedures and by delegating roles and responsibilities to various

Department heads for effective implementation of the same. This is to ensure that the Company conducts its business with highest standards of statutory, legal and regulatory compliance.

Outlook

In 2016, Indian real estate industry saw the biggest policy changes. Policies like GST and RERA are on their way to full implementation. The long term outlook still remains attractive due to economic growth, increasing urbanization, employment opportunities, affordability, favorable demographics, urbanization, and preferred location by NRIs, expats and IT/ITES professionals. Further, income tax benefits, lower interest rates and availability of financing options support the growing demand. Management would adopt a cautious approach and observe the developments closely while making decisions. The key focus for us in the following year would be:

- Focus on execution and revenue recognition: There are 10 residential projects currently in execution having a developable area of 4.3 million sq ft. There are another 4 residential projects having a developable area of 2.45 million sq ft which are in various stages of design and approval and are targeted for launch during the coming quarters. This represents a huge growth in the intensity of the business and correspondingly on the revenue and profits of the Company. We are now focused on staying ahead on the cash collection cycle and accelerate execution. The consumers are highly discerning and the market is competitive. For success in the market place timeliness and quality of delivery are the differentiators.

- Compliance with RERA: The Company has been focusing on operational changes to be compliant with RERA. The process includes identification of process which has to undergo change, modification and roll out Standard Operational Procedure (SOP) to be compliant.

- Design and Innovation: The Company has always focused on building a strong brand recall and differentiating itself from the competitors by continuous investments in new design and innovation for projects. Our association with leading firms like KPF, WATG, Callison, RK Associates and CnT help us develop projects which provide our customers a unique living experience.

- Cash-flow Management – Tight control on accounts receivables and accounts payables with the objective of reducing the interest burden.

- Customer Relationship – Enhance customer experience at each of their touch points starting with at the stage at which we interact with them to assist in selection of a home till the time it is handed over.

Human Resources Development

- NEL employs people across all functions. The Company strives to be an Employer of Choice. High quality recruitment supports the talent management practices of the

Company. The Company continues to foster a high performance culture by recognizing good performers and providing them with career enhancing opportunities. Several HR initiatives have been taken for the strategic alignment of the HR function with the business objectives. These initiatives encompass employee engagement, learning & development besides improved internal communication mechanism with employees.

- Our registered and corporate office is located in Bengaluru. This houses employees who oversee our financial, administrative, design and planning and other reporting functions. We have not experienced any material strikes, work stoppages, labor disputes. Our work-force consists of our permanent employees, consultants and labor work force that work at projects through sub-contractors.

- For the development of some of our projects, we also engage third party consultant engineers, architects, interior designers and landscape designers. In addition to our employees, we also engage the services of contractual workers which include tradesmen, car drivers, housekeeping personnel and other skilled, unskilled and semi-skilled workers. Our consultants, contractors and sub-contractors who work on our projects also employ a significant labor force.

Cautionary Statement

Statements in this Management Discussion and Analysis contain "forward looking statements" including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to NEL's future business developments and economic performance. While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance. NEL undertakes no obligation to publicly revise any forward looking statements to reflect future / likely events or circumstances.

For and on behalf of the Board of Directors

Sd/-

Place: Bengaluru
Date: May 30, 2019

Nitesh Shetty
Chairman & Managing Director
DIN : 00304555

Standalone Accounts

INDEPENDENT AUDITOR'S REPORT

To

The Members of

NEL Holdings Limited. (Formerly known as Nitesh Estates Limited)

Report on the Audit of the Ind-AS Standalone Financial Statements

Opinion

We have audited the Ind-AS standalone financial statements of **NEL Holdings Limited**. (Formerly known as Nitesh Estates Limited and herein after referred as "the Company"), which comprise the Balance Sheet as at 31st March 2019, the Statement of Profit and Loss, Statement of changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind-AS standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind-AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind-AS standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind-AS standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind-AS standalone financial statements of the current year. These matters were addressed in the context of our audit of the Ind-AS standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Response to Key Audit Matter
1. Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind-AS 115 "Revenue from contracts with Customers" (Revenue Accounting Standard) applicable from 1st April, 2018. The application of the new revenue accounting standard from current financial year involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of identified performance obligation and disclosures including presentations of balances in the Ind-AS standalone financial statements. Refer Notes 23 and 43 to the Ind-AS standalone financial statements.	***Principal Audit Procedure:*** We assessed the Company`s internal process to identify the impact of adoption of the new revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of internal controls and procedures as follows: a) Evaluated the design of internal controls relating to implementation of the new revenue accounting standard. b) Selected a sample of existing continuing contracts and new contracts and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. c) Tested the relevant information, accounting systems and change relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard. d) Performed analytical procedures and test of details for reasonableness and other related material items. ***Conclusion:*** Our procedures did not identify any material exceptions.
2. Impairment of Investments in Subsidiaries-Impairment Test Due to deterioration in operating performance	**Principal Audit Procedure:** Besides obtaining an understanding of Management's processes and control with

Key Audit Matter	Response to Key Audit Matter
of the group subsidiaries, the company has incurred significant losses over the years resulted the erosion of net worth significantly. This has triggered impairment assessment of carrying value of investments in subsidiaries amounting to Rs. 11,866/- Lakhs in the Ind-AS standalone financial statement of the Company. The Company has not engaged any valuation expert to evaluate the fair value of the investments and considered the impairment based on the net worth of individual company as per Balance Sheet valuation. This matter has been identified as a key audit matter for the current year audit. (Refer Note 6 (iii)& 28 to the Ind-AS standalone financial statements)	regard to testing the investments for impairment our procedures included the following:- a) Obtained an understanding of management's process and evaluated design and tested operating effectiveness of controls around identification of indicators of impairment under Ind-AS, and around valuation of the business of the subsidiary companies to determine recoverable value of the said investment; b) Assessed the appropriateness of judgement of the management to estimate the recoverable value of investment in the subsidiary companies; c) Assessed the reasonableness of assumptions relating to revenue growth rate, gross margins, discount rates etc. based on historical results, current developments and future plans of the business estimated by management ; d) Assessed cash flows to ensure consistency with current operations of the Companies and performed sensitivity analysis on key assumptions used in management's calculated recoverable value. e) Based on our procedures, we also considered the adequacy of disclosures in respect of investment in the said subsidiary companies in the notes to the Ind-AS standalone financial statements. ***Conclusion:*** Our procedures did not identify any ma exceptions.

Key Audit Matter	Response to Key Audit Matter
3. Contingent Liabilities Assessment of provisions and contingent liabilities in respect of certain litigations including direct and indirect taxes, various claims filed by other parties not acknowledged as debt. There is high level of judgements required to estimate the level of provisioning. The Company's assessment is supported by the facts of matter, their own judgement, past experience, and advice from legal and independent tax consultant wherever considered necessary. Accordingly, unexpected adverse outcomes may significantly impact the company's reported profit and net assets. Associated uncertainty relating to the outcome requires application of judgement in interpretation of law. Refer Note 34 to the Ind-AS standalone Financial Statements.	**Principal Audit Procedure:** Our audit was focused on analysing the facts of subject matter under consideration and judgements/ interpretation of relevant law. Our Audit approach involved: a) Examining recent orders and/or communication received from various Tax authorities/ judicial forums and follow up action thereon. b) Understanding the current status of the litigation/tax assessments. c) Evaluating the merit of the subject matter under consideration with reference to the grounds presented therein and available independent legal / tax advice. d) Review and analysis of the contentions of the company through discussion, collection of details of the subject matter under consideration, the likely outcome and consequent potential outflows on those issues. ***Conclusion:*** Our procedures did not identify any material exceptions.
4. Evaluation of Uncertain Tax Position The Company is subject to periodic challenges by local tax authorities on a range of tax matters during the normal course of business including direct and indirect tax matters. These involve significant management judgement to determine the possible outcome of the uncertain tax positions, consequently having an impact on related accounting and disclosures in the Ind-AS standalone financial statements.	**Principal Audit Procedure:** Our audit procedures include the following substantive procedures: a) Obtained understanding of key uncertain tax positions; and b) We along with our internal tax experts – ➢ Read and analysed select key correspondences, external legal opinions / consultations by management for key uncertain tax

Key Audit Matter	Response to Key Audit Matter
	positions; ➢ Discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the tax provisions; and ➢ Assessed management's estimate of the possible outcome of the disputed cases. ***Conclusion:*** Our procedures did not identify any material exceptions.

Information Other than the Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Board`s Report including Annexures to Board`s Report, Management Discussion and Analysis and Corporate Governance, but does not include the Ind-AS standalone financial statements and our auditor`s report thereon.

Our opinion on the Ind-AS standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind-AS standalone financial statements, our responsibility is to read the other information identified above, and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is no material misstatement of this other information, required to report on that fact.

Responsibilities of the Management and Those Charged with Governance for the Ind-AS Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind-AS standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind-AS standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the Ind-AS standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind-AS standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind-AS standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Ind-AS standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Ind-AS standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind-AS standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind-AS standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Emphasis of Matter

1. The Company has given advances to various parties for acquiring land and immovable property. Based on the life time expected credit loss, allowance for such advances has been accounted for without initiating any visible steps to recover the same (Refer Note no.12 of the Ind-AS Standalone financial statements).

2. The Company has accounted certain Income /expenses directly to retained earnings instead of routing through the Statement of Profit & Loss during the year (Refer Note no. 16 (ii) to the Ind-AS Standalone financial statements).

3. The Company is working on item wise calculation/reconciliation of Deferred Tax assets and liabilities as on 31st March, 2019. Accounting entries resulting from such reconciliation is still pending. (Refer Note no. 19 (a) to the Ind-AS Standalone financial statements).

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure – A",** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations except information related to deferred tax and actuarial valuation as on 31.03.2019 as stated in Note no. 19(a) and 32(c) to the Ind-AS standalone Ind-AS financial statements, which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, statement of changes in equity and statement of cash flows dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid Ind-AS standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.

   e) On the basis of written representations received from the directors as on 31^{st} March, 2019 taken on record by the Board of Directors, none of directors is disqualified as on 31^{st} March, 2019 from being appointed as director in terms of Section 164(2) of the 'Act'.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure –B"**.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Ind-AS standalone financial statements – Refer Note 34 ;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.

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

Sd/-
(Bidyut Prakas Bhattacharya)
Partner
Membership No.053906

Place: Bangalore

Date: 30th May 2019

ANNEXURE“A” TO THE INDEPENDENT AUDITORS' REPORT

“Annexure A” referred to in our report to the members of **NEL Holdings Limited.** (Formerly known as NITESH ESTATES LIMITED) under the heading ‘Report on Other Legal and Regulatory Requirements’ of our report at even date.

We report that:

i. a) The Company has maintained proper records showing full particulars including quantitative details and situations of fixed assets.

b) According to the information and explanation given to us, some of the fixed assets have been physically verified by the Management during the year in a phased program and no material discrepancies were noticed on such verification. In our opinion, the frequency of such verification is reasonable having regard to the size of the company and the nature of its assets.

c) According to information and explanation given to us no immovable properties are held in the name of the company.

ii. The Company is engaged in the business of real estate development and related services and holds inventories in the form of land, developed and under development of properties. In our opinion and according to the information and explanations given to us, having regard to the nature of inventories, the procedures and frequency of the physical verification by way of title deeds, site visits by the management and certification of work completion are reasonable and adequate having regard to the size of the Company and the nature of its business.

iii. According to the information and explanation given to us, the Company has granted unsecured loans to companies, firms, or other parties as listed in the register maintained under section 189 of the Companies Act, 2013 (Refer to Note 38 to the financial statements).In our opinion and according to the information and explanations given to us, the terms and conditions of the loans are not prejudicial to the interest of the Company.

iv. According to the information and explanation given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to loans and investments made.

v. The Company has not accepted any deposits during the year. However, the Company has collected Rs 897 Lakhs amount as advance against their proposed residential projects in the earlier year, which have now been abandoned and such receipts, now are in the nature of deemed deposits under rule 2(c) (xii) (b) Companies Acceptance of deposit (Rules) 2014 and which are also attracted by sections 73 to 76 of the Companies Act, 2013. Out of the said amount the company has subsequently refunded Rs 763 Lakhs and is in the process of refunding the remaining amount Rs 134 Lakhs. The amount and disclosure requirements of deemed deposits which are required by the relevant act and directives issued by the Reserve Bank of India have not yet been ascertained. (Refer Note no. 44 to the Ind-AS Standalone financial statements).

vi. The Central Government has prescribed for the maintenance of the cost records under section 148(1) of the Companies Act, 2013 in respect of the products of the Company. Accordingly, the management has appointed a cost auditor whose report is still awaited and could not be produced to us.

vii. (a) According to the information and explanations given to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident fund, Employees State Insurance, Sales Tax, Wealth Tax, Cess, Custom Duty, Goods and GST and other statutory dues applicable to it.

There are no undisputed amounts payables in respect of provident fund, employees' state insurance, sales tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities except Goods and Services Tax Rs. 33 Lakhs and Income Tax Rs 765 Lakhs as at 31st March, 2019 for a period more than six months from the date they became due.

(b) According to the information and explanations given to us, the following are the disputed statutory dues which have not been deposited by the company as on 31st March, 2019.

Name of Statute	***Nature of Dues***	***Period to which the amount relates***	***Amount (Rs. in Lakhs)***	***Forum where Disputes is Pending***
Income Tax Act, 1961	*Income tax*	*AY 2009-10* *AY 2011-12*	*148* *9*	*CIT- Appeal* *CIT-Appeal*
KAVAT Act	*VAT*	*AY 2009-10* *AY 2011-12* *AY 2014-15*	*247* *327* *114*	*DCCT – Appeal* *DCCT-Audit* *DCCT-Audit*

viii. According to the information and explanations given to us, the company has defaulted in repayment of loans or borrowing to a financial institution Rs 4,257 Lakhs, bank Rs 693 Lakhs and to the debenture holders Rs 9,328 Lakhs. The borrowing from the Bank Accounts have become Non-Performing Assets (NPA) subsequent to the balance sheet date. Due to non-repayment of debentures, the trustee of the debenture holders has filed the recovery petition with National Company Law Tribunal (NCLT), Bangalore Branch. [Refer note 17(i) and (ii)] and 34 (a) (iii). The Company has not taken any loans or borrowings from the government.

ix. The company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised.

x. According to the information and explanations given to us ,no fraud on or by the company has been noticed or reported during the year. Accordingly, the provision of clause 3(x) of the said order is not applicable.

xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the provisions of section 197 read with Schedule V to the Act.

xii. The Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us by the management all transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

xiv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provision of clause 3(xiv) of the Order is not applicable.

xv. The company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, the provision of clause 3(xv) of the Order is not applicable.

xvi. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.Accordingly, the provision of clause 3(xvi) of the Order is not applicable.

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

Sd/-
(Bidyut Prakash Bhattacharya)
Partner
Membership No 053906

Place: Bangalore
Date: 30th May 2019

"Annexure-B" to the Independent Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of NEL Holdings Ltd. (hereinafter referred to as 'the Company') as of 31st March, 2019 in conjunction with our audit of the Ind-AS standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

According to the information and explanations given to us and based on our audit, in our opinion, the Company has generally maintained, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were generally operating effectively as of 31st March 2019 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the "Guidance Note on Audit of Internal Financial Controls over Financial Reporting" issued by the Institute of Chartered Accountants of India. However certain areas need further improvement in designing the Documentation on Internal Financial Controls of the Company in respect of engagement of channel partners ensuring with RERA registration, issue of handover certificate to customers, IR/GR, incorporating the process flow by which the aforesaid transactions are initiated, authorized, processed, recorded, and reported at departmental level.

Internal audit is concurrently done in the company. Regularity of Internal audit, its reports and follow-up action thereon should be timely ensured.

However, our opinion is not qualified in the above respect.

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

Sd/-

(Bidyut Prakas Bhattacharya)
Partner
Membership No.053906

Place: Bangalore
Date: 30th May 2019

NEL Holdings Ltd (Formerly known as Nitesh Estates Limited)
Balance sheet as at March 31, 2019
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Notes	as at 31 March 2019 ₹	as at 31 March 2018 ₹
Assets			
Non- current assets			
Property, plant and equipment	4.1	58	71
Capital work-in-progress	4.2	12,998	12,998
Intangible assets	5	10	15
Financial assets			
Investments	6	25,697	37,400
Trade receivables	9	-	-
Loans	7	279	279
		39,042	**50,763**
Current assets			
Inventories	8	73,044	29,164
Financial assets			
Trade receivables	9	2,050	3,669
Cash and cash equivalents	10	217	420
Bank balance other than cash and cash equivalents	11	-	-
Loans	7	2,296	2,201
Other current financials assets	12	3	3
Other current assets	13	38,661	42,203
Current tax assets (net)	14	-	137
		1,16,271	**77,796**
Total assets		**1,55,313**	**1,28,559**
Equity and liabilities			
Equity			
Equity share capital	15	14,583	14,583
Other equity	16	(1,713)	19,563
Total equity		**12,870**	**34,146**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	17	-	-
Other financial liabilities			
Provisions	18	194	222
Deferred tax Liability (Net)	19	1,682	1,050
Other non-current liabilities	20	-	-
		1,876	**1,272**
Current liabilities			
Financial liabilities			
Borrowings	17	52,332	49,814
Trade payables	21		
Total outstanding dues of micro enterprises and small enterprises		56	6
Total outstanding dues of creditors other than micro enterprises and small enterprises		19,617	17,060
Other financial liabilities		-	-
Provisions	18	34	46
Current tax liabilities (net)	22	91	-
Other current liabilities	20	68,437	26,215
		1,40,567	**93,141**
Total liabilities		**1,42,443**	**94,413**
Total equity and liabilities		**1,55,313**	**1,28,559**

The accompanying notes form an integral part of the financial statements
As per our report of even date attached

For **Ray & Ray**
Chartered Accountants
Firm registration number: 301072E

Sd/-
Bidyut Prakas Bhattacharya
Partner
Membership No. 053906

Place: Bangalore
30th May, 2019

for and on behalf of the Board of Directors of
NEL Holdings Ltd(Formerly known as Nitesh Estates Limited)

Sd/-
Nitesh Shetty
Managing Director
DIN: 00304555

Sd/-
L.S. Vaidyanathan
Executive Director
DIN: 00304652

Sd/-
Rakesh Singh
Chief Executive Officer

Sd/-
Kamal Daluka
Executive Director & Chief Financial Officer

Sd/-
Prasant Kumar
Company Secretary

NEL Holdings Ltd (Formerly known as Nitesh Estates Limited)
Statement of Profit and Loss for the year ended March 31, 2019
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Notes	for the year ended 31 March 2019	for the year ended 31 March 2018
		₹	₹
Revenue from operations	23	8,439	2,754
Other income	24	178	1,358
Total income		**8,617**	**4,112**
Expenses			
Land and construction cost	25	47,121	994
(Increase)/ decrease in inventories of stock of flats, land stock and work-in-progress	25a	(43,880)	2,176
Employee benefits expense	25b	1,331	1,736
Finance costs	26	4,751	4,468
Depreciation and amortization expense	27	23	44
Other expenses	28	13,734	5,433
Total expenses		**23,080**	**14,851**
Profit/(loss) before tax		**(14,463)**	**(10,739)**
Tax expenses			
Current tax	29	-	-
Deferred tax	29	87	(1,177)
Total tax expense		**87**	**(1,177)**
Profit/(loss) for the year		**(14,550)**	**(9,562)**
Other comprehensive income			
Items that will not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains/ (losses) on defined beneift plan		17	(6)
FVOCI-Equity Investments		-	(5,405)
Tax relating to these items		(6)	1,840
Other comprehensive income for the year, net of tax		**11**	**(3,571)**
Total comprehensive income for the year		**(14,539)**	**(13,133)**
Earnings per equity share [nominal value of Rs 10 (Previous year - Rs 10)]			
Basic `		-9.98	-6.56
Diluted `		-9.98	-6.56

The accompanying notes form an integral part of the financial statements
As per our report of even date attached

For **Ray & Ray**
Chartered Accountants
Firm registration number: 301072E

Sd/-
Bidyut Prakas Bhattacharya
Partner
Membership No. 053906

for and on behalf of the Board of Directors of
NEL Holdings Ltd(Formerly known as Nitesh Estates Limited)

Sd/-
Nitesh Shetty
Managing Director
DIN: 00304555

Sd/-
Rakesh Singh
Chief Executive Officer

Sd/-
L.S. Vaidyanathan
Executive Director
DIN: 00304652

Sd/-
Kamal Daluka
Executive Director &
Chief Financial Officer

Place: Bangalore
30th May, 2019

Sd/-
Prasant Kumar
Company Secretary

NEL Holdings Ltd (Formerly known as Nitesh Estates Limited)
Statement of Cash Flows for the year ended March 31, 2019
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Notes	for the year ended 31 March 2019 ₹	for the year ended 31 March 2018 ₹
Operating activities			
Profit/ (Loss) before tax		(14,463)	(10,739)
Other Comprehensive Income		11	-
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation of property, plant and equipment		23	44
Profit from sale of fixed assets		-	(3)
Gain/ (loss) on disposal of investments		-	3,558
Transition Ind AS adjustment		(4,348)	
Other adjustments		(2,389)	-
Interest income classified as investing cash flows		-	(178)
Interest element on Preference shares of NHDPL		(163)	-
Impairment Provision against Investments		11,866	-
Finance costs		4,751	4,468
Expected Credit Loss against Advances		317	200
Share of profit from investment in partnership firm		-	23
Working capital adjustments:			
(Increase)/ decrease in Inventories		(43,880)	2,176
(Increase)/ decrease in trade receivables		1,619	(2,146)
(Increase)/ decrease in other financial and non-financial assets		3,446	(9,125)
Increase/ (decrease) in trade payables and other financial liabilities		44,829	483
Increase/ (decrease) in provisions		416	72
Increase/ (decrease) in other non-financial liabilities		-	(7,971)
		2,035	(19,139)
Income tax paid (net of refund)		-	-
Net cash flows from/ (used in) operating activities (A)		2,035	(19,139)
Investing activities			
Purchase of property, plant and equipment (including capital work-in-progress and capital advances)		(5)	(11)
Proceeds from sale of property, plant and equipment		-	5
Redemption of Investments - net		-	2,854
Interest received		-	178
Net cash flows from/ (used in) investing activities (B)		(5)	3,026
Financing activities			
Proceeds/(Repayments) from short-term borrowings		2,518	20,955
Interest paid (gross)		(4,751)	(4,468)
Net cash flows from/ (used in) financing activities (C)		(2,233)	16,487
Net increase/ (decrease) in cash and cash equivalents		(203)	374
Cash and cash equivalents at the beginning of the year	10	420	46
Cash and cash equivalents at the end of the year	**10**	**217**	**420**
Components of cash and cash equivalents			
Cash on hand		1	3
Balance with banks			
- on current account		216	417
Total cash and cash equivalents		**217**	**420**

Note:
(a) The above cash flow statement has been prepared under the "Indirect Method" as set out in Ind AS 7- Statement of Cash Flow".

The accompanying notes form an integral part of the financial statements
As per our report of even date attached

For **Ray & Ray**
Chartered Accountants
Firm registration number: 301072E

Sd/-
Bidyut Prakas Bhattacharya
Partner
Membership No. 053906

Place: Bengaluru, India
30th May, 2019

for and on behalf of the Board of Directors of
NEL Holdings Ltd (Formerly known as Nitesh Estates Limited)

Sd/-
Nitesh Shetty
Managing Director
DIN: 00304555

Sd/-
Rakesh Singh
Chief Executive Officer

Sd/-
L.S. Vaidyanathan
Executive Director
DIN: 00304652

Sd/-
Kamal Daluka
Executive Director & Chief Financial Officer

Sd/-
Prasant Kumar
Company Secretary

NEL Holdings Ltd (Formerly known as Nitesh Estates Limited)
Statement of Changes in Equity for the year ended March 31, 2019
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

a. Equity share capital

	No of Shares	Amount in ₹
Equity shares of ` 10 each issued, subscribed and fully paid		
At April 1, 2018	14,58,32,100	14,583
At March 31, 2019	**14,58,32,100**	**14,583**

b. Other equity
For the year ended March 31, 2019

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	Reserves and Surplus		Other Reserve	
	Security Premium	Retained Earnings	Fair Value through Other Comprehensive Income - Equity Instrument	Total
As at April 1, 2017	31,259	1,437	-	32,696
Profit/(Loss) for the period	-	(9,562)	-	(9,562)
Other comprehensive income*	-	(6)	(3,565)	(3,571)
As at March 31, 2018	**31,259**	**(8,131)**	**(3,565)**	**19,563**
As at April 1, 2018	31,259	(8,131)	(3,565)	19,563
Profit/(Loss) for the period	-	(14,550)	-	(14,550)
Less: Transition adjustment for implementation of Ind AS 115	-	(4,348)	-	(4,348)
Less: Others**		(2,389)	-	(2,389)
Other comprehensive income*	-	11	-	11
As at March 31, 2019	**31,259**	**(29,407)**	**(3,565)**	**(1,713)**

* As required under Ind AS compliant Schedule III, the Company has recognised remeasurement gains/(losses) of defined benefit plans (net of tax) as part of retained earnings.

**The Company has adjusted deferred tax assets/liability (Rs 2,647 Lakhs) and Allowance for doubtful debts/advances Rs 258 Lakhs with retained earnings instead of disclosing (Rs 2240 Lakhs) as Deferred Tax Assets, (Rs 407 Lakhs) as Deferred tax expense and Rs 258 lakhs as income in Statement of Profit & Loss

The accompanying notes form an integral part of the financial statements
As per our report of even date attached

For **Ray & Ray**
Chartered Accountants
Firm registration number: 301072E

Sd/-
Bidyut Prakas Bhattacharya
Partner
Membership No. 053906

for and on behalf of the Board of Directors of
NEL Holdings Ltd(Formerly known as Nitesh Estates Limited)

Sd/-
Nitesh Shetty
Managing Director
DIN: 00304555

Sd/-
Rakesh Singh
Chief Executive Officer

Sd/-
L.S. Vaidyanathan
Executive Director
DIN: 00304652

Sd/-
Kamal Daluka
Executive Director & Chief Financial Officer

Place: Bangalore
30th May, 2019

Sd/-
Prasant Kumar
Company Secretary

1 Corporate Information

NEL Holdings Ltd (formerly known as Nitesh Estates Limited) (the Company or 'NEL') was incorporated on 20 February 2004. NEL is a real estate developer engaged in the business of development, sale, management and operation of residential buildings, retail and hotel projects, commercial premises and other related activities. The Company's shares are listed on BSE Limited and NSE Limited with effect from May 13, 2010. The registered office of the company is located at : Level 7, Nitesh Timesquare,#8, M.G. Road, Bangalore – 560 001.
The standalone Ind AS financials statements were authorised for issue in accordance with a resolution of the directors on 30th May 2019.

2 Significant accounting policies

2.1 Basis of preparation

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

Adoption of IND AS 115 - Revenue from Contracts with Customers
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 Company`s accounting for recognition of revenue from real estate projects. The Company has applied the "modified restrospective approach"(cumulative catch-up transition method), to contracts that were not completed as on April 01, 2018. In accordance with this transition method, the comparatives have not been retrospectively restated, but the effect on those contracts have been taken to Retained Earnings as on 01.04.2018 (Refer Note 43 for impact of IND AS 115). The comparative information continues to be reported under erstwhile Ind AS 18 and Ind AS 11.

The financial statements have been prepared on the historical cost basis, except for the following assets and liabilities which have been measured at fair value:
► Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

The financial statements are presented in INR and all values are rounded to the nearest Lakhs, except when otherwise indicated.

2.2 Summary of significant accounting policies

a) Revenue recognition

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services. Revenue also excludes taxes collected from customers.
Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price allocated to that performance obligation, net of variable consideration, if any.
Variable consideration, if any, is on account of discounts or schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow.
Revenue is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty, if any, relating to its recognition is resolved.

The specific recognition criteria described below must also be met before revenue is recognised.

i. Recognition of revenue from real estate development

Revenue from real estate projects is recognised at a point-in-time upon registration of the property in favour of the customer, which, in the opinion of the Company, marks the transfer of control upon the property and also the satisfactory discharge of the Company's performance obligation.

For projects executed through joint development arrangements, wherein the land owner / possessor provides land and the Company undertakes to develop properties on such land and in lieu of land owner providing land, the Compant has agreed to transfer certain percentage of constructed area or certain percentage of revenue proceeds. The project costs include fair value value of land being offered for the project and revenue from the development and transfer of constructed area / revenue sharing arrangement in exchange of such development rights / land is accounted on gross basis.
Revenue is measured at the fair value of land received, adjusted by the amount of any cash or cash equivalents transferred. When the fair value of land received cannot be measured reliably, revenue is measured at the fair value of the estimated construction service rendered to the landowner, adjusted by the amount of any cash or cash equivalents transferred. The fair value so estimated is considered as the cost of land in determining the project cost.

ii Contract Assets and Contract Liabilities

Contract Assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

A Contract Liability is recognised for an unearned or deferred revenue due to billing as per contractual terms in excess of revenue recognised. Bills are raised as per schedules agreed with customers to collect milestone based progress payments within contractually agreed credit period.

iii Income from lease of commercial properties

Rental income receivable under operating leases is recognized in the income statement as and when due over the lease period.

iv. Share in profits/(loss) from investments in Association of Person ('AOP')

The Company's share in profits from AOP as per the terms of the agreement, where the Company is a member, is recognized on the basis of such AOP's accounts.

v. Interest income

Interest income, including income arising from other financial instruments, is recognised using the effective interest rate method.

For all debt instruments measured either at amortised cost , interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

vi. Dividend income

Revenue is recognised when the shareholders' or unit holders' right to receive payment is established, which is generally when the shareholders approve the dividend.

b) Property, plant and equipment

Property, plant & equipment are carried at cost of acquisition or construction less accumulated depreciation. The cost of fixed assets includes freight, duties, taxes and other incidental expenses related to the acquisition or construction of the respective assets.
Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalised. Other borrowing costs are expensed as incurred.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future eonomic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

c) Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is provided on 'Written Down Value Method' based on useful life as prescribed under Schedule II of Companies Act 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

d) Intangible Assets & Amortisation

Intangible assets are stated at cost less accumulated amortisation and net of impairments, if any. An intangible asset is recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and its cost can be measured reliably. Intangible asstes / Computer Software is amortised using Straight Line Method over a period of 5 years, which is estimated by the management to be the useful life of the asset.

e) Investment Property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

f) Segment Reporting

Identification of segments - The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

Unallocated items - Unallocated items include general corporate asset, liability, income and expense items which are not allocated to any business segment.

Segment accounting policies - The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

g) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

Foreign currency transactions and balances

i) Initial recognition: Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii) Conversion: Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

iii) Exchange difference: The Company accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as income or as expense in the period in which they arise.

h) Impairement of non financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses, including impairment on inventories, are recognised in the statement of Profit and Loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

i) Impairement of financial assets

The Company assesses at each date of Balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

j) Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The real estate development projects undertaken by the Company run over a period ranging upto 5 years or such extended period. Operating assets and liabilities relating to such projects are classified as current based on an operating cycle of upto 5 years or such an extended period. Borrowings in connection with such projects are classified as short-term (i.e current) since they are payable over the term of the respective projects.

Assets and liabilities, other than those discussed above, are classified as current to the extent they are expected to be realised / are contractually repayable within 12 months from the Balance Sheet date and as non-current, in other cases.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

k) Fair value measurement

The Company measures financial instruments, such as Investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
► In the principal market for the asset or liability, or
► In the absence of a principal market, in the most advantageous market for the asset or liability
The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.
All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
► Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
► Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
► Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

l) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets
Initial recognition and measurement
All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in four categories:
Debt instruments at amortised cost
Debt instruments at fair value through other comprehensive income (FVTOCI)
Debt instruments and equity instruments at fair value through profit or loss (FVTPL)
Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised when:
► The rights to receive cash flows from the asset have expired, or
► The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Financial liabilities
Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as payables, as appropriate.
The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:

(i) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

(ii) Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the Effective Interest method amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective Interest Rate. The Effective Interest Rate amortisation is included as finance costs in the statement of Profit and Loss.

(iii) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of Profit or Loss.

m) Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition/ construction of qualifying assets are capitalised until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use/ sale. All other borrowing costs not eligible for inventorisation/ capitalisation are charged to statement of Profit and Loss.

n) Cash and cash equivalents

Cash and cash equivalents for the purposes of Cash Flow Statement comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less , which are subject to an insignificant risk of changes in value. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal usage.

o) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme and the contributions are charged to the statement of Profit and Loss of the year when the contributions to the provident fund are due. There are no other obligations other than the contribution payable to the government administered provident fund.

Provision towards gratuity, a defined benefit plan, is made for the difference between actuarial valuation by an independent actuary and the fund balance, as at the year-end. The cost of providing benefits under gratuity is determined on the basis of actuarial valuation using the projected unit credit method at each year end.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period for which the services are rendered by the employee.

p) Provisions

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, increase in the provision due to the passage of time is recognised as a finance cost.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

q) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements, unless the possibility of an outflow of resources embodying economic benefit is remote.

r) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

s) Taxes

Tax expense comprises of current and deferred tax.

Current income tax
Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred income tax
Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.
Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.
The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.
Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Minimum Alternative Tax (MAT) may become payable when the taxable profit is lower than the book profit. Taxes paid under MAT are available as a set off against regular corporate tax payable in subsequent years, as per the provisions of Income Tax Act. MAT paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of MAT under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as “MAT Credit Entitlement.” The Company reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

t) Land

Advances paid by the Company to the seller/ intermediary toward outright purchase of land is recognised as land advance under loans and advances during the course of obtaining clear and marketable title, free from all encumbrances and transfer of legal title to the Company, whereupon it is transferred to land stock under inventories.

Land/ development rights received under Joint Development Arrangements (JDA) is measured at the fair value of the estimated construction service rendered to the land owner and the same is accounted on launch of the project. Further, non-refundable deposit amount paid by the Company under joint development arrangements is recognised as land advance under other assets and on the launch of the project, the non-refundable amount is transferred as land cost to work-in-progress. Further, the amount of refundable deposit paid by the Company under JDA is recognised as deposits under loans.

u) Leases

Where the Company is lessee

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased asset, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are recognized as finance costs in the statement of profit and loss.

A leased asset is depreciated on a straight-line basis over the lower of the lease term or the estimated useful life of the asset unless there is reasonable certainty that the Company will obtain ownership, wherein such assets are depreciated over the estimated useful life of the asset.

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Where the Company is lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company’s net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

v) Inventories

Direct expenditure relating to real estate activity is accounted to inventories. Other expenditure (including borrowing costs) during construction period are accounted to inventories to the extent the expenditure is directly attributable to the cost of bringing the asset to its working condition for its intended use. Other expenditure (including borrowing costs) incurred during the construction period which is not directly attributable for bringing the asset to its working condition for its intended use is charged to the statement of profit and loss. Direct and other expenditure is determined based on specific identification to the real estate activity.

i) **Work-in-progress**: Represents cost incurred in respect of unsold area (including land) of the real estate development projects or cost incurred on projects where the revenue is yet to be recognized. Work-in-progress is valued at lower of cost and net realizable value.

ii) Finished goods - Stock of Flats: Valued at lower of cost and net realizable value.

iii) Raw materials, components and stores: Valued at lower of cost and net realizable value. Cost is determined based on FIFO basis.

iv) Land stock: Valued at lower of cost and net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

3 Significant accoutning judgements, estimates and assumptions

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Judgements

In the process of applying the accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

i) 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.
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.

ii) Classification of property

The Company determines whether a property is classified as investment property or inventory as below.

Investment property comprises land and buildings (principally office and retail properties) that are not occupied substantially for use by, or in the operations of, the Company, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business.

Inventory comprises property that is held for sale in the ordinary course of business. Principally, this is residential and commercial property that the Company develops and intends to sell before or during the course of construction or upon completion of construction.

b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

i) Determination of Contract Costs

Cost of property units for which revenue is recognised on registration, is charged to the statement of Profit & Loss on the basis of an appropriate ratio of overall budgeted cost (as reviewed from time to time to closely approximate the actual cost) for the project as a whole since it is impracticable to track actual costs for each registerable unit of property. Significant judgement and estimation is involved in budgeting the overall cost of the project and in determining the ratio applicable to each registerable unit of property.

ii) Accounting for revenue and land cost for projects executed through joint development arrangements

For projects executed through joint development arrangements, as explained in note 2.2(a) under significant accounting policies, the revenue from the development and transfer of constructed area/revenue sharing arrangement and the corresponding land/ development rights received under JDA is measured at the fair value of the estimated construction service rendered to the land owner and the same is accounted on launch of the project. The fair value is estimated with reference to the terms of the JDA (whether revenue share or area share) and the related cost that is allocated to discharge the obligation of the Company under the JDA. Fair value of the construction is considered to be the representative fair value of the revenue transaction and land so obtained. Such assessment is carried out at the launch of the real estate project and is not reassessed at each reporting period. The management is of the view that the fair value method and estimates are reflective of the current market condition.

iii) Estimation of net realizable value for inventory (including land advance)

Inventory is stated at the lower of cost and net realizable value (NRV).

NRV for completed inventory property is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified by the Company for properties in the same geographical market serving the same real estate segment.

NRV in respect of inventory property under construction is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and an estimate of the time value of money to the date of completion.

With respect to Land advance given, the net recoverable value is based on the present value of future cash flows, which depends on the estimate of, among other things, the likelihood that a project will be completed, the expected date of completion, the discount rate used and the estimation of sale prices and construction costs.

iv) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and market risk. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

v) Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which the reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

4.1 Property, plant and equipment

₹

	Leasehold improvements	Office Equipment	Computer	Furniture & fixtures	Vehicles	Total
At 1 April 2017	21	14	25	38	60	158
Additions	0	0	0	0	0	0
Disposals	0	0	0	0	1	1
At 31 March 2018	**21**	**14**	**25**	**38**	**59**	**157**
Additions	0	3	2	1	0	6
Disposals	0	0	0	0	1	1
At 31 March 2019	**21**	**17**	**27**	**39**	**58**	**162**
Depreciation and impairment						
At 1 April 2017	17	4	9	9	18	57
Charge for the year	3	2	5	6	12	28
Disposals	0	0	0	0	-	0
Other adjustments	0	0	0	0	0	0
At 31 March 2018	**20**	**6**	**14**	**15**	**30**	**85**
Charge for the year	0	2	3	6	7	18
Disposals	0	0	0	0	0	0
Other adjustments	1	0	0	0	0	1
At 31 March 2019	**21**	**8**	**17**	**21**	**37**	**104**
Net Book value						
At 31 March 2019	0	**9**	**10**	**18**	**21**	**58**
At 31 March 2018	**1**	**8**	**11**	**23**	**29**	**71**

4.2 Capital Work in progress

	Investment property under construction	Property, Plant and Equipment	Total
At 1 April 2018	12,998	0	12,998
Additions	-	-	-
Capitalised during the year	-	-	-
At 31 March 2019	**12,998**	**0**	**12,998**

Note:

Investment properties under construction

Capital Work-in-Progress represents investment in land and properties under construction which has been valued at fair value in the FY 2016-17, as per IND AS requirement. Due to no-cooperation of land owner and pending arbitration proceedings between the Company and the Land owner, the development of one of the property i.e. Chelsea project amounting Rs 2,684/- Lakhs has been suspended by the Company.

The Management is of the view that there is no significant change in fair value of properties and is in the process of valuing the properties from an independent valuer.

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

5 Intangible assets

₹

	Computer - Software	Total
At 1 April 2017	39	39
Additions	10	10
At 31 March 2018	**49**	**49**
At 1 April 2018	49	49
Additions		-
At 31 March 2019	**49**	**49**
Amortization and impairment		
At 1 April 2017	18	18
Additions	16	16
At 31 March 2018	**34**	**34**
At 1 April 2018	34	34
Additions	5	5
At 31 March 2019	**39**	**39**
Net Book value		
At 31 March 2019	**10**	**10**
At 31 March 2018	**15**	**15**

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

6 Investments

	Current		Non-current	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
(A) Investments in equity instruments (fully paid up), valued at cost unless otherwise stated				
Unquoted				
a) Subsidiary Companies				
6,99,10,000(2018: 6,99,10,000) equity shares of Rs 10/- each fully paid in Nitesh Indiranagar Retail Private Limited	-	-	18905	18905
44,94,900 (2018: 44,94,900) equity shares of Rs 10/- each fully paid in Nitesh Housing Developers Private Limited**Refer note (iii) below**	-	-	449	449
Less: Allowance for impairment in the value of Investments			(449)	0
41,50,000 (2018: 41,50,000) preference shares of Rs 10/- each fully paid in Nitesh Housing Developers Private Limited (Equity portion of Preference Shares) **Refer note (i) & (iii) below**	-	-	7703	7703
Less: Allowance for impairment in the value of Investment			(7703)	0
65,82,000 (2018: 65,82,000) equity shares of Rs 10/- each fully paid in Nitesh Urban Development Private Limited -**Refer note (iii) below**	-	-	2367	2367
Less: Allowance for impairment in the value of Investments			(2367)	0
3,00,000 (2018: 3,00,000) equity shares Rs 10/- each fully paid in Nitesh Property Management Private Limited	-	-	30	30
Less: Allowance for impairment in the value of Investment			(30)	(30)
5,490 (2018: 5,490) equity shares of Rs 10/- each fully paid in Courtyard Construction Private Limited-**Refer note (iii) below**	-	-	1422	1422
Less: Allowance for impairment in the value of Investments			(1347)	0
b) Others (measured at fair value to OCI)				
8,22,52,406 (2018: 8,22,52,406) equity shares of Rs 10/- each fully paid in Nitesh Residency Hotels Private Limited	-	-	4335	4335
50,000 (2018: 50,000) equity shares of Rs 10/- each fully paid in Nitesh Office Parks Pvt. Ltd [Formerly known as Kakanad Enterprises Private Limited]	-	-	5	5
Less: Allowance for impairment in the value of Investment			(5)	(5)
(B) Investments in preference shares (fully paid up)				
41,50,000 (2018: 41,50,000) preference shares of Rs 10/- fully paid in Nitesh Housing Developers Private Limited (Fair value of debt portion of Preference Shares). **Refer note (i) below**	-	-	1374	1211
(C) Investments in Association of Persons (AOP)				
Nitesh Estates -Whitefield. **Refer note (ii) below**	-	-	1008	1009
Total	**-**	**-**	**25,697**	**37,400**

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

Aggregate amount of quoted investments	-	-	-	-
Market value of quoted investments	-	-	-	-
Aggregate amount of unquoted investments	-	-	37,598	37,435
Aggregate amount of impairment in the value of investment	-	-	11,901	35

Note:

(i) Non-cumulative redeemable preference shares (NCRPS) carries non-cumulative dividend of 9% p.a. The preference shares carry discretionary dividend in accordance with the terms of issue. Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Each NCRPS holder is entitled to one vote per share only on resolutions placed before the Company which directly affects the rights attached to NCRPS. These shares may be redeemed, in whole or in part, at the option of the company at any time on or after 12 December 2012 subject to satisfaction of certain conditions, at the stipulated redemption amount. If not redeemed earlier, these shares will be redeemed on 11 December 2032.

(ii) The particulars of partners of the AOP and the profit sharing ratio are as follows :

Partnership firm	Name of Partners	Share of Profit
Nitesh Estates -Whitefield	NEL Holdings Ltd(Formerly known as Nitesh Estates Limited)	24%
	Mrs. Showri Reddy	42%
	Mr. Joji Reddy	34%

(iii) The Company has impaired its investment in subsidiaries and associates based on 'Net Worth' as per the Balance Sheet Valuation as well as operating performance.

Name of the Company	Amount
Nitesh Housing Developers Pvt Ltd	449
Nitesh Housing Developers Pvt Ltd -Equity component of preference shares	7703
Nitesh Urban Development Pvt Ltd	2367
Courtyard Construction Private Limited	1347
Total	**11866**

7 Loans (Unsecured, considered good unless otherwise stated)

	Current		Non-current	
	31-Mar-19	**31-Mar-18**	**31-Mar-19**	**31-Mar-18**
Security deposit				
* Refundable deposit towards joint development agreement	2,296	2,201	-	-
Security deposit paid to related parties			177	177
Security deposit to others	-	-	102	102
	2,296	2,201	279	279
	2,296	**2,201**	**279**	**279**

* Advances paid by company to the land owners towards joint development of land is recognised as deposits since the advances is in the nature of refundable deposit

8 Inventories (as certified by the management)

	31-Mar-19 ₹	31-Mar-18 ₹
Land held under joint development arrangements	36,266	19,956
Properties under development	28,645	9,208
Finished goods	8,133	-
	73,044	**29,164**

9 Trade receivables

	Current		Non-current	
	31-Mar-19	**31-Mar-18**	**31-Mar-19**	**31-Mar-18**
Trade receivables considered good -secured -related parties	-	117	-	-
Trade receivables considered good -secured	2,050	3552	-	-
Trade receivables considered good -unsecured	-	-	-	-
Trade receivables -C'redit Impaired	-	-	-	-
	2,050	3,669	-	-
Less: Allowances for Trade Receivables	-	-	-	-
Total Trade receivables	**2,050**	**3,669**	**-**	**-**

10 Cash and cash equivalent

	Current		Non-current	
	31-Mar-19	**31-Mar-18**	**31-Mar-19**	**31-Mar-18**
Cash on hand	1	3	-	-
Balances with banks:				-
– On current accounts*	216	417	-	-
	217	**420**	**-**	**-**

* The Deputy Commissioner of Commercial Tax,D.C.C.T (A&R) - 1.8, DVO-1 Yeshawantapur, Bengalore, has issued Demand Notice dated 22/10/2018 for payment of Tax under KVAT ACT 2003 amounting to Rs 327 Lakhs including interest of Rs 174 Lakhs and penalty Rs 14 Lakhs. For non-payment of demand as stated above the tax authority has frozen the following Bank accounts. All the frozen bank accounts remained non-operational as on 31st March, 2019

Banks	**Balance as on 31st Mar, 2019**
Axis Bank	2
Corporation Bank	0
Yes Bank	3
ICICI Bank	0
Total	**5**

11 Bank balances other than cash and cash equivalent

	Current		Non-current	
	31-Mar-19	**31-Mar-18**	**31-Mar-19**	**31-Mar-18**
Other bank balances				
– Fixed Deposits with bank	-	-	-	-
– Margin money	-	-	-	-
	-	-	-	-

12 Other Financial Assets

	Current		Non-current	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
(a) Unsecured, considered good				
Others				
Interest accrued on deposits	3	3	-	-
	3	**3**	-	-
(b) Unsecured, considered doubtful				
Advances paid towards Joint Development	1,260	1,334	-	-
Less: Allowance for doubtful debts/advances *	1,260	1,334	-	-
	-	-	-	-
Total	**3**	**3**	-	-

i. The Company has given advances for acquiring land /immovable property under Joint Development. Considering the timelines as per joint development Agreements ranging between sever to ten years for the recoverability/conversion, the necessary provision has been made by the management in the books of account on the basis of life time expected credit loss. The Company is in the process of taking steps to recover the advances.

Accordingly a provision of Rs.317 Lakhs [Refer Note no. 28] and an adjustment of Rs.391 Lakhs have been accounted for during the year.

13 Other assets

	Current		Non-current	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
I)Advance towards JDA including Non -refundable deposits				
Unsecured, considered good				
Advances paid towards Joint Development-**	14,375	11,251	-	-
Advances paid towards Joint Development to Related Parties-*	108	108	-	-
II) Others				
a) Contract Asset-				
Unbilled Revenue				
- related party	1,155	1,155	-	-
- others	4,027	10,535	-	-
b) Vendor advances				
- related party	-	156		
- others	3,848	5,988	-	-
c) Advances for supply of goods and rendering of services				
- related party	157	106	-	-
- others	715	1,765	-	-
d) Prepaid expenses - NFA	24	30	-	-
e) Balances with government authorities	1,113	533	-	-
f) Deferred Lease expense	-	-	-	-
g) Receivable from related parties	13,139	10,576		
	38,661	42,203	-	-

* The Company has granted unsecured loans and advances to related parties in the ordinary course of business towards furtherance of the business objectives of the Company. The interest charged on such loans and advances, wherever applicable, is not prejudicial to the interests of the Company.

** Advances for land though unsecured, are considered good as the advances have been given based on arrangements/ memorandum of understanding executed by the Company and the Company/ seller/ intermediary is in the course of obtaining clear and marketable title, free from all encumbrances, including for certain properties under litigation..

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

14 Current tax assets (net)

	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Advance Income Tax (Net of Provision, TDS Receivable)	-	67		
MAT credit entitlement	-	70		
	-	**137**	**-**	**-**

15 Equity Share Capital

	31-Mar-19 ₹	31-Mar-18 ₹
Authorised		
15,00,00,000 (2018: 15,00,00,000) equity shares of Rs 10 each	15,000	15,000
Issued, subscribed and fully paid shares		
14,58,32,100 (2018: 14,58,32,100) equity shares of Rs.10 each	14,583	14,583
	14,583	14,583

(a) Reconciliation of the number of equity shares outstanding at the beginning and end of the reporting period

	31-Mar-19		31-Mar-18	
	No of Shares	₹	No of Shares	₹
Equity shares				
At the beginning of the year	14,58,32,100	14,583	14,58,32,100	14,583
Add: Equity shares issued during the year	-	-	-	-
Outstanding at the end of the year	14,58,32,100	14,583	14,58,32,100	14,583

b) Details of shareholders holding more than 5% shares in the Company

	31-Mar-19		31-Mar-18	
	No of Shares	% Holding	No of Shares	% Holding
Equity shares of `10 each fully paid up				
Nitesh Shetty, Managing Director	4,30,73,295	30%	4,30,29,295	30%
Nitesh Industries Private Limited	1,80,70,276	12%	1,58,34,209	11%
HSBC Bank (Mauritius) Limited	92,00,189	6%	92,00,189	6%

As per records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

c) There have been no buy back of shares or issue of shares pursuant to contract without payment being received in cash for the period of five years immediately preceding the balance sheet.

16 Other equity

	31-Mar-19 ₹	31-Mar-18 ₹
RESERVES AND SURPLUS		
Securities premium	31,259	31,259
Retained earnings	(29,407)	(8,131)
	1,852	**23,128**
OTHER RESERVE		
FVOCI - Equity Instruments	(3,565)	(3,565)
	(3,565)	**(3,565)**
	(1,713)	**19,563**
(A) RESERVES AND SURPLUS		
(a) Securities premium		
Balance at the beginning of the year	31,259	31,259
Add: Adjustment during the year	-	
Balance at the end of the year	**31,259**	**31,259**

Security premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act.

	31-Mar-19 ₹	31-Mar-18 ₹
(b) Retained earnings		
Balance at the beginning of the year	(8,131)	1,437
Profit/(loss) for the year	(14,550)	(9,562)
Other compehensive income	11	(6)
Less: Transition adjustment for implementation of Ind AS 115	(4,348)	-
Less: Other **(Refer Note 16(ii) below)**	(2,389)	-
Balance at the end of the year	**(29,407)**	**(8,131)**
(B) OTHER RESERVE		
Fair Value through Other Comprehensive Income - Equity Instruments		
Balance at the beginning of the year	(3,565)	-
Add: Changes during the year	-	(3,565)
Balance at the end of the year	**(3,565)**	**(3,565)**
Total other equity	**(1,713)**	**19,563**

Note:

16(i) In view of the loss for the year as well as carried forward accumulated losses, the company has not created debenture redemption reserve in respect of 18.5% non convertible redeemable debentures.

16(ii) The Company has adjusted deferred tax assets/liability (Rs 2,647 Lakhs) and Allowance for doubtful debts/advances Rs 258 Lakhs with retained earnings instead of disclosing (Rs 2240 Lakhs) as Deferred Tax Assets, (Rs 407 Lakhs) as Deferred tax expense and Rs 258 lakhs as income in Statement of Profit & Loss

NEL Holdings Ltd (Formerly known as Nitesh Estates Limited
Notes to the financial statements for the year ended March 31, 2019
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

17 Borrowings

Particulars	Effective interest rate	Maturity	31-Mar-19	31-Mar-18
	%		₹	₹
Secured loans				
Current Borrowings				
Term loan from banks			-	234
Loan from Financial Institutions	Refer Note (iii) below	Refer Note (iii) below	46,832	44,080
18.5 % Non convertible, redeemable debentures	Refer Note (ii) below	Refer Note (ii) below	5,500	5,500
Total current Borrowings			**52,332**	**49,814**

Note:

(i) The Company`s continuing liquidity constraint leading to non-servicing of principal and interest to the Banks/Financial Institutions resulted the following borrowing accounts as Non- Performing Assets(NPA) subsequent to the balance sheet date.The Company has provided interest till 31st March,2019 for these NPA Accounts. Loan principal and interest default figures as on 31st Mar, 2019 are given below:

Name of Bank	Principal Amount	Interest Amount	Total
HDFC Limited	722	3,242	3,964
Shriram City Union Finance Ltd	229	64	293
Yes Bank	0	693	693
Total	**951**	**3,999**	**4,950**

(ii) 0

Particulars	Rupees in Lakhs
Principal Amount	5,500
Interest Amount	3,828
Total	**9,328**

(iii) Details of security and terms of loans and debentures

Particulars	Amount outstanding 31-Mar-19	Amount outstanding 31-Mar-18	Interest rate	Security details	Repayment terms
Term loans from banks	-	234	Base rate plus 4.10%.	i. Equitable mortgage of vacant land situated at Mulavukkad Village, Kanaynnur Taluk district registered with Kakanad Enterprises Private Limited, a Subsidiary Company. ii. Developers share of 13,621 sq ft of commercial area on an undivided basis in the Project Nitesh Ceasers Palace situated at Bangalore South Taluk registered with the Company. iii.Personal Guarantee of Mr. Nitesh Shetty. v. Guarantee of Subsidiary Company - Kakanad Enterprises Private Limited.	The amount is repayable in 42 monthly installments beginning 18 months from the date of first disbursement. The entire amount is repaid as on 31st March 2019.

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

Loan from Financial Institutions	3100	3700	Interest rate is based on the Corporate Prime Lending Rate (CPLR) plus / minus the spread that will be applicable from time to time on each disbursement. The banker's CPLR as on date of sanction was 17.55% per annum and the applicable rate for the said financial facility was 13.30% per annum.	i. Mortgage of developer's share of unsold units in Nitesh Park Avenue admesuting 0.62 acres and one Pent House (measuring 15221 sq. ft.) of the same project retained by Mr. Nitesh Shetty situated at Sankey Road, Vasant Nagar, Bangalore. ii. All future receivables of the project Nitesh Park Avenue. iii. Personal guarantee of Mr. Nitesh Shetty.	Repayment starts from the begining of 25th Month from the date of first disbursement
Loan from Financial Institutions	34	151	Interest rate is based on the PNBHFR plus / minus the spread that will be applicable from time to time on each disbursement. The FR as on date of sanction was 14.35% per annum and the applicable rate for the said financial facility was 14% per annum.	i. Mortgage of two unsold units in Nitesh Central Park and two unsold units in Nitesh Flushing Meadows.	The loan is repayable in 60 equated monthly installments of Rs.599,158 pm starting from immediately nest month of disbursement.
Loan from Financial Institutions	23124	21808	Interest rate is based on the Corporate Prime Lending Rate (CPLR) plus / minus the spread that will be applicable from time to time on each disbursement. The banker's CPLR as on date of sanction was 17.65% per annum and the applicable rate for the said financial facility was 15% per annum for 1st tranche & 13.60% for 2nd tranche.	i. Mortgage of developer's share of area of the following projects ; - Nitesh British Columbia - Nitesh Long Island - Nitesh Chelsea - Nitesh Knights Bridge - Nitesh RIO - Nitesh Hunter Valley - Nitesh Virgin Island ii. Charge on all the future receivables from the booked, sold and unsold apartments in the above projects. iii..Mortgage of Developer's share of area in the project Nitesh Madison Square at Cunningham Road. iv. Mortgage of Flat No A-04 (on 3rd Floor) in the Project 'Nitesh Buckingham Gate'. v. Personal guarantee of Mr. Nitesh Shetty.	Repayment starts from the begining of 37th Month from the date of first disbursement

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

Loan from Financial Institutions	-	3647	Interest rate is based on the Corporate Prime Lending Rate (CPLR) The banker's CPLR as on date of sanction was 17.65% per annum and the applicable rate for the said financial facility was 15% per annum for 1st tranche & 13.60% for 2nd tranche.	i. Mortgage of developer's share of receivables of the following projects ; - Nitesh British Columbia - Nitesh Long Island - Nitesh Chelsea (64%) - Nitesh Knights Bridge - Nitesh RIO - Nitesh Hunter Valley - Nitesh Virgin Island ii. Charge on all the future receivables from the booked, sold and unsold apartments in the above projects. iii..Mortgage of Developer's share of area in the project Nitesh Madison Square at Cunningham Road. iv. Mortgage of Flat No A-04 (on 3rd Floor) in the Project 'Nitesh Buckingham Gate'. v. Personal guarantee of Mr. Nitesh Shetty.	Repayment starts from the begining of 37th Month from the date of first disbursement. The entire amount is repaid during the year ended 31st March 2019
Loan from Financial Institutions	1080	1800	17% per annum	i. First & exclusive charge by way of mortgage of 3 unsold units in Nitesh Logo aggregating to 16 659 sf area. ii. First & exclusive charge by way of Hypothecation if receivablesfrom the mortgages units. iii. Escrow of all cash flows, both presen & future from the sale of the aforesaid property iv. Personal guarantee of Mr. Nitesh Shetty. v. Demand promisory note vi. Any other security as may be stipulated by our investment Committee and/or detailed in Definitive Agreements	The amount is repayable in 30 equal monthly installments starting from 19th Month to 48th Month
Loan from Financial Institutions	10854	7133	4.3% ('spread) over and above the Bank's yearly MCLR	i.Exclusive charge on JDA rights on the property situated at Commissariate Road (Total land area -89000 sft). Ii. Exclusive charge on all borrower's share of development. iii. exclusive charge on borrower;s share of project receivables/cash flows. iv. personal guarantee from Mr Nitesh Shetty.	Bullet repayment of entire amount at the end of 72 months
Loan from Financial Institutions	10357	7981	4.3% ('spread) over and above the Bank's yearly MCLR	i.Exclusive charge on JDA rights on the property situated at Ali Asker Road (Total land area 110000 sft). Ii. Exclusive charge on all borrower's share of development. Iii. Exclusive charge on all borrower's share of projects receivables/cashflows. iv. personal guarantee from Mr Nitesh Shetty.	Bullet repayment of entire amount at the end of 72 months
18.5 % Non convertible, redeemable debentures	5500	5500	18.5% per annum	i. First and exclusive charge by way of a mortgage by deposit of title deeds over the Logos & Virgin Island. ii. Escrow account in respect of the receivables from the projects Logos & Virgin Island. . iii. First and exclusive charge by way of hypothecation on the receivables in the projects Logos & Virgin Island . iv. Personal Guarantee of Mr.Nitesh Shetty in favour of the Debenture Trustee.	The amount is repayable in 21 equal monthly installments starting from July 15, 2016 to March 15, 2018

NEL Holdings Ltd (Formerly known as Nitesh Estates Limited)
Notes to the financial statements for the year ended March 31, 2019
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

18 Provisions

₹

	Current		Non Current	
	31-Mar-19	**31-Mar-18**	**31-Mar-19**	**31-Mar-18**
Provision for employee benefits				
Provision for gratuity (refer note 32)	20	24	85	81
Provision for leave benefits	14	22	109	141
	34	**46**	**194**	**222**

19 Deferred tax laibility (Net)

	Current		Non Current	
	31-Mar-19	**31-Mar-18**	**31-Mar-19**	**31-Mar-18**
Deferred tax liabilities				
a) Fair Valuation of investment Property under construction on the date of transition			4419	4419
b) Fair Valuation of investment in Preference Share (Compound financial instrument)			265	209
c) Revenue recognition under gross accounting method			411	126
Gross deferred tax liabilities (A)			**5,095**	**4,754**
Deferred tax assets				
a) Depreciation and amortization			47	47
b) Leave encashment and gratuity - deductible on payment			59	83
c) Fair valuation of security deposit-Assets			0	0
d) Provision for advances			182	448
e) Fair valuation investments in equity shares			3047	3047
f) Others			78	79
Gross deferred tax assets (B)			**3,413**	**3,704**
Net deferred tax liabilities (A) - (B)			**1,682**	**1,050**

(a) The Company is working on item wise calculation/reconciliation of Deferred Tax assets and liabilities as on 31st March, 2019. Adjustment resulting from such reconciliation will be accounted for on due course.

20 Other liabilities

	Current		Non Current	
	31-Mar-19	**31-Mar-18**	**31-Mar-19**	**31-Mar-18**
Liability under joint development arrangement (Refer Note 20(i) noted below)	41,922	16,987	-	-
Advance received from Related parties for sale of properties	3,661	4,363		
Other advances received from related parties towards contract	400	400		
Advance received from customers for sale of properties	3,935	4,356	-	-
Contract Liability-Billing in excess of revenue	18,204	-		
Withholding taxes payable (Refer Note 20(ii) noted below)	315	109	-	-
	68,437	**26,215**	**-**	**-**

20 (i) The Company has entered into joint development agreements with the land owners whereby the Company, at its cost, will construct apartments/buildings on the land owned by the land owners, and the portion of building constructed will be exchanged for ownership in the land. Such portion of land to be acquired by the Company as per joint development agreement is initially recorded at the estimated cost of construction for the portion of the building to be transferred to the land owner on completion of construction.

20 (ii) inclues Rs 135 Lakhs related to Value Added Tax of earlier year 2011-12 which has now been subsequently paid after 31st Mrch, 2019

21 Trade payables

	Current		Non Current	
	31-Mar-19	**31-Mar-18**	**31-Mar-19**	**31-Mar-18**
(a) Total outstanding dues of micro enterprises and small enterprises (Refer note 35 for details of dues to micro and small enterprises)	56	6	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises				
- to related parties	182	334		
- to others	19,435	16,726	-	-
	19,673	**17,066**	**0**	**0**

22 Current tax liabilities (net)

	31-Mar-19	**31-Mar-18**	**31-Mar-19**	**31-Mar-18**
Advance Income Tax (Net of Provision, TDS Receivable)	161	-		
MAT credit entitlement	(70)	-		
	91	**-**	**-**	**-**

23 Revenue from operations

	31-Mar-19 ₹	31-Mar-18 ₹
Revenue from operations (Refer Note 43)		
Income from property development	3,889	2,754
Income from sale of land	4,550	-
Total	**8,439**	**2,754**

24 Other income

	31-Mar-19 ₹	31-Mar-18 ₹
Interest income on		
Bank deposits	-	20
Others	164	158
Share of Profit/(Loss) from AOP	-	(23)
Profit from sale of fixed assets	-	3
Provisions no longer required written back/reversal of cancellation charges	-	200
Miscellaneous Income	14	-
Profit on sale of land	-	1,000
	178	**1,358**

25 Land and construction cost

	31-Mar-19 ₹	31-Mar-18 ₹
Land and construction cost	47,121	994
	47,121	**994**

25a (Increase)/decrease in inventories of stock of flats, land stock and work-in-progress

Opening Inventory	29,164	31,340
Less: Closing Inventory	(73,044)	(29,164)
Change in Inventory	**(43,880)**	**2,176**

25b Employee benefits expense

	31-Mar-19 ₹	31-Mar-18 ₹
Salaries, wages and bonus	1,289	1,693
Contribution to provident and other fund	22	27
Staff welfare expenses	20	16
	1,331	**1,736**

26 Finance costs

	31-Mar-19 ₹	31-Mar-18 ₹
Interest and other charges		
Interest expenses	4,661	4,376
Processing fees and others	90	92
Total finance costs	**4,751**	**4,468**

Finance cost includes Rs 16 Lakhs "Interest on Micro Small and Medium Enterprises [MSME]" and Rs 153 Lakhs interest charged as per the orders passed by RERA.

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

27 Depreciation and amortization expense

	31-Mar-19 ₹	31-Mar-18 ₹
Depreciation of property, plant and equipment	18	28
Amortization of intangible assets	5	16
	23	**44**

28 Other expenses

			31-Mar-19 ₹	31-Mar-18 ₹
Payments to auditors - **Refer note (i) below**			17	17
Power and fuel			23	26
Rent	-	Related Party	131	135
	-	Others	9	10
Lease rent-vehicles			-	1
Rates and taxes			568	146
Insurance			30	2
Repairs and maintenance				
Plant and machinery			14	14
Office maintenance	-	Related Party	-	2
	-	Others	38	45
Advertising and sales promotion paid to related parties			-	6
Advertising and sales promotion			232	1,066
Travelling and conveyance			62	67
Communication costs			14	18
Director's sitting fees			14	17
Legal and professional fees			341	240
Impairment Loss provision on Investment **(Refer Note No. 6 (iii))**			11,866	-
Expected Credit Loss against advances **(Refer Note No. 12 (i))**			317	1
Loss on sale of investments			-	3,558
Miscellaneous expenses			58	62
			13,734	**5,433**

Note (i) - Payments to auditors

	31-Mar-19 ₹	31-Mar-18 ₹
As an auditor:		
Statutory audit fees	12	12
Limited review fees	4	4
Reimbursement of expenses	1	1
	17	**17**

(ii) Details of CSR expenditure:

The company has not provided for any Corporate Social Responsibility expenses, due to the absence of sufficient cash profits

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

29 Income tax

	31-Mar-19 ₹	31-Mar-18 ₹
Current income tax:		
Current income tax charge	-	-
Adjustments in respect of current income tax of previous year	-	-
Deferred tax:		
Decrease / (Increase) in deferred tax assets	-	-
(Decrease) / Increase in deferred tax liabilities	632	(3,017)
Less : Adjustment	(539)	1,840
	93	(1,177)
Less : Recognised in OCI	(6)	
Relating to origination and reversal of temporary differences	87	(1,177)
Income tax expense reported in the statement of profit or loss	**87**	**(1,177)**

Reconciliation of tax expense and the accounting profit multiplied by India’s domestic tax rate for March 31, 2019 and March 31, 2018:

	31-Mar-19 ₹	31-Mar-18 ₹
Accounting profit before income tax	**(14,463)**	**(10,739)**
At India's statutory income tax rate as applicable		
Non-deductible expenses for tax purposes:		
Adjustment on account of depreciable assets	28	(5)
Tax effect of amounts which are not taxable in calculating taxable income:		
Provision for doubtful debts	(5)	5
Adjustment in 43B	14	(22)
Other differences:		
Difference due to investment in Preference Shares	56	53
Sale of investments	-	(1,208)
	93	**(1,177)**

Reconciliation of deferred tax liabilities (net)

	31-Mar-19 ₹	31-Mar-18 ₹
Opening balance	1,050	3,877
Deferred tax (credit)/charge during the period recognised in Profit & Loss	87	(1,177)
Deferred tax (credit)/charge during the period recognised in OCI	(93)	(1,840)
Others	539	190
Closing balance	**1,583**	**1,050**

30 Related Party Disclosure

a List of related parties

In accordance with the requirements of Indian Accounting Standards (Ind AS)- 24 'Related Party Disclosure' the names of the related party where control exists / enable to exercise significant influence along with the aggregate transactions and year -end balance with them in the ordinary course of business and on arms' length basis are given below

Key Management Personnel of the company and close member of Key Management Personnel of the company

Nitesh Shetty [Chairman and Managing Director]
Jagdish Capoor[Independent Director]
M. D Mallya [Independent Director][Upto April 5th, 2018]
G. N Bajpai [Independent Director][Upto August 17th ,2018]
Ms. Dipali Khanna [Independent Director]
Mahesh Bhupathi [Independent Director]
L.S.Vaidyanathan [Executive Director]
Ashwini Kumar [Executive Director and Chief Operating Officer]
Venkateshan .M.A.[Chief Financial Officer][Upto April 30th,2019]
Rakesh Singh [Chief Executive Officer][From April 10th, 2019]
Kamal Daluka[Executive Director & Chief Financial Officer]]From April 10th,2019]
D. Srinivasan [Company Secretary][Upto August 2nd, 2018]
Prasant Kumar[Company Secretary][From August 10th, 2018]
Nischita Shetty [Relative of Director]
S. Ananthanarayanan[Additional Independent Director][From February,26th,2019]
Shantanu Consul[Additional Independent Director][From February,26th,2019]

Subsidiaries and Fellow Subsidiaries

Nitesh Housing Developers Private Limited
Nitesh Urban Development Private Limited
Nitesh Office Parks Private Limited [Formerly known as Kakanad Enterprises Private Limited][upto September,29th, 2018]
LOB Property Management Private Limited [Formerly known as Nitesh Property Management Private Limited
Nitesh Indiranagar Retail Private Limited
Nitesh Pune Mall Private Limited[Upto February, 21st, 2019]
Courtyard Constructions Private Limited

Enterprises in which Key Management Personnel and close member of Key Management Personnel have Joint Control or Significant Influence with whom transactions have taken place during the year

Nisco Ventures Private Limited
Southern Hills Developers Private Limited
Nitesh Infrastructure and Construction
Gross Outdoor Advertising Private Limited[Formerly known as Serve & Volley Outdoor Advertising Private Limited]

Nitesh Industries Private Limited
Pushrock Environment Private Limited
Nitesh Residency Hotels Private Limited

Associates & Joint Ventures

Associates
Nitesh Estates – Whitefield

Enterprises which are post employment benefit plan for the benefit of employees

NEL Holdings Ltd (Formerly known as Nitesh Estates Limited) Employees' Gratuity Fund Trus

NEL Holdings Ltd (Formerly known as Nitesh Estates Limited)
Notes to the financial statements for the year ended March 31, 2019
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

b. Related party transactions

Particulars	**31-Mar-19**	**31-Mar-18**
Loans and advances received/(repaid)		
Courtyard Constructions Private Limited	87	379
Nitesh Indiranagar Retails Private Limited	270	438
Nitesh Urban Development Private Limited	598	1,061
Nitesh Housing Developers Private Limited	1967	4,963
LOB Property Management Pvt Ltd (Formerly Known as Nitesh Property Management Pvt Ltd)	(29)	46
Nitesh Office Parks Private Limited (formerly Kakanad Enterprises Private Limited)	45	-
Southern Hills Developers Pvt Ltd.,	-	70
Amount/Advances received from customers		
Pushrock Environment Private Limited -Plaza	174	174
Pushrock Environement Private Limited-Logos	784	-
Nitesh Shetty - Park Avenue	547	351
Nischita Shetty - Madision Square	-	100
Nitesh Infrastructures & Contructions	117	-
Sale of Investment in NRHPL		
Nitesh Shetty		
The no of 2,67,32,031.00 shares at Rs.5.27 Each.	-	1,409
Nitesh Industries Pvt Ltd.,		
The no of 2,74,17,467.00 shares at Rs.5.27 Each.	-	1,445
Managerial remuneration		
Nitesh Shetty	131	131
L.S.Vaidyanathan	117	117
D. Srinivasan	16	37
Venkateshan .M.A.	80	80
Ashwini Kumar	-	109
Prasant Kumar	13	-
Directors' sitting fees		
G. N Bajpai	3	5
M. D Mallya	-	4
Jagdish Capoor	7	5
Ms. Dipali Khanna	4	3
Mahesh Bhupathi	1	1
Advertising and sales promotion expenses		
Gross Outdoor Advertising Private Limited[Formerly known as Serve & Volley Outdoor Advertising Private Limited]	-	6
Other Maintenance expenses		
Lob Property Management Private Limited(formerly known as Nitesh Property Management Private Limited)	-	2
Rent paid		
Nitesh Infrastructure and Construction	71	75
Nitesh Industries Private Limited	60	60
Other expenses		
Nitesh Residency Hotels Private Limited	27	11
Share of profit from investment inassociation of person (post tax)		
Nitesh Estates – Whitefield	-	(22)
Contribution of Gratuity Fund		
NEL Holdings Ltd(Formerly known as Nitesh Estates Limited) Employees	7	3
Refund of Gratuity		
NEL Holdings Ltd(Formerly known as Nitesh Estates Limited) Employees	-	8

NEL Holdings Ltd (Formerly known as Nitesh Estates Limited)
Notes to the financial statements for the year ended March 31, 2019
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

c. Amount outstanding at the balance sheet date

Particulars	31-Mar-19	31-Mar-18
Trade receivables		
Nitesh Infrastructures & Contructions	-	117
Loans and advances to subsidiaries and other related parties		
Nitesh Housing Developers Pvt Ltd	3967	1,998
Nitesh Urban Development Pvt. Ltd.	1142	544
Nitesh Office Parks Private Limited [Formerly known as Kakanad Enterprises Private Limited]	312	267
Southern Hills Developers Pvt Ltd.,	111	111
LOB Property Management Pvt Ltd (Formerly Know as Nitesh Property Management Private Limited)	37	66
Koregaon Park High Street Properties Private Limited [Formerly known as Nitesh Pune Mall Private Limited]	-	1
Nitesh Indirnagar Retail Pvt. Ltd.	4476	4206
Courtyard Constructions Private Limited	292	379
Nitesh Estates Whitefield	2,802	3,004
Advance against property		
Nisco Ventures Pvt. Ltd.	108	108
Security deposit		
Nitesh Infrastructures & Contructions	177	177
Unbilled Revenue		
Nitesh Residency Hotels Pvt. Ltd.	1,155	1,155
Vendor Advances		
Nitesh Housing Developers Pvt Ltd	-	124
Gross Outdoor Advertising Private Limited[Formerly known as Serve & Volley Outdoor Advertising Private Limited]	-	32
Trade advances		
Gross Outdoor Advertising Private Limited[Formerly known as Serve & Volley Outdoor Advertising Private Limited]	157	98
Nitesh Industries Private Limited	-	8
Lease deposit given/(received)		
Nitesh Indirnagar Retail Pvt. Ltd.	-	4,202
Trade payables		
Pushrock Environment Private Limited	-	174
Nitesh Industries Private Limited	34	15
Nitesh Infrastructures & Contructions.	-	8
LOB Property Management Pvt Ltd (Formerly Know as Nitesh Property Management Private Limited)	-	14
Nitesh Residency Hotels Pvt. Ltd.	148	123
Other Advances received from customers towards contract		
Nitesh Residency Hotels Pvt. Ltd.	400	400
Advances received from customers		
Nitesh Residency Hotels Pvt. Ltd.		369
Pushrock Environement Pvt Ltd-Logos	17	801
Nitesh Estates Whitefield	-	96
Nitesh Shetty - Park Avenue	3544	2,997
Nischita Shetty - Madision Square	100	100
Guarantees given on behlf of the company and outstanding		
Nitesh Urban Development Pvt Ltd	18,500	18,500
Nitesh Housing Developers Private Limited	31,500	31,500
Koregaon Park High Street Properties Private Limited [Formerly known as Nitesh Pune Mall Private Limited]	-	23,500

Note: Amount shown as "-" is below the rounding off norm adopted by the company.

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

31 Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

₹

Particulars	As at March 31, 2019		As at March 31, 2018	
	Fair value through OCI	Amortised Cost	Fair value through OCI	Amortised Cost
Financial assets				
Investments	4,335	-	4,335	-
Trade Receivables		2,050		3,669
Cash and Cash equivalents		217		420
Other Financial asset		3		3
Loans		2,296		2,201
Security deposits	-	279	-	279
	4,335	**4,845**	**4,335**	**6,572**
Financial liabilities				
Non-current borrowings	-	-	-	-
Current -borrowings	-	52,332	-	49,814
Trade payables	-	19,673	-	17,066
Other payables	-	-	-	-
	-	**72,005**	**-**	**66,880**

Notes:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access
Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability,
Level 3 inputs are unobservable inputs for the asset or liability.

There have been no transfers between the levels during the period.

The details of fair value measurement of Company's financial assets/liabilities are as below:

Particulars	Level	31-Mar-19	31-Mar-18
Financial assets/liabilities measured at fair value through OCI:			
Investment in equity instruments of Other company	3	4335	4,335

The management assessed that the carrying values of cash and cash equivalents, trade receivables, deposits, trade payables, borrowings and other financial assets and liabilities approximate their fair values largely due to the short-term maturities.

The following methods and assumptions were used to estimate the fair values:
In absence of audited financial statements for the current year, the fair value of unquoted equity shares have been estimated using Net Assets Value model, based on the last year financial.
The valuation requires Management to make certain assumptions about the model inputs, including forecast cash flow, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in Management's estimates of Fair value for the unquoted investments.

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

32 Gratuity and other post-employment benefit plans

Particulars	31-Mar-19 ₹	31-Mar-18 ₹
Defined Benefit Plan		
Gratuity -Funded		
Non Current	86	81
Current	20	24
	106	**105**
Leave Encashment		
Non Current	109	141
Current	14	22
	123	**163**

The Company has a defined benefit gratuity plan (funded). The Company's defined benefit gratuity plan is a final salary plan, which requires contributions to be made to a separately administered fund.

a) **Gratuity-Funded**

The Company operates defined gratuity plan for its employees. Under the plan, every employee who ha completed atleast 5 years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service.

The scheme is funded with a insurance company in the form of qulifying insurance policy.

b) Cost of Long term benefit by way of accumulated compensated absence arising during the service period of employees is calculated based on cost of service and the pattern of leave availment. The present value of obligation towards availment under such long term benefit is determined based on the actuarial valuation carried on by an Independent Actuary using projected limit credit method as at the close of accounting period. The Company is providing liability as per actuarial valuation in its books of account as the plan is not funded.

c) In absence of Actuarial valuation as on 31st March, 2019, the disclosure requirements as per IND AS-19 Employee Retirement Benefit for 'Long Term Defined Plans' in respect of Gratuity and Compensated Absence has been disclosed in the Financial Statements to the extent available.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

i. Changes in the defined benefit obligation and fair value of plan assets as at September 30,2018 (As per the latest available Actuarial Report)

Particulars	Gratuity cost charged to profit or loss				Remeasurement gains/(losses) in other comprehensive income							
Defined benefit obligation	109.10	11.78	3.98	15.76	-8.49	0.00	0.00	-5.31	-6.48	-11.79	0.00	104.58
Fair Value of plan assets	4.08	0.00	0.49	0.49	-8.49	-0.49	0.00	0.00	0.00	-0.49	5.28	0.87
Benefit liability	**105.02**	**11.78**	**3.49**	**15.27**	**0.00**	**0.49**	**0.00**	**-5.31**	**-6.48**	**-11.30**	**-5.28**	**103.71**

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

ii. Changes in the defined benefit obligation and fair value of plan assets as at March 31,2018 :

Particulars	Gratuity cost charged to profit or loss				Remeasurement gains/(losses) in other comprehensive income							
	01-Apr-17	Service cost	Net interest expense	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contributions by employer	31-Mar-18
Defined benefit obligation	74.22	31.83	5.53	37.36	-8.49	0.00	0.00	-0.49	6.51	6.00	0.00	109.10
Fair Value of plan assets	8.97	0.00	0.67	0.00	-8.49	-0.05	0.00	0.00	0.00	-0.05	2.98	4.08
Benefit liability	**64.96**	**31.83**	**4.86**	**36.70**	**0.00**	**0.05**	**0.00**	**-0.49**	**6.51**	**6.07**	**-2.98**	**105.02**

iii The major categories of plan assets of the fair value of the total plan assets are as follows:

Particulars	**March 31, 2019**	**March 31, 2018**
Fund Managed by Insurer	100%	100%

iv. The principal assumptions used in determining gratuity and post-employment medical benefit obligations for the Group's plans are shown below:

Particulars	**30-Sep-18**	**31-Mar-18**
Discount rate	8.10%	7.50%
Future salary increases	6.00%	6.00%
Expected rate of return of assets		
Mortality	Indian assured lives mortality(2006-08) (modified ultimate	Indian assured lives mortality(2006-08) (modified ultimate
Withdrawal rate	1%-2%	1%-2%

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

v. A quantitative sensitivity analysis for significant assumption as at September 30,2018 is as shown below:

Asssmumtions	30-09-2018				31-03-2018			
	Discount Rate		Salary Growth Rate		Discount Rate		Salary Growth Rate	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
Sensitivity Level	+50 basis point	-50 basis point	+50 basis point	-50 basis point	+50 basis point	-50 basis point	+50 basis point	-50 basis point
Impact on defined benefit obligation - Gratuity	-3.90%	4.20%	2.01%	-2.35%	-4.26%	5%	2.01%	-2.35%

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

vi. The following payments are expected contributions to the defined benefit plan in future years:

Particulars	30-Sep-18	31-Mar-18
Year 1	7	6
year 2	5	5
year 3	19	18
year 4	9	11
year 5	26	28
year 6 to 10	35	34
Total expected payments	**101**	**101**

vii. The defined benefit obligations have the undermentioned risk exposures-

Interest rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary Inflation risk : Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the

33 Earnings per share ['EPS']

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity Shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	**31-Mar-19** ₹	**31-Mar-18** ₹
Profit after tax attributable to shareholders (Amount in Lakhs)	(14,550)	(9,562)
Weighted average number of Equity Shares outstanding during the year	14,58,32,100	14,58,32,100
Effect of dilution:		
Weighted average number of Equity Shares	14,58,32,100	14,58,32,100
Basic and Diluted Earnings Per Share (Rs.) (Face value of Rs 10 per share)	-9.98	-6.56

34 Contingent Liabilities

The company has contingent liabilities at March 31,2019 in respect of:

a (i). Claims against the company pending appellate/ judicial decision and not acknowledged as debts:

Particulars	**31-Mar-19** ₹	**31-Mar-18** ₹
Claims against the company not acknowledged as debts in respect of		
Income-tax	157	223
Value Added Tax	688	2441

(ii) Following is the summary of financial exposure of cases filed against the company by customers,vendors and other business associates:

Customers-		
a. Seeking Possession of Property	485	-
b. Seeking Refund	967	-
Vendors		-
Seeking Recovery of Dues	41	
	1,493	-

(iii) The Company has defaulted on payment of interest and principal to IDFC debenture holders since 30th June, 2016.
The Trustee on behalf of IDFC Debenture holders vide its petition numbered CP(IB)/270/BB/2018 has filed a petition seeking insolvency of NEL in terms of Section 7 of the Insolvency and Bankruptcy Code, 2016 before the National Company Law Tribunal, Bangalore Branch on 4th October,2018 for an outstanding amount of Rs.11,718 Lakhs against book liability of the Company of Rs. 9,328 Lakhs [Refer Note No. 17(ii)]
In these circumstances, the trustee has issued a legal notice dated 23rd October, 2018 to HDFC, as a authority in favour of which security charge were created to asserting their rights over the three properties of the NEL.

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

b. Guarantees

Particulars	31-Mar-19 ₹	31-Mar-18 ₹
Corporate guarantee for loans taken by group companies	50,000	73,500

c. Commitements

Particulars	31-Mar-19 ₹	31-Mar-18 ₹
Estimated amount of contracts remaining to be executed on projects (net of advances) and not provided for	21,759	19,163

Notes :

a. The Company has entered into various joint development agreements wherein, on completion of all obligations of the land owner and possession of land to the Company, the Company is required to construct and develop the entire property and hand over an agreed proportion of the built up area to the land owner as a consideration for the share in land transferred to the Company.

b.The Company has provided support letters to subsidiary companies wherein it has accepted to provide the necessary level of financial support to enable the company to operate as a going concern and meet its obligations as and when they fall due.

35 Disclosure as required under Micro Small and Medium Enterprises Act , 2006(MSME Act)

Particulars	31-Mar-19 ₹	31-Mar-18 ₹
a. Principal amount remaimning unpaid to any supplier as at the end of the accounting year	56	6
b. Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	16	-
c. The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
d. The amount of interest due and payable for the year	16	-
e. The amount of interest accrued and remaining unpaid at the end of the accounting year	16	-
f. The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Note : The information as required to be disclosed under The Micro, Small and Medium Enterprises Development Act, 2006 is disclosed to the extent such parties have been identified on the basis of the information available with the company. Interest is not provided for the claims which are under dispute.

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

36 Financial instruments- accounting classification and fair value measurement.

The carrying values of trade and other receivables, other assets, cash and short term deposits, trade and other payables, based on their notional amounts, reasonably approximate their fair values because these are mostly short term in nature or are re-priced frequently.

Company's assets and liabilities which are measeured at amortised cost

	31st March 2019		31st March 2018	
	Carrying Value	Amortised cost	Carrying Value	Amortised cost
Financial assets				
Trade Receivables	2,050	2,050	3,669	3,669
Cash and Cash equivalents	217	217	420	420
Other Financial asset	3	3	3	3
Security deposits	279	279	279	279
Refundable deposit towards joint development agreement	2,296	2,296	2,201	2,201
	4,845	**4,845**	**6,572**	**6,572**
Financial liabilities carried at amortized cost:				
Long-term borrowings	-	-	-	-
Short-term borrowings	52,332	52,332	49,814	49,814
Trade payables	-	-	17,066	17,066
Other payables	-	-	-	-
	52,332	**52,332**	**66,880**	**66,880**

37 Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the acquisition and Company's real estate operations. The Company's principal financial assets include Trade Receivable, cash and cash equivalents that derive directly from its operations and refundable deposits which is given on aquiition of land to land owners.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

i. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings. The sensitivity analyses in the following sections relate to the position as at 31 March 2019 and 31 March 2018. The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt.

The analyses exclude the impact of movement in market variables on: the carrying values of gratuity and other postretirement obligations; provisions; and the non-financial assets and liabilities of foreign operations.

The following assumptions have been made in calculating the sensitivity analysis:

1. The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2019 and 31 March 2018.

ii. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company’s exposure to the risk of changes in market interest rates relates primarily to the Company’s long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

	Increase/decrease in basis points	**Effect of profit before tax (Rupees in Lakhs)**
31-Mar-19		
Change	+50	23
Change	-50	-23
	Increase/decrease in basis points	**Effect of profit before tax (Rupees in Lakhs)**
31-Mar-18		
Change	+50	22
Change	-50	-22

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

iii. Credit risk

Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Financial Instrument and Cash Deposit

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and loans are given only within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.The Company's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2019 and 31 March 2018 is the carrying amounts.

iv. Liquidity risk

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

	On demand	Less than 1 year	1 to 2 years	2 - 3 years	> 3 years	Total
Year ended 31/03/2019						
Borrowings	12,951	-	4,213	-	35,168	52,332
Trade and other payables	3,828	19,673	-	-		23,501
Year ended 31/03/2018						
Borrowings	5,818	7,244	8,786	7,174	20793	49,814
Trade and other payables	2,811	14,255	-	-	-	17,066

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

38 DISCLOSURE AS PER CLAUSE 32 OF THE LISTING AGREEMENT OF THE LOANS, ADVANCES, ETC. TO SUBSIDIARIES, FELLOW SUBSIDIARIES, JOINT VENTURES, ASSOCIATES AND OTHER ENTITIES IN WHICH THE DIRECTORS ARE INTERESTED:

Name of the Party	31-Mar-19		31-Mar-18	
	Closing balance	Maximum amount due	Closing balance	Maximum amount due
Nitesh Housing Developers Pvt Ltd	3,967	3,967	1,998	1,998
Nitesh Urban Development Pvt. Ltd.	1,142	1,142	544	544
Nitesh Office Park Pvt. Ltd.	312	312	267	267
Southern Hills Developers Pvt Ltd.,	111	111	111	111
LOB Property Management Pvt Ltd (Formerly Know as Nitesh Property Management PVT LTD)	37	37	66	66
Nitesh Pune Mall Pvt Ltd.	-	-	1	1
Courtyard Constructions Private Limited	292	292	379	379
Nitesh Indirnagar Retail Pvt. Ltd.	4,476	4,476	4,206	4,206
Nitesh Estates Whitefield	2,802	2,802	3,004	3,004

39 Non-cancellable operating leases

The Company has various operating leases for office premises and other facilities (cancellable as well as non-cancellable leases) for a period between 3 and 10 years. Most of the leases are renewable for further period on mutually agreeable terms and also include escalation clauses. The leases are cancellable through notice period of 1 to 3 months.

	31st March 2019	31st March 2018
Payments recognised as an expense	140	145
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows		
Within one year	-	-
Later than one year but not later than five years	-	-
Later than five years	-	-

Lease payment under an operating lease have not been recognised as an expenses on a straight-line basis over the lease term, as the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lesoors expected inflationary cost increases.

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

40 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maintain strong credit rating and healthy capital ratios in order to support its business and maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio minimal. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations. Further, advances received from customers pursuant to agreements, wherein the Company has committed prescribed return to customers contingent on exercise of the option given to such customers on expiry of the prescribed time period, including the amount of such return accrued by the company using effective interest method has been considered as part of net debt by the Company.

`	**31-Mar-19** `	**31-Mar-18** `
Borrowings	52,332	49,814
Trade payables	19,673	17,066
Less: Cash and cash equivalents and other bank balances	(217)	(420)
Net debt[A]	**71,788**	**66,460**
Equity Share Capital	14,583	14,583
Other Equity	(1,713)	19,563
Equity [B]	**12,870**	**34,146**
Equity plus Net Debt[C=A+B]	**84,659**	**1,00,606**
Gearing ratio[D=A/C]	**85%**	**66%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings.
The company has defaulted in repayment of dues to debenture holders and banks/financial institutions which includes overdue Principal and interest as on Balance Sheet date. [Refer Note no 17(i) and 17 (ii) for the details of default amount]

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

41 Standards issued but not yet effective

The Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019 has notified the new Ind AS and certain amendments to existing Ind ASs. They shall come into force on 1st April, 2019 and therefore, the company shall apply the same with effect from that date.

(a) New Indian Accounting Standard (Ind AS 116) "Leases":

Ind AS 116 shall replace the existing leases standard, Ind AS 17 "Leases" w.e.f. April 1, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. Whereas it introduces a single, on balance sheet lease accounting model for lessees, Ind AS 116 substantially carries forward the lessor's accounting requirements as prescribed in Ind AS 17. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments for almost all leases. The standard also contains enhanced disclosure requirements for lessees. The effect on the Financial statements on adoption of Ind AS 116 is being evaluated by the company.

(b) Other Amendments:

Several other Indian Accounting Standards have been amended on various issues with effect from April 1, 2019. The following amendments are relevant to the company:

(i) Ind AS 12 "Income Taxes"- (a) Income tax consequences of dividend, which requires an entity to to create a corresponding liability for Dividend Distribution Tax when it recognises a liability to pay dividend, and (b) Uncertainty over income tax treatments, requiring an entity to show the effect of the uncertainty for each uncertain tax treatment on taxable profits/losses, tax bases, unused tax losses/credits and tax rates by using either the most likely outcome or the expected outcome of the uncertainty;

(ii) Ind AS 19 "Employee Benefits"- Effect of plan amendment, curtailment or settlement; When an entity determines the past service cost at the time of plan amendment or curtailment, it shall remeasure the amount of net defined benefit liability/asset using the current value of plan assets and current actuarial assumptions which should reflect the benefits offered under the plan and plan assets before and after the plan amendment, curtailment and settlement.

(iii) Ind AS 109 "Financial Instruments"- Measurement of prepayment features with negative compensation in case of debt instruments; Negative compensation arises where the terms of the contract of the financial instrument permit the holder to make repayment or permit the lender or issuer to put the instrument to the borrower for repayment before the maturity at an amount less than the unpaid amounts of principal and interest.

The effect of the above amendments on the financial statements is being evaluated by the Company

42 As per para 4 of Indian Accounting Standard (Ind AS) 108 - Operating Segments, if a financial report contains both the consolidated financial statements of a parent that is within the scope of this Ind AS as well as the parent's separate financial statements, segment information is required only in the consolidated financial statements. Hence segment information as required under Ind AS 108 -Operating Segments is given in the Consolidated Ind AS financial statements of th Company.

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

43 Transition to Ind AS 115 "Revenue from contracts with customers"

a) Revenue disaggregation by various vertical as follows

Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Segment Vertical		
Residential	8,439	2,754
Retail	-	-
Total revenue from operations	8,439	2,754
Timing of goods or service	-	-
Goods transferred at a point in time	8,439	2,754
Goods transferred over time	-	-
Total revenue from operations	8,439	2,754

b) Performance obligation and partial performnce obligation

The remaining performance obligation disclosure provides the aggregrate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Company expects to recognise these amounts as revenue. Applying the practical expedient as given in Ind AS 115, the company has not disclosed the remaining performance obligation-related disclosures for contracts where the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time-and-material basis.

The company as mentioned in the accounting policy, adopts the performance obligation crtiteria at a point of time when registration in repsect of the said flat has been done. The impact on account of applying the erstwhile Ind AS 11 Construction Contracts instaed of Ind AS 115, Revenue from Contracts with Customers on the financial results of the Company for the year ended March 31, 2019 is as mentioned below:

Particulars	Amount
Revenue from Operations had Ind AS 11 been followed	1,813
Recognition of Revenue	6,626
Revenue from Operations as per Ind AS 115	8,439

c) Changes in Contract Assets and Contract Liabilities

This being the first year of implementation of IND AS 115, the company is in the process of reconcilitation of contract assets and contract liability balances.

d) Reconciliation of contract revenue recognised with the contracted price

Particulars	31st Mar, 2019
Contracted price	8,439
Less: Reduction towards variable consideration components*	-
	8,439

*The reduction towards variable consideration comprises of volume discounts, service level credits, o any concession given by the management

e) Ind AS-115- Revenue from Contracts with Customers has been notified by Ministry of Corporate Affairs (MCA) on 28th March, 2018 and is effective from accounting period beginning on or after 1st April, 2018 which replaces existing revenue recognition requirement. The application of Ind AS 115 has impacted the Company's accounting for recognition of revenue from real estate projects.

The Company has applied the "modified retrospective approach" (cumulative catch-up transition method), to contracts that were not completed as on 1st April, 2018 and has given impact of Ind AS 115 application by debit to retained earnings as at the said date by Rs. 4,348 lakh (net of tax). The company has reversed the revenue to the extent of Rs. 49,510 lakhs and cost to the extent of Rs. 42,922 lakhs which as recognised till 31st march, 2018 under the erstwhile standards pending the completion of performance obligation from the company to its customers.
Accordingly, the following comparatives have not been restated and hence not comparable with the previous period figure.

i) Due to application of Ind AS 115 for the twelve months ended 31st march, 2019, revenue from operations is higher by Rs. 6,626 lakhs and Net Profit before tax is higher by Rs. 2,870 lakhs, then what it would have been if the replaced standards were applicable. Similarly, the basic and diluted EPS for the twelve months ended is increased by Rs.1.97 per share.

ii) Assets & Liabilities

Particulars	As at 31st Mar, 2019	As at 31st Mar, 2018
Inventories (Refer Note 8)	73044	29164
Contract Assets [Refer Note 13(II)(a)]	5182	11690
Contract liabilities (Refer Note 20)	18204	-

f) (i) In the assessment of the Company, there is no significant financing component in any of its contracts.
(ii) Revenue recognised during the year 2018-19 from performance obligations satisfied in the previous year is NIL

44 Neither development activities nor sale of apartments is undertaken by the Company for its three residential projects launched in prior to the effective date of RERA Act. Pending approval of sanction plan and certificate of commencement as well as prevalent adverse market condition of real estate business, the company has not registered the said projects under RERA Act. However, discontinuation of two projects out of the three has not been intimated to the RERA authority for necessary update.

The Company has accepted working advance more than 10% of cost before RERA period in case of one residential project. Pending arbitration proceedings between the company and the landowner, the Company has decided to suspend the project on an intimation to Real Estate Regulatory Authority, Karnataka.

Out of the total advance collected Rs 897 Lakhs in respect of the said projects, the Company has refunded subsequently Rs 763 Lakhs and is in the process of refunding the remaining amount Rs 134 Lakhs .

45 Prior year comparatives

The figures of the previous year have been regrouped/reclassified, where necessary, to conform with the current year's classification.

for and on behalf of the Board of Directors of
NEL Holdings Ltd(Formerly known as Nitesh Estates Limited)

Sd/-	Sd/-	Sd/-
Nitesh Shetty	**L.S. Vaidyanathan**	**Rakesh Singh**
Managing Director	Executive Director	Chief Executive Officer
DIN: 00304555	DIN: 00304652	

Bangalore
May 30, 2019

Sd/-	Sd/-
Kamal Daluka	**Prasant Kumar**
Executive Director & Chief Financial Officer	Company Secretary

Consolidated Accounts

INDEPENDENT AUDITOR'S REPORT

To the Members of
NEL Holdings Ltd. (Formerly known as Nitesh Estates Limited)

Report on the Audit of the Consolidated Ind-AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind-AS financial statements of **NEL Holdings Ltd. (Formerly known as Nitesh Estates Limited and hereinafter referred to as the "Holding Company**") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its joint venture, which comprise the Consolidated Balance Sheet as at March 31, 2019, and the Consolidated Statement of Profit and Loss (including other comprehensive income),the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated Ind-AS financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated Ind-AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind-AS financial statements give the information required by the Companies Act (hereinafter referred to as the 'Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group as at March 31, 2019, of consolidated loss, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the consolidated Ind-AS financial statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 46 in the consolidated Ind-AS financial statements, which indicates that the group incurred a net loss of Rs 16,457 Lakhs for the year ended 31st March, 2019 and the Group`s current liabilities exceeded its current assets by Rs 78,377 Lakhs as on that date. In addition, the Group has not complied with several loan covenants under the existing loan agreements (refer to Note 17(i) and (ii)). As stated in Note 46, those events or conditions indicate the existence of material uncertainty as on the balance sheet date, which may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated Ind-AS financial statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind-AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Response to Key Audit Matter
1. Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind-AS 115 "Revenue from contracts with Customers" (Revenue Accounting Standard) applicable from 1st April, 2018. The application of the new revenue accounting standard from current financial year involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of identified performance obligation, the appropriateness of the basis used to measure revenue recognized over a period, and disclosures including presentations of balances in the financial statements. Refer Notes no. 23 and 44 to the standalone financial statements.	***Principal Audit Procedure:*** We assessed the Group`s internal process to identify the impact of adoption of the new revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of internal controls and procedures as follows: a) Evaluated the design of internal controls relating to implementation of the new revenue accounting standard. b) Selected a sample of existing continuing contracts and new contracts and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. c) Tested the relevant information, accounting systems and change relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard. d) Performed analytical procedures and test of details for reasonableness and other related material items. ***Conclusion:*** Our procedures did not identify any material exceptions.

Key Audit Matter	Response to Key Audit Matter
2. Contingent Liabilities Assessment of provisions and contingent liabilities in respect of certain litigations including direct and indirect taxes, various claims filed by other parties not acknowledged as debt. There is high level of judgement required for estimating the level of provisioning. The Group's assessment is supported by the facts of matter, their own judgement, past experience, and advice from legal and independent tax consultant wherever considered necessary. Accordingly, unexpected adverse outcomes may significantly impact the Group's reported profit and net assets. Associated uncertainty relating to the outcome requires application of judgement in interpretation of law. Refer Note no.36 to the Standalone Financial Statements.	**Principal Audit Procedure:** Our audit was focused on analysing the facts of subject matter under consideration and judgements/ interpretation of relevant law. Our Audit approach involved: • Examining recent orders and/or communication received from various Tax authorities/ judicial forums and follow up action thereon. • Understanding the current status of the litigation/tax assessments. • Evaluating the merit of the subject matter under consideration with reference to the grounds presented therein and available independent legal / tax advice. • Review and analysis of the contentions of the company through discussion, collection of details of the subject matter under consideration, the likely outcome and consequent potential outflows on those issues. ***Conclusion:*** Our procedures did not identify any material exceptions.
3. Evaluation of Uncertain Tax Position The Group is subject to periodic challenges by local tax authorities on a range of tax matters during the normal course of business including direct and indirect tax matters. These involve significant management judgement to determine the possible outcome of the uncertain tax positions, consequently having an impact on related accounting and disclosures in the Ind-AS consolidated financial statements.	**Principal Audit Procedure:** Our audit procedures include the following substantive procedures: • Obtained understanding of key uncertain tax positions; and We along with our internal tax experts– • Read and analysed select key correspondences, external legal

Key Audit Matter	Response to Key Audit Matter
	opinions / consultations by management for key uncertain tax positions; • Discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the tax provisions; and • Assessed management's estimate of the possible outcome of the disputed cases. ***Conclusion:*** Our procedures did not identify any material exceptions.

Information Other than the Consolidated Ind-AS Financial Statements and Auditors' Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Board`s Report including Annexures to Board`s Report, Management Discussion and Analysis and Corporate Governance, but does not include the consolidated Ind AS financial statements and our auditor`s report thereon.

Our opinion on the consolidated Ind-AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind-AS financial statements, our responsibility is to read the other information identified above, and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is no material misstatement of this other information, required to report on that fact.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind-AS financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the ‘Act’ for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Ind-AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind-AS financial statements, the respective Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of the Group and of its joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its joint venture is responsible for overseeing the financial reporting process of the Group and of its joint venture.

Auditor’s Responsibilities for the Audit of the consolidated Ind-AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind-AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind-AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the

Companies Act, 2013, we are also responsible for expressing our opinion on whether the group has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group (Holding Company and its subsidiaries and joint venture) to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated Ind-AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group (Holding Company and its subsidiaries and joint venture) to express an opinion on the consolidated Ind-AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of the Holding Company included in the consolidated Ind-AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind-AS financial statements, which have not been audited, the management remains responsible for the direction, supervision and performance of the review carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated Ind-AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated Ind-AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated Ind-AS financial statements.

We communicate with those charged with governance of the Holding Company included in the consolidated Ind-AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind-AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Emphasis of Matter

1. The Group has given advances to various parties for acquiring land and immovable property. Based on the life time expected credit loss, allowance for such advances has been accounted for without initiating any visible steps to recover the same. (Refer Note no. 11 of the consolidated Ind-AS financial statements).

2. The Group has defaulted in repayment of loans or borrowing to a financial institution Rs. 4,257 Lakhs, banks Rs. 3,303 Lakhs and to a debenture holder Rs.9,328 Lakhs. The borrowing from Bank Accounts have become Non-Performing Assets (NPA) subsequent to the balance sheet date. Due to non-re payment of debentures, the trustee of the debenture holders has filed the recovery petition with National Company Law Tribunal(NCLT), Bangalore Branch (Refer Note No. 17(i), 17(ii) & 36 (a)(iii)to the consolidated Ind-AS financial statements).

3. The Company has accounted certain Income /expenses directly to retained earnings instead of routing through the Statement of Profit & Loss during the year (Refer Note no. 16 (ii) to the Ind-AS Standalone financial statements).

4. The Group is working on item wise calculation/reconciliation of Deferred Tax assets and liabilities as on 31st March, 2019. Accounting entries resulting from such reconciliation is still pending. (Refer Note no. 9a to the Ind-AS consolidated financial statements).

5. The Group has not accepted any deposits during the year. However, the group has collected Rs. 897 Lakhs as advance against their proposed residential projects in the earlier year, which have now been abandoned and such receipts, now are in the nature of deemed deposits under Rule 2(c)(xii)(b) Companies Acceptance of deposit (Rules) 2014 and which are also attracted by sections 73 to 76 of the Companies Act, 2013. Out of the said amount the Group has subsequently refunded Rs. 763 Lakhs and is in the process of refunding the remaining balance of Rs.134 Lakhs. The amount and disclosure requirements of deemed deposit which are required by the relevant act and directives issued by the Reserve Bank of India have not yet been ascertained (Refer Note no. 45 to the consolidated Ind-AS standalone financial statements).

Our opinion is not modified in respect of these matters.

Other Matters

We did not audit the financial statements of one joint venture, whose financial statements reflect total assets of Rs. 6,557/-Lakhs as at March 31, 2019, total revenues of Rs. NIL, total net loss of Rs. NIL, and total comprehensive income of Rs. NIL and cash flows (net) of Rs. 3/- Lakhs for the year ended on March 31, 2019, which has not been considered material for consolidation of financial results considering the requirements of Standard of Auditing (SA 600) on 'materiality'. This financial statement is unaudited and has 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, are based solely on such unaudited financial statements.

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

Report on Other Legal and Regulatory Requirements

1) Companies (Auditor's Report) Order, 2016 ("the Order") issued by the central government of India in terms of the sub-section (11) of section 143 of the Act, is not applicable on the consolidated Ind-AS financial statements as referred in proviso to Para 2 of the said Order.

2) As required by Section 143(3) of the Act, we report, to the extent applicable, that:

   a) We have sought and obtained all the information and explanations except information related to deferred tax and actuarial valuation as on 31.03.2019 as stated in Note no. 9(a) and 33(c) to the consolidated Ind-AS financial statements, which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid financial statements have been kept so far as it appears from our examination of those books.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind-AS financial statements.

d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with the relevant rules issued thereunder.

e) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in **"Annexure – A"**.

f) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of financial statements provided by the management in case of the joint venture as noted in the "Other Matters" paragraph above:

(i) The Ind-AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its joint venture – Refer Note 36 & Note 43(a)(iv) to the consolidated Ind-AS financial statements.

(ii) The Group and its joint venture did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies and joint venture.

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

Sd/-
(Bidyut Prakas Bhattacharya)
Partner
Membership No. 053906

Place: Bangalore
Date: 30th May 2019

"Annexure-A" to the Independent Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind-AS financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of **NEL Holdings Ltd.** (hereinafter referred as "the Holding Company") in conjunction with our audit of the consolidated Ind-AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies and its joint venture are responsible for establishing and maintaining internal financial controls based on the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI).These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained in terms of our report referred to in the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

According to the information and explanations given to us, and based on our audit, the Holding Company, its subsidiary companies and joint venture, in our opinion, have generally maintained, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were generally operating effectively as of March 31, 2019 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the "Guidance Note on Audit of Internal Financial Controls over Financial Reporting" issued by the Institute of Chartered Accountants of India.
However certain areas need further improvement in designing the Documentation on Internal Financial Controls of the Company in respect of engagement of channel partners ensuring with RERA registration, issue of handover certificate to customers, IR/GR, incorporating the process flow by which the aforesaid transactions are initiated, authorized, processed, recorded, and reported at departmental level.

Our opinion is not qualified in respect of the above matters.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting, in so far as it relates to five subsidiary companies and one joint venture, is based on the corresponding reports of the companies. The joint venture is unaudited.

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

Sd/-
(Bidyut Prakas Bhattacharya)
Partner
Membership No. 053906

Place: Bangalore

Date: 30th May 2019

NEL Holdings Limited (Formerly known as Nitesh Estates Limited)
Consolidated Balance Sheet as at March 31, 2019
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Notes	31-Mar-19 ₹	31-Mar-18 ₹
Assets			
Non- current assets			
Property, plant and equipment	4	105	234
Capital work-in-progress	4a	41,629	41,629
Investment Property	4b	-	22,715
Goodwill	5	161	2,755
Other Intangible assets	5	10	17
Financial assets			
Investments	6	5,343	4,335
Loans	8	318	644
Deferred tax assets (net)	9	1,782	2,646
Other non-current assets	12	-	27,737
		49,349	**1,02,712**
Current assets			
Inventories	7	1,70,808	78,655
Financial assets			
Investments	6	-	6
Trade receivables	10	4,549	6,726
Cash and cash equivalents	13	314	640
Bank balance other than cash and cash equivalents	14	-	-
Loans	8	2,140	1,147
Other current financials assets	11	-	10
Other current assets	12	59,132	41,184
		2,36,943	**1,28,368**
Total assets		**2,86,292**	**2,31,080**
Equity and liabilities			
Equity			
Equity share capital	15	**14,583**	**14,583**
Other equity	16	(44,232)	(23,534)
Total equity		**(29,649)**	**(8,951)**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	17	-	33,919
Other financial liabilities	18	-	905
Other Liabilities	19	330	207
Provisions	20	290	346
		620	**35,377**
Current liabilities			
Financial liabilities			
Borrowings	17	1,02,066	96,674
Trade payables	22		
Total outstanding dues of micro enterprises and small enterprises		162	67
Total outstanding dues of creditors other than micro enterprises and small enterprises		27,857	31,893
Other current financial liabilities	18	4,713	51,903
Other current liabilities	19	1,80,066	23,901
Provisions	20	371	82
Current Tax Liabilities (Net)	21	85	134
		3,15,320	**2,04,654**
Total liabilities		**3,15,940**	**2,40,031**
Total equity and liabilities		**2,86,291**	**2,31,080**

The accompanying notes form an integral part of the financial statements
As per our report of even date attached

For **Ray & Ray**
Chartered Accountants
Firm registration number: 301072E

for and on behalf of the Board of Directors of
NEL Holdings Limited(Formerly known as Nitesh Estates Limited)

Sd/-
Nitesh Shetty
Managing Director

Sd/-
L.S. Vaidyanathan
Executive Director
DIN: 00304652

Sd/-
Rakesh Singh
Chief Executive Officer

Sd/-
Bidyut Prakas Bhattacharya
Partner
Membership No. 053906

Sd/-
Kamal Daluka
Executive Director & Chief Financial Officer

Sd/-
Prasant Kumar
Company Secretary

Place: Bangalore
30th May 2019

NEL Holdings Limited (Formerly known as Nitesh Estates Limited)
Consolidated Statement of Profit and Loss for the year ended March 31, 2019
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Notes	31-Mar-19 ₹	31-Mar-18 ₹
Revenue from operations	23	11,292	3,625
Other income	24	23	2,004
Total income		**11,315**	**5,629**
Expenses			
Land and construction cost	25	98,223	8,903
(Increase)/ decrease in inventories of stock of flats, land stock and work-in-progress	25a	(92,154)	(2,409)
Employee benefits expense	26	2,020	3,004
Finance cost	27	9,489	13,983
Depreciation and amortization expense	28	42	1,264
Other expenses	29	10,152	7,571
Total expenses		**27,772**	**32,316**
Profit/(loss) before share of profit/(loss) of Investments accounted for using equity method and tax		**(16,457)**	**(26,687)**
Share of net profit of associates and joint venture accounted for using equity method		-	(22)
Profit/(loss) before tax		**(16,457)**	**(26,709)**
Tax expenses			
Current tax		44	-
Deferred tax	30	49	(1,087)
Total tax expense		**93**	**(1,087)**
Profit/(loss) for the year		**(16,550)**	**(25,622)**
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains/ (losses) on defined benefit plan		5	51
FVOCI-Equity Investments		-	(5,405)
Tax relating to these items		(6)	1,843
Other comprehensive income for the year, net of tax		**(1)**	**(3,511)**
Total comprehensive income for the year		**(16,551)**	**(29,133)**
Earnings per equity share [nominal value of Rs 10 (Previous year - Rs 10)]			
Basic		-11.35	-17.57
Diluted		-11.35	-17.57

The accompanying notes form an integral part of the financial statements
As per our report of even date attached

For **Ray & Ray**
Chartered Accountants
Firm registration number: 301072E

Sd/-
Bidyut Prakas Bhattacharya
Partner
Membership No. 053906

Bangalore
30th May 2019

for and on behalf of the Board of Directors of
NEL Holdings Limited(Formerly known as Nitesh Estates Limited)

Sd/-
Nitesh Shetty
Managing Director
DIN: 00304555

Sd/-
L.S. Vaidyanathan
Executive Director
DIN: 00304652

Sd/-
Rakesh Singh
Chief Executive Officer

Sd/-
Kamal Daluka
Executive Director & Chief Financial Officer

Sd/-
Prasant Kumar
Company Secretary

NEL Holdings Limited (Formerly known as Nitesh Estates Limited)
Consolidated Statement of Cash Flows for the year ended March 31, 2019
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Notes	31-Mar-19 ₹	31-Mar-18 ₹
Operating activities			
Profit/ (Loss) before tax		(16,457)	(26,709)
Adjustments to reconcile profit before tax to net cash flows:			
Other Comprehensive Income		(2)	
Depreciation of property, plant and equipment		35	1,246
Amortization of intangible assets		7	18
Amortization of fit out liability		-	170
Share of profit/(loss) from investment in AOP		-	22
Profit from sale of fixed assets		-	(3)
(Gain)/ loss on disposal of investments		1,738	3,558
Provisions no longer required written back		-	(275)
Dividend from current investments		-	(41)
Finance income		-	(604)
Finance costs (including fair value change in financial instruments)		9,843	13,983
Expected Credit Loss Allowance against Advances		3,808	117
Adjustment of earlier loss/(profit) on account of cessation of Associates		-	7,286
Transition Ind AS adjustment		(18,663)	-
Other Adjustment		(2,777)	
Profit before Working Capital changes		**(22,468)**	-
Working capital adjustments:		-	-
(Increase)/ decrease in trade receivables		2,375	(3,158)
(Increase)/ decrease in current other financial and non-financial assets		(2,005)	(10,095)
(Increase)/ decrease in Inventories		(92,983)	(2,409)
(Increase)/ decrease in non current other financial and non-financial assets		-	4,887
Increase/ (decrease) in Other financial liabilities		68,929	(7,130)
Increase/ (decrease) in trade payables		-	5,772
Increase/ (decrease) in provisions		(1,404)	(2,473)
Increase/ (decrease) in other non-financial liabilities		49,300	2,268
	-	1,744	(12,338)
Income tax paid (net of refund)		(6)	-
Net cash flows from/ (used in) operating activities (A)		**1,738**	**(12,338)**
Investing activities			
Purchase of property, plant and equipment (including capital work-in-progress and capital advances)		(32)	(1,539)
Purchase of intangibles		-	(10)
Proceeds from sale of property, plant and equipment		-	5
Dividend income		-	41
Proceeds from maturity of fixed deposits of maturity between 3months and 12 months		-	365
Proceeds from sale of investment		3,958	972
Interest received		-	605
Net cash flows from/ (used in) investing activities (B)		**3,926**	**439**
Financing activities			
Proceeds from short-term borrowings		3,729	25,822
Interest paid (gross)		(9,666)	(12,298)
Net cash flows from/ (used in) financing activities (C)		**(5,937)**	**13,524**
Net increase/ (decrease) in cash and cash equivalents		(273)	393
Cash and cash equivalents at the beginning of the year	640		247
Less:Opening Cash Balance of Nitesh Pune Mall	53	587	
Cash and cash equivalents at the end of the year		**314**	**640**
Components of cash and cash equivalents			
Cash on hand		2	8
Balance with banks			
- on current account		312	632
- on deposit account		-	-
Total cash and cash equivalents		**314**	**640**

Note:
(a) The above cash flow statement has been prepared under the "Indirect Method" as set out in Ind AS 7- Statement of Cash Flow".

The accompanying notes form an integral part of the financial statements
As per our report of even date attached

For **Ray & Ray**
Chartered Accountants
Firm registration number: 301072E

Sd/-
Bidyut Prakas Bhattacharya
Partner
Membership No. 053906

Place: Bengaluru, India
30th May 2019

for and on behalf of the Board of Directors of
NEL Holdings Limited(Formerly known as Nitesh Estates Limited)

Sd/-
Nitesh Shetty
Managing Director
DIN: 00304555

Sd/-
Rakesh Singh
Chief Executive Officer

Sd/-
L.S. Vaidyanathan
Executive Director
DIN: 00304652

Sd/-
Kamal Daluka
Executive Director &
Chief Financial Officer

Sd/-
Prasant Kumar
Company Secretary

NEL Holdings Limited (Formerly known as Nitesh Estates Limited)
Consolidated Statement of Changes in Equity for the year ended March 31, 2019
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

a. Equity share capital

	No of Shares	Amount in ₹`
Equity shares of `₹ 10 each issued, subscribed and fully paid		
At March 31, 2018	14,58,32,100	14,583
At March 31, 2019	**14,58,32,100**	**14,583**

b. Other equity
For the year ended March 31, 2019

	Reserves and surplus		Other Reserve	
	Securities premium	**Retained Earnings**	**Fair Value through Other Comprehensive Income- Equity Instrument**	**Total**
				₹
As at 1 April 2017	31,259	(32,946)		**(1,687)**
	-	-		
Loss for the period	-	(25,622)	-	(25,622)
Other comprehensive income	-	51	(3,562)	(3,511)
Adjustment of earlier loss/(profit) on account of cessation of Associates		7,286	-	7,286
Total comprehensive income	-	(18,285)	(3,562)	(21,847)
	-	-		
As at 31 March 2018	**31,259**	(51,231)	(3,562)	(23,534)
As at 1 April 2018				
Loss for the period	-	(16,550)	-	(16,550)
Other comprehensive income	-	5	(6)	(1)
Transition adjustment for implementation of Ind AS 115		(18,663)		(18,663)
Others**		(2,777)		(2,777)
Adjustment on Sale of Koregaon Park High Street Private Limited(Formerly known as Nitesh Pune Mall Private Limited), a subsidiary company***		17,293	-	17,293
Total comprehensive income	-	(20,692)	(6)	(20,698)
As at 31 March 2019	**31,259**	(71,923)	(3,568)	(44,232)

* As required under Ind AS complaint Schedule III, the Group has recognized remeasurement gains/(losses) of defined benefit plans (net of tax) as part of retained earnings.

**The Group has adjusted Deferred Tax Asset/Liability Rs 2,935 lakhs and Allowance for doubtful debts/advances Rs 158 lakhs with retained earnings instead of disclosing in Statement of Profit & Loss Account.

***During the year Koregaon Park High Street Private Limited(Formerly known as Nitesh Pune Mall Private Limited), a wholly owned step down subsidiary has been sold to outside party as on 21st Feb 2019 and accordingly the assets and liabilities of the company are adjusted with the sale proceeds.

The above statement of changes in equity should be read in conjunction with the accompanying notes.
As per our report of even date

For **Ray & Ray**
Chartered Accountants
Firm registration number: 301072E

for and on behalf of the Board of Directors of
NEL Holdings Limited(Formerly known as Nitesh Estates Limited)

Sd/-
Nitesh Shetty
Managing Director
DIN: 00304555

Sd/-
L.S. Vaidyanathan
Executive Director
DIN: 00304652

Sd/-
Rakesh Singh
Chief Executive Officer

Sd/-
Bidyut Prakas Bhattacharya
Partner
Membership No. 053906

Sd/-
Kamal Daluka
Executive Director & Chief Financial Officer

Sd/-
Prasant Kumar
Company Secretary

Bangalore
30th May 2019

NEL Holdings Limited (Formerly known as Nitesh Estates Limited)
Notes to the financial statements for the year ended March 31, 2019

1 Corporate Information

NEL Holdings Limited(Formerly known as Nitesh Estates Limited) (‘the Company’ or ‘NEL’ or ‘the holding company’) was incorporated on February 20, 2004. The Group as a real estate developer engaged in the business of development, sale, management and operation of all or any part of housing and hotel projects, commercial premises and other related activities. The Consolidated financial statements relate to NEL Holdings Limited(Formerly known as Nitesh Estates Limited) ('the Company') its subsidiary companies, joint ventures and associate as referred in Note 43 (collectively referred as 'the Group')

2 Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

Compliance with Ind AS

The consolidated financial statements are prepared in all material respect in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the Act.

Adoption of IND AS 115 - Revenue from Contracts with Customers

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. The Group has applied the "modified restrospective approach"(cumulative catch-up transition method), to contracts that were not completed as on April 01, 2018. In accordance with this transition method, the comparatives have not been retrospectively restated, but the effect on those contracts have been taken to Retained Earnings as on 01.04.2018 (Refer Note 44 for impact of IND AS 115). The comparative information continues to be reported under erstwhile Ind AS 18 and Ind AS 11.

The financial statements have been prepared on the historical cost basis, except for the following assets and liabilities which have been measured at fair value:

► Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

The financial statements are presented in INR and all values are rounded to the nearest Lakhs, except when otherwise indicated.

Amended standards adopted by the Group

a) Basis of consolidation

i. Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are deconsolidated from the date that control ceases.

Consolidation procedure

a. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Holding Company with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.

b. Offset (eliminate) the carrying amount of the Holding Company’s investment in each subsidiary and the Holding Company’s portion of equity of each subsidiary. The manner of accounting for any related goodwill is explained below.

c. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

d. The financial statements of all subsidiaries used for the purpose of consolidation are drawn up to same reporting date as that of the Holding Company, i.e., year ended on March 31st and are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

e. Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of Profit and Loss, consolidated Statement of Changes in Equity and Balance Sheet respectively.

f. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through OCI. After initial recognition, goodwill is measured at cost less any accumulated impairment losses and tested for impairment annually.

If the Group loses control over a subsidiary, it:

-Derecognizes the assets (including goodwill) and liabilities of the subsidiary
-Derecognizes the carrying amount of any non-controlling interests
-Derecognizes the cumulative translation differences recorded in equity
-Recognizes the fair value of the consideration received
-Recognizes the fair value of any investment retained
-Recognizes any surplus or deficit in profit or loss
-Reclassifies the parent’s share of components previously recognized in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

ii. Associates

Associates are all entities over which the group has significant influence but not control or joint control

This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognized at cost.

iii. Joint Venture

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.
The results, assets and liabilities of joint venture are incorporated in the consolidated financial statements using equity method of accounting after making necessary adjustments to achieve uniformity in application of accounting policies, wherever applicable.

iv. **Equity method**

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the group`s share of the post acquisition profits or losses of the investee in profit and loss, and the group`s share of other comprehensive income of the investee in 'Other Comprehensive Income'.
When the group`s share of losses in an equity accounted investment equals or exceeds its interest in the entity, including any other unsecured long term receivable, the group doesn't recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealized gains on transactions between the group and its associates and joint venture are eliminated to the extent of the group`s interest in its entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of the equity accounted investments are tested for impairment in accordance with the policy described in Note no 45 - 'First time adoption to Ind AS'.

b) Business combinations and goodwill

In accordance with Ind AS 101 provisions related to first time adoption, the Group has elected to apply Ind AS accounting for business combinations prospectively from the date of transition, i.e., April 1, 2016. As such, Previous GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward. The same first time adoption exemption is also used for joint ventures.

2.2 Summary of significant accounting policies

a) Revenue recognition

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Group is expected to be entitled to in exchange for those goods or services. Revenue also excludes taxes collected from customers.
Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price allocated to that performance obligation, net of variable consideration, if any.
Variable consideration, af any, is on account of discounts or schemes offered by the Group as part of the contract. This variable consideration is estimated based on the expected value of outflow.
Revenue is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty, if any, relating to its recognition is resolved.

The specific recognition criteria described below must also be met before revenue is recognised.

i. Income from lease of commercial properties

Rental income receivable under operating leases is recognized in the income statement as and when due over the lease period.

ii. **Recognition of revenue from real estate development**

Revenue from real estate projects is recognised at a point-in-time upon registration of the property in favour of the customer, which, in the opinion of the Group, marks the transfer of control upon the property and also the satisfactory discharge of the Group's performance obligation.

For projects executed through joint development arrangements, wherein the land owner / possessor provides land and the Group undertakes to develop properties on such land and in lieu of land owner providing land, the Compant has agreed to transfer certain percentage of constructed area or certain percentage of revenue proceeds. The project costs include fair value value of land being offered for the project and revenue from the development and transfer of constructed area / revenue sharing arrangement in exchange of such development rights / land is accounted on gross basis.

Revenue is measured at the fair value of land received, adjusted by the amount of any cash or cash equivalents transferred. When the fair value of land received cannot be measured reliably, revenue is measured at the fair value of the estimated construction service rendered to the landowner, adjusted by the amount of any cash or cash equivalents transferred. The fair value so estimated is considered as the cost of land in determining the project cost.

iii. **Contract Assets and Contract Liabilities**

Contract Assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

A Contract Liability is recognised for an unearned or deferred revenue due to billing as per contractual terms in excess of revenue recognised. Bills are raised as per schedules agreed with customers to collect milestone based progress payments within contractually agreed credit period.

iv. Interest income

Interest income, including income arising from other financial instruments, is recognized using the effective interest rate method.

For all debt instruments measured either at amortized cost , interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

vii. Dividend income

Revenue is recognized when the shareholders' or unit holders' right to receive payment is established, which is generally when shareholder approve the dividend.

viii. Share in profit/ (loss) from Investments in Association of Persons (AOP)

The Holding Company’s share in profits from AOP as per the terms of the agreement, where the holding Company is a member, is recognized on the basis of such AOP’s accounts.

b) Property, plant and equipment

Since there is no change in the functional currency, the Group has elected to continue with the carrying value for all of its property, plant and equipment as recognized in its Indian GAAP financial statements as deemed cost at the transition date, viz., 1 April 2016.

Property, plant & equipment are carried at cost of acquisition or construction less accumulated depreciation. The cost of fixed assets includes freight, duties, taxes and other incidental expenses related to the acquisition or construction of the respective assets.

Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized. Other borrowing costs are expensed as incurred.

Subsequent costs are included in the asset`s carrying amount or recognized as separate asset, as appropriate, only when it is probable that future economic benefits associated with the item with the item will flow to the Group and the cost of the item can be measured reliably. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of Profit and Loss for the period during which such expenses are incurred.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

c) Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is provided 'Written Down Value Method' based on useful life as prescribed under Schedule II of Companies Act 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

d) Intangible Assets

Intangible assets are stated at cost less accumulated amortization and net of impairments, if any. An intangible asset is recognized if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group and its cost can be measured reliably. Intangible assets/ Computer software is amortized using straight line method over a period of 5 years, which is estimated by the management to be the useful life of the asset.

Since there is no change in the functional currency, the Group has elected to continue with the carrying value for all of its intangible assets as recognized in its Indian GAAP financial statements as deemed cost at the transition date, viz., 1 April 2016.

e) Investment Property

Ind AS 101 permits a first-time adopter to measure an item investment property and investment property under construction at the date of transition to Ind AS at its fair value and use that fair value as its deemed cost at that date.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Costs including subsequent costs and borrowing costs for long-term construction projects are recognised only if the recognition criteria are met. When significant components of the investment property are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are de-recognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of de-recognition.

f) **Segment reporting**

Identification of segments - The Group's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

Unallocated items - Unallocated items include general corporate asset, liability, income and expense items which are not allocated to any business segment

Segment accounting policies - The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

g) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Group's functional and presentation currency.

Foreign currency transactions and balances

i) Initial recognition: Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii) Conversion: Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

iii) Exchange difference: The Group accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as income or as expense in the period in which they arise.

h) Impairment of non financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses, including impairment on inventories, are recognised in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

i) Impairment of financial assets

The Group assesses at each date of Balance Sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognizes lifetime expected losses for all contract assets that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

j) Current versus non-current classification

The Group presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The real estate development projects undertaken by the Group run over a period ranging upto 5 years or such extended period. Operating assets and liabilities relating to such projects are classified as current based on an operating cycle of upto 5 years or such an extended period. Borrowings in connection with such projects are classified as short-term (i.e current) since they are payable over the term of the respective projects.

Assets and liabilities, other than those discussed above, are classified as current to the extent they are expected to be realized / are contractually repayable within 12 months from the Balance Sheet date and as non-current, in other cases.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

k) Fair value measurement

The Group measures financial instruments, such as Investments at fair value at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

► In the principal market for the asset or liability, or
► In the absence of a principal market, in the most advantageous market for the asset or liability
The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.
All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
► Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
► Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
► Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

l) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:
Debt instruments at amortized cost
Debt instruments at fair value through other comprehensive income (FVTOCI)
Debt instruments and equity instruments at fair value through profit or loss (FVTPL)
Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortized cost
A 'debt instrument' is measured at the amortized cost if both the following conditions are met:
a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows,
and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Equity investments in joint ventures
The Group has availed the option available in Ind AS 27 to carry its investment in joint ventures at cost. Impairment recognized, if any, is reduced from the carrying value.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognized when:
► The rights to receive cash flows from the asset have expired, or
► The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as payables, as appropriate.
The Group’s financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:

m) Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.
Gains or losses on liabilities held for trading are recognized in the profit or loss.

Loans and borrowings
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.
Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

n) Trade and other payables
These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

o) Borrowing costs
Borrowing costs directly attributable to acquisition/ construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use/ sale. All other borrowing costs not eligible for inventorisation/ capitalization are charged to statement of Profit and Loss.

p) Cash and cash equivalents
Cash and cash equivalents for the purposes of Cash Flow Statement comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less , which are subject to an insignificant risk of changes in value. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal usage.

q) Retirement and other employee benefits
Retirement benefit in the form of provident fund is a defined contribution scheme and the contributions are charged to the statement of Profit and Loss of the year when the contributions to the provident fund are due. There are no other obligations other than the contribution payable to the government administered provident fund.

Provision towards gratuity, a defined benefit plan, is made for the difference between actuarial valuation by an independent actuary and the fund balance, as at the year-end. The cost of providing benefits under gratuity is determined on the basis of actuarial valuation using the projected unit credit method at each year end.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group does not have any carry forward of unutilized leave balance.

Expense in respect of other short term benefits is recognized on the basis of the amount paid or payable for the period for which the services are rendered by the employee.

r) Provisions

A provision is recognized when the group has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each Balance Sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, increase in the provision due to the passage of time is recognized as a finance cost.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

s) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

t) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

u) Taxes

Tax expense comprises of current and deferred tax.

Current income tax

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred income tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax assets and liabilities are recognised for all taxable temporary differences, except:

> In respect of taxable temporary differences associated with investments in subsidiaries when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Minimum Alternative Tax (MAT) may become payable when the taxable profit is lower than the book profit. Taxes paid under MAT are available as a set off against regular corporate tax payable in subsequent years, as per the provisions of Income Tax Act. MAT paid in a year is charged to the statement of profit and loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of MAT under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as “MAT Credit Entitlement.” The Group reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

v) Land

Advances paid by the Group, except for acquisition of fixed assets/ investment properties, to the seller/ intermediary towards outright purchase of land is recognized as land advance under loans and advances during the course of obtaining clear and marketable title, free from all encumbrances and transfer of legal title to the Group, whereupon it is transferred to work in progress. Deposits paid by the Group to the seller towards right for development of land in exchange of constructed area are recognized as land advance under loans and advances, unless they are non-refundable, wherein they are transferred to work-in-progress or capital work in progress on the launch of project.

Land/ development rights received under joint development arrangements is measured at the fair value of the estimated construction service rendered to the land owner and the same is accounted on launch of the project. Further, non-refundable deposit amount paid by the Group under joint development arrangements is recognized as land advance under other assets and on the launch of the project, the non-refundable amount is transferred as land cost to work-in-progress.

w) Leases

Where the Group is lessee

Finance leases, which effectively transfer to the Group substantially all the risks and benefits incidental to ownership of the leased asset, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are recognized as finance costs in the statement of profit and loss.

A leased asset is depreciated on a straight-line basis over the lower of the lease term or the estimated useful life of the asset unless there is reasonable certainty that the Group will obtain ownership, wherein such assets are depreciated over the estimated useful life of the asset.

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Where the Group is lessor
Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

x) Inventories
Direct expenditure relating to real estate activity is accounted to inventories. Other expenditure (including borrowing costs) during construction period are accounted to inventories to the extent the expenditure is directly attributable cost of bringing the asset to its working condition for its intended use. Other expenditure (including borrowing costs) incurred during the construction period which is not directly attributable for bringing the asset to its working condition for its intended use is charged to the statement of profit and loss. Direct and other expenditure is determined based on specific identification to the real estate activity.

i) **Work-in-progress**: Represents cost incurred in respect of unsold area (including land) of the real estate development projects or cost incurred on projects where the revenue is yet to be recognized. Work-in-progress is valued at lower of cost and net realizable value.

ii) Finished goods - Stock of Flats: Valued at lower of cost and net realizable value.
iii) Raw materials, components and stores: Valued at lower of cost and net realizable value. Cost is determined based on FIFO basis.
iv) Land stock: Valued at lower of cost and net realizable value.
Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

3 Significant accounting judgements, estimates and assumptions

The preparation of consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires the Group to make judgements, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Judgements

In the process of applying the accounting policies, the group has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

i) Going concern
These consolidated 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.
These consolidated 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 Group is unable to continue as a going concern.

ii) Classification of property
The Group determines whether a property is classified as investment property or inventory as below.
Investment property comprises land and buildings (principally office and retail properties) that are not occupied substantially for use by, or in the operations of, the Group, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business.
Inventory comprises property that is held for sale in the ordinary course of business. Principally, this is residential and commercial property that the Group develops and intends to sell before or during the course of construction or upon completion of construction.

b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

i) Determination of Contract Costs

Cost of property units for which revenue is recognised on registration, is charged to the statement of Profit & Loss on the basis of an appropriate ratio of overall budgeted cost (as reviewed from time to time to closely approximate the actual cost) for the project as a whole since it is impracticable to track actual costs for each registerable unit of property. Significant judgement and estimation is involved in budgeting the overall cost of the project and in determining the ratio applicable to each registerable unit of property.

ii) Accounting for revenue and land cost for projects executed through joint development arrangements ('JDA')

For projects executed through joint development arrangements, as explained in note 2.2(a) under significant accounting policies, the revenue from the development and transfer of constructed area/revenue sharing arrangement and the corresponding land/ development rights received under JDA is measured at the fair value of the estimated construction service rendered to the land owner and the same is accounted on launch of the project. The fair value is estimated with reference to the terms of the JDA (whether revenue share or area share) and the related cost that is allocated to discharge the obligation of the Group under the JDA. Fair value of the construction is considered to be the representative fair value of the revenue transaction and land so obtained. Such assessment is carried out at the launch of the real estate project and is not reassessed at each reporting period. The management is of the view that the fair value method and estimates are reflective of the current market condition.

iii) Estimation of net realizable value for inventory (including land advance)

Inventory is stated at the lower of cost and net realizable value (NRV).

NRV for completed inventory property is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Group, based on comparable transactions identified by the Group for properties in the same geographical market serving the same real estate segment.

NRV in respect of inventory property under construction is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and an estimate of the time value of money to the date of completion.

With respect to Land advance given, the net recoverable value is based on the present value of future cash flows, which depends on the estimate of, among other things, the likelihood that a project will be completed, the expected date of completion, the discount rate used and the estimation of sale prices and construction costs.

iv) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and market risk. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

v) Provisions and contingent liabilities

A provision is recognized when the Group has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which the reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date adjusted to reflect the current best estimates. Contingent liabilities are not recognized in the financial statements. A contingent asset is neither recognized nor disclosed in the financial statements.

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

4 Property, plant and equipment

₹

	Leasehold improvements	Office Equipment	Computer	Furniture & fixtures	Vehicles	Total
Cost						
At 1 April 2017	21	75	34	234	94	457
Additions	-	12	10	-	-	22
Disposals	-	-	-	-	2	2
At 31 March 2018	**21**	**87**	**44**	**234**	**92**	**477**
Additions	-	20	2	6	-	28
Disposals	-	-	-	-	-	-
Other adjustments-Note 1	-	37	12	190	1	240
At 31 March 2019	**21**	**70**	**34**	**50**	**91**	**265**
Depreciation and impairment						
At 1 April 2017	17	31	13	59	24	145
Charge for the year	3	19	11	46	20	100
Disposals	-	1	-	-	-	1
At 31 March 2018	**21**	**50**	**24**	**105**	**44**	**244**
Charge for the year	0	10	4	7	14	35
Disposals	0	0	0	0	0	-
Other adjustments-Note 1	0	28	5	87	0	120
At 31 March 2019	**21**	**32**	**24**	**25**	**58**	**160**
Net Book value						
At 31 March 2019	**0**	**38**	**9**	**25**	**33**	**105**
At 31 March 2018	**0**	**38**	**19**	**129**	**48**	**234**

4a Capital Work in progress

	Investment property under construction	Property, Plant and Equipment	Total
Cost			
At 1 April 2017	41656	-	41,656
Additions	40	-	40
Capitalized during the year	67	-	67
At 31 March 2018	**41,629**	**-**	**41,629**
Additions	0	-	-
Capitalized during the year	0	-	-
At 31 March 2019	**41,629**	**-**	**41,629**

Investment properties under construction
Capital Work-in-Progress represents investment in land and properties under construction of holding company and one of its subsidiaries which has been valued at fair value in the FY 2016-17, as per IND AS requirement. The Management is of the view that there is no significant change in fair value of properties and is in the process of valuing the properties from an independent valuer.

i) Due to non co-operation of land owner and pending arbitration proceedings between the Holding Company and the Land owner, the development of one of the property i.e. Chelsea project amounting Rs 2,684/- Lakhs has been suspended by the Company.

ii.) Nitesh Indiranagar Retail Private Limited (NIRPL), which is a 100% subsidiary of NEL, has entered into Joint Development Agreement with land owner dated 11th February, 2011 and paid the Non- refundable deposit amounting Rs. 105,50,00,000. As per the arbitration award dated 25th April, 2018, the NIRPL has been awarded a refund of Rs. 42,45,00,000 from the respondent (land owners) out of the non refundable deposit of Rs.105,50,00,000 with interest @ 9% p.a. from the date of award to the date of actual payment.The company has filed a writ petition before the Honorable City Civil Court, Bengaluru challenging the Arbitration award.The Honorable City Civil Court has granted a temporary injunction in favour of the company.

4b Investment Property

	Freehold Land	Project permits and approvals	Mall Building	Machinery	Electrical installation	Total
Cost						
At 1 April 2017	5492	2000	15184	1501	826	25,003
Additions	-	9	99	-	-	107
Disposals	-	-	-	-	-	-
At 31 March 2018	**5,492**	**2,009**	**15,283**	**1,501**	**826**	**25,110**
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Other adjustments – Note 1	(5,492)	(2,009)	(15,283)	(1,501)	(826)	(25,110)
At 31 March 2019	-	-	-	-	-	-
Depreciation and impairment						
At 1 April 2017	-	88	731	282	148	1,249
Charge for the year	-	93	703	229	122	1,147
Disposals	-	-	-	-	-	-
At 31 March 2018	**-**	**181**	**1,434**	**511**	**270**	**2,396**
Charge for the year	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Other adjustments	-	(181)	(1,434)	(511)	(270)	(2,396)
At 31 March 2019	-	-	-	-	-	-
Net Book value						
At 31 March 2019	-	-	-	-	-	-
At 31 March 2018	**5,492**	**1,827**	**13,849**	**990**	**556**	**22,714**

5 Intangible Assets

	Computer Software	Goodwill	Total
Cost			
At 1 April 2017	45	1317	1,362
Additions	10	1438	1,448
Disposals	-	-	-
Other adjustments	-	-	-
At 31 March 2018	**55**	**2,755**	**2,810**
Additions	-	-	-
Disposals			-
At 31 March 2019	**55**	**2,755**	**2,810**
Depreciation and impairment			
At 1 April 2017	20		20
Charge for the year	17		17
Disposals	-	-	-
At 31 March 2018	37	-	37
Charge for the year	7		7
Disposals			-
Other adjustments		2,594	2,594
At 31 March 2019	**45**	**2,594**	**2,639**
Net Book value			
At 31 March 2019	**10**	**161**	**170**
At 31 March 2018	**17**	**2755**	**2772**

Note 1-During the year Koregaon Park High Street Properties Private Limited(Formerly known as Nitesh Pune Mall Private Limited), a wholly owned step down subsidiary has been sold to outside party as on 21st Feb 2019 and accordingly the assets and liabilities of the company are adjusted with the sale proceeds.

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

6 Investments

	Current		Non-current ₹	
	31-Mar-19	**31-Mar-18**	**31-Mar-19**	**31-Mar-18**
A. Investment in equity instruments (fully paid)				
(i) Unquoted (measured at Fair value through Other comprehensive income)				
8,22,52,406 (2018:8,22,52,406) equity shares of Rs 10/- each fully paid in Nitesh Residency Hotels Private Limited	-	-	4,335	4,335
B. Investment in Mutual Fund (measured at Fair value through profit & loss)				
Mutual funds	-	6	-	-
C. Investments in Association of Persons	-	-	1,008	-
Nitesh Estates Whitefiled				
Total	**-**	**6**	**5,343**	**4,335**
Aggregate amount of quoted investments	-	-	-	-
Market value of quoted investments	-	-	-	-
Aggregate amount of unquoted investments	-	6	5,343	4,335
Aggregate amount of impairment in the value of investments	-	-	-	-

7 Inventories (as certified by management)

	31-Mar-19 ₹	31-Mar-18 ₹	31-Mar-19 ₹	31-Mar-18 ₹
Land	-	796		
Land held under joint development arrangements	91,190	54,859		
Properties under development	74,643	23,000		
Finished goods	4,975	-		
	1,70,808	**78,655**	**-**	**-**

8 Loans (Unsecured, considered good unless otherwise stated)

	Current		Non-current	
	31-Mar-19	**31-Mar-18**	**31-Mar-19**	**31-Mar-18**
Security deposit				
Unsecured, considered good	-	-	-	-
Security deposit -related parties	-	-	177	177
Security Deposit -others	9	119	141	467
*Refundable deposits under joint development agreements	2,131	1,028	-	-
	2,140	**1,147**	**318**	**644**

*Advances paid by Group to the land owners towards joint development of land is recognized as deposits since the advances is in the nature of refundable deposit.

9 Deferred tax Assets /(liabilities) (Net)

	Current		Non Current	
	31-Mar-18	**31-Mar-19**	**31-Mar-19**	**31-Mar-18**
Deferred tax liabilities				
a) Fair Valuation of investment Property under construction on the date of transition	-	-	4,419	4419
b) Fair Valuation of investment in Preference Share (Compound financial instrument)	-	-	209	209
c) Revenue recognition under gross accounting method	-	-	130	125
d)Others			800	-
Gross deferred tax liabilities (A)	**-**	**-**	**5558**	**4753**
Deferred tax assets			-	-
a) Depreciation and amortization	-	-	7	47
b) Leave encashment and gratuity - deductible on payment	-	-	63	83
c) Fair valuation of security deposit-Assets	-	-	-	-
d) Provision for advances	-	-	448	448
e) Fair valuation investments in equity shares	-	-	3,047	3,047
f) Others	-	-	79	79
g) Other Subsidiaries	-	-	3,695	3,695
Gross deferred tax assets (B)			**7340**	**7399**
Total	**-**	**-**	**1,782**	**2,646**

9a The Group is working on item wise calculation/reconciliation of Deferred Tax assets and liabilities as on 31st March, 2019. Adjustment resulting from such reconciliation will be accounted for on due course.

10 Trade receivables

	Current		Non-current	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
(a) Unsecured, considered good				
Trade receivables considered good -secured -related parties	10	338		
Trade receivables considered good -secured	4539	6388		
Trade receivables considered good -unsecured	-	-		
Trade receivables Credit impaired	6	175		
Less: Allowance for Trade Receivables	6	175		
	4,549	**6,726**		

11 Other financial assets

	Current		Non-current	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
(a) Unsecured, Considered good				
Interest accrued on deposits	-	10		
(b) Unsecured, considered doubtful	-	0		
Advances paid towards Joint Development	25254	21787		
Less: Expected Credit Loss Allowance against Advances *	25254	21787	-	-
	-	**10**		

* The Holding Company and its two subsidiary companies have advanced for acquiring land /immovable property under Joint Development. Considering the timelines as per joint development Agreements ranging between seven to ten years for the recoverability/conversion, the necessary provision has been made by the management in the books of account on the basis of life time expected credit loss. The Companies are in the process of taking necessary steps to recover these advances.

Accordingly a provision of Rs.3758 Lakhs [Refer Note no. 29] and an adjustment of(Rs.291) Lakhs have been accounted for during the year.

12 Other Assets

	Current		Non-current	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Unsecured, Considered good				
Non-refundable deposit towards JDA	14483	400	-	-
Vendor advances	8,187	-	-	82
Prepaid expenses - NFA	24	38	-	-
Advance for construction of inventory				
- To related parties		79	-	-
- To others	-	1792	-	-
Advance paid for purchase of properties				
- To related parties*	3,885	108	-	-
- To others	5,889	20949	-	-
Advances for supply of goods and rendering of services				
- To related parties	-	985	-	-
- To others	628	11105	-	-
Balances with government authorities	1931	1679	-	-
Others	241	545	-	65
Amount paid to related parties	-	3504	-	-
Other Payable	2669			
Contract asset-Unbilled Revenue	-	-	-	-
- Related parties	1,155	1155	-	
- Others	20037	26435	-	
Interest accrued on Deposits	3	-	-	-
	59,132	**68,774**	**-**	**147**
Unsecured, considered doubtful				
Advance paid for purchase of property and Transferable	88	48	-	-
Less: Expected Credit Loss Allowance against Advances	88	48	-	-
	-	-	-	-
	59,132	**68,774**	**-**	**147**

\# Other related party loans and advances are given to entities owned by or significantly influenced by key managerial personnel, towards real estate projects, which are in various stages of development/project set-up.

13 Cash and cash equivalent

	31-Mar-19	31-Mar-18
Cash on hand	2	8
Balances with banks		
- On current accounts*	312	632
	314	**640**

* The Deputy Commissioner of Commercial Tax,D.C.C.T (A&R) - 1.8, DVO-1 Yeshawantapur, Bengalore, has issued Demand Notice dated 22/10/2018 for payment of Tax under KVAT ACT 2003 amounting to Rs 327 Lakhs including interest of Rs 174 Lakhs and penalty Rs 14 Lakhs. For non-payment of demand as stated above the tax authority has frozen the following Bank accounts. All the frozen bank accounts remained non-operational as on 31st March, 2019

Banks	**Balance as on 31st Mar, 2019**
Axix Bank	2
Yes Bank	3
HDFC	4
Total	9

14 Bank balances other than cash and cash equivalents

	31-Mar-19	31-Mar-18
Other bank balances		
- Fixed Deposits with bank	-	-
-Margin money deposit	-	-
	-	**-**

15 Share Capital

	31-Mar-19 ₹	31-Mar-18 ₹
Authorized		
150,000,000 (2018 : 150,000,000) equity shares of Rs 10 each	15000	15000
5,000,000 (2018: 5,000,000) 9% Non Cumulative Redeemable Preference Shares of Rs 10 each	500	500
Issued, subscribed and fully paid shares		
145,832,100 (2018: 145,832,100) Equity shares of Rs.10 each	14583	14583
Total issued, subscribed and fully paid share capital	14,583	14,583

(a) Reconciliation of the shares outstanding at the beginning and end of the reporting year

	31-Mar-19		31-Mar-18	
	No of Shares	₹	No of Shares	₹
Equity shares				
At the beginning of the year	14,58,32,100	1,458	14,58,32,100	1,458
Issued during the year	-	-	-	-
Outstanding at the end of the year	14,58,32,100	1,458	14,58,32,100	1,458

(b) Rights, preferences and restrictions attached to equity shares

The Holding Company has only one class of equity shares having a par value of Rs 10 each. Each holder of equity shares is entitled to one vote per share. The Holding Comp declares and pays dividend in Indian rupees. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing Annual General meeting.

In event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Holding Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of shareholders holding more than 5% shares in the Company

	31-Mar-19		31-Mar-18	
	No of Shares	Holding percentage	No of Shares	Holding percentage
Equity shares of `10 each fully paid up				
Nitesh Shetty, Managing Director	4,30,73,295	30%	4,30,29,295	30%
Nitesh Industries Private Limited	1,80,70,276	12%	1,58,34,209	11%
HSBC Bank (Mauritius) Limited	92,00,189	6%	92,00,189	6%

As per records of the Holding Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

d) There have been no buy back of shares or issue of shares pursuant to contract without payment being received in cash for the period of five years immediately preceding the balance sheet.

16 Other equity

	31 March 2019 ₹	31 March 2018 ₹
RESERVES AND SURPLUS		
Securities premium	31259	31259
Retained earnings	(71,923)	(51,231)
	(40,664)	**(19,972)**
OTHER RESERVE		
FVOCI - Equity Instruments	(3,568)	(3,562)
	(3,568)	**(3,562)**
	(44,232)	**(23,534)**

(A) RESERVES AND SURPLUS

	31 March 2019	31 March 2018
(a) Securities premium		
Balance at the beginning of the year	31,259	31,259
Add: Adjustment during the year	-	-
Balance at the end of the year	**31,259**	**31,259**

Security premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies A

	31 March 2019	31 March 2018
(b) Retained earnings		
Balance at the beginning of the year	(51,231)	(32,946)
Profit/(loss) for the year	(16,550)	(25,622)
Transition adjustment for implementation of Ind AS 11	(18,663)	-
Others	(2,777)	-
Adjustment on Sale of Koregaon Park High Street Private Limited(Formerly known as Nitesh Pune Mall Private Limited), a subsidiary company	17,293	-
Other comprehensive income	5	51
Adjustment of earlier loss/(profit) on account of cessation of Associate	-	7,286
Balance at the end of the year	**(71,923)**	**(51,231)**

(B) OTHER RESERVE

	31 March 2019	31 March 2018
Fair Value through Other Comprehensive Income - Equity Instrument		
Balance at the beginning of the year	(3,562)	-
Add: Changes during the year	(6)	(3,562)
Balance at the end of the year	**(3,568)**	**(3,562)**
Total other equity	**(44,232)**	**(19,972)**

Note 16(i): In view of the loss for the year as well as carried forward accumulated losses, the holding company has not created debenture redemption reserve in respect of 18.5% non convertible redeemable debentures.

Note 16(ii):The Group has adjusted Deferred Tax Asset/Liability Rs 2,935 lakhs and Allowance for doubtful debts/advances Rs 158 lakhs with retained earnings instead of disclosing in Statement of Profit & Loss Account.

NEL Holdings Limited (Formerly known as Nitesh Estates Limited)
Notes to the consolidated financial statements for the year ended March 31, 2019
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

17 Borrowings

	Effective interest rate %	Maturity	31-Mar-19 ₹	31-Mar-18 ₹
Non-current Borrowings				
Secured loans				
- Non convertible debentures	Refer Note (iii) below	Refer Note (iii) below	-	33919
Total non-current Borrowings			**-**	**33,919**
Current Borrowings -Secured				
Term loan from banks			48690	46769
Loan from Financial Institutions	Refer Note (iii) below	Refer Note (iii) below	46831	44314
18.5 % Non convertible, redeemable debentures			5500	5500
			1,01,021	**96,584**
Unsecured loans				
- from a director			1	1
- from others			1044	89
			1,045	**90**
Total current Borrowings			**1,02,066**	**96,674**

Note:

(i) The Group's continuing liquidity constraint leading to non-servicing of principal and interest to the Banks/Financial Institutions resulted the following borrowing accounts as Non- Performing Assets(NPA) subsequent to the balance sheet date.The Group has provided interest till 31st March,2019 for these NPA Accounts. Loan principal and interest default figures as on 31st Mar, 2019 are given below:

Name of Bank	Principal Amount	Interest Amount	Total
HDFC Limited	722	3242	3964
Shriram City Union Finance Ltd	229	64	293
Yes Bank	-	3303	3303
	951	6609	7560

(ii) 18.5% non Convertible Redeemable Debentures are redeemable in 21 equal monthly instalment starting from July 15, 2016. The following amounts of such non convertible redeemable debentures, which became due on March 15, 2018 has not been paid as on the Balance sheet date.

Particulars	Amount
Principal Amount	5500
Interest Amount	3828
Total	**9,328**

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

(iii) Details of security and terms of loans and debentures

Particulars	Amount outstanding 31-Mar-19	31-Mar-18	Interest rate	Security details	Repayment terms
Term loans from banks	-	234	Base rate plus 4.10%.	i. Equitable mortgage of vacant land situated at Mulavukkad Village, Kanaynnur Taluk district registered with Kakanad Enterprises Private Limited, a Subsidiary Company. ii. Developers share of 13,621 sq ft of commercial area on an undivided basis in the Project Nitesh Ceasers Palace situated at Bangalore South Taluk registered with the Company. iii.Personal Guarantee of Mr. Nitesh Shetty. v. Guarantee of Subsidiary Company - Kakanad Enterprises Private Limited.	The amount is repayable in 42 monthly installments beginning 18 months from the date of first disbursement. The entire amount is repaid as on 31st March 2019.
Loan from Financial Institutions	3100	3700	Interest rate is based on the Corporate Prime Lending Rate (CPLR) plus / minus the spread that will be applicable from time to time on each disbursement. The banker's CPLR as on date of sanction was 17.55% per annum and the applicable rate for the said financial facility was 13.30% per annum.	i. Mortgage of developer's share of unsold units in Nitesh Park Avenue admesuting 0.62 acres and one Pent House (measuring 15221 sq. ft.) of the same project retained by Mr. Nitesh Shetty situated at Sankey Road, Vasant Nagar, Bangalore. ii. All future receivables of the project Nitesh Park Avenue. iii. Personal guarantee of Mr. Nitesh Shetty.	Repayment starts from the begining of 25th Month from the date of first disbursement
Loan from Financial Institutions	34	151	Interest rate is based on the PNBHFR plus / minus the spread that will be applicable from time to time on each disbursement. The FR as on date of sanction was 14.35% per annum and the applicable rate for the said financial facility was 14% per annum.	i. Mortgage of two unsold units in Nitesh Central Park and two unsold units in Nitesh Flushing Meadows.	The loan is repayable in 60 equated monthly installments of Rs.599,158 pm starting from immediately nest month of disbursement.
Loan from Financial Institutions	23124	21808	Interest rate is based on the Corporate Prime Lending Rate (CPLR) plus / minus the spread that will be applicable from time to time on each disbursement. The banker's CPLR as on date of sanction was 17.65% per annum and the applicable rate for the said financial facility was 15% per annum for 1st tranche & 13.60% for 2nd tranche.	i. Mortgage of developer's share of area of the following projects ; - Nitesh British Columbia - Nitesh Long Island - Nitesh Chelsea - Nitesh Knights Bridge - Nitesh RIO - Nitesh Hunter Valley - Nitesh Virgin Island ii. Charge on all the future receivables from the booked, sold and unsold apartments in the above projects. iii.. Mortgage of Flat No A-04 (on 3rd Floor) in the Project 'Nitesh Buckingham Gate'. iv. Personal guarantee of Mr. Nitesh Shetty.	Repayment starts from the begining of 37th Month from the date of first disbursement
Loan from Financial Institutions	-	3647	Interest rate is based on the Corporate Prime Lending Rate (CPLR) The banker's CPLR as on date of sanction was 17.65% per annum and the applicable rate for the said financial facility was 15% per annum for 1st tranche & 13.60% for 2nd tranche.	i. Mortgage of developer's share of receivables of the following projects ; - Nitesh British Columbia - Nitesh Long Island - Nitesh Chelsea (64%) - Nitesh Knights Bridge - Nitesh RIO - Nitesh Hunter Valley - Nitesh Virgin Island ii. Charge on all the future receivables from the booked, sold and unsold apartments in the above projects. iii. Mortgage of Flat No A-04 (on 3rd Floor) in the Project 'Nitesh Buckingham Gate'. iv. Personal guarantee of Mr. Nitesh Shetty.	Repayment starts from the begining of 37th Month from the date of first disbursement. The entire amount is repaid during the year ended 31st March 2019

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

Loan from Financial Institutions	1080	1800	17% per annum	i. First & exclusive charge by way of mortgage of 3 unsold units in Nitesh Logo aggregating to 16 659 sf area. ii. First & exclusive charge by way of Hypothecation if receivablesfrom the mortgages units. iii. Escrow of all cash flows, both presen & future from the sale of the aforesaid property iv. Personal guarantee of Mr. Nitesh Shetty. v. Demand promisory note vi. Any other security as may be stipulated by our investment Committee and/or detailed in Definitive Agreements	The amount is repayable in 30 equal monthly installments starting from 19th Month to 48th Month
Loan from Financial Institutions	10854	7133	4.3% ('spread) over and above the Bank's yearly MCLR	i.Exclusive charge on JDA rights on the property situated at Commissariate Road (Total land area -89000 sft). Ii. Exclusive charge on all borrower's share of development. iii. exclusive charge on borrower;s share of project receivables/cash flows. iv. personal guarantee from Mr Nitesh Shetty.	Bullet repayment of entire amount at the end of 72 months
Loan from Financial Institutions	10357	7981	4.3% ('spread) over and above the Bank's yearly MCLR	i.Exclusive charge on JDA rights on the property situated at Ali Asker Road (Total land area 110000 sft). Ii. Exclusive charge on all borrower's share of development. Iii. Exclusive charge on all borrower's share of projects receivables/cashflows. iv. personal guarantee from Mr Nitesh Shetty.	Bullet repayment of entire amount at the end of 72 months
18.5 % Non convertible, redeemable debentures	5500	5500	18.5% per annum	i. First and exclusive charge by way of a mortgage by deposit of title deeds over the Logos & Virgin Island. ii. Escrow account in respect of the receivables from the projects Logos & Virgin Island. . iii. First and exclusive charge by way of hypothecation on the receivables in the projects Logos & Virgin Island . iv. Personal Guarantee of Mr.Nitesh Shetty in favour of the Debenture Trustee.	The amount is repayable in 21 equal monthly installments starting from July 15, 2016 to March 15, 2018
Term Loan	-	-	16.25%	Registered memorandum of deposit of title deed and deed of hypothication or future receivables of the project Park Avenue. Registered MODTD of Cochin Project -Kakkanad	62monthly installments

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

Term loans from banks	30707	30326	Base rate plus 3.50%.	i.Exclusive charge by way of registered mortgage on all present & future assets of the borrower, entire land, development rights and structures built thereon (both present & future). Current ongoing projects are Hyde Park, Columbus Square, Napa Valley I, Napa Valley II, Fisher Island, Melburne Park and Grand Canyon. ii. Exclusive charge on all borrower's share of project receivables/cashflows (both sold and unsold stock, present &future) along with escrow of gross sales proceeds. iii. Exclusive charge on the current assets, movable fixed assets and non current loan & advances of the borrower. YBL to have charge on all assets created out of loans and advances of the company. iv. Corporate Guarantee of holding company NEL Holdings Limited(Formerly known as Nitesh Estates Limited) v. Personal Guarantee of Mr Nitesh Shetty vi. DSRA of one quarter interest and one quarter principal; DSRA for principal amount to be created before 36th month from the date of first disbursement.	Total door to door tenor of 72 months with 36 months of moratorium and 12 equal quarterly repayments over next 36 months
Term loans from banks	-	59	13.75%	i. Mortgage of Villa No. 82 A in the project "Napavalley"admeasuring about 5342 sq ft of BUA along with UDL situated at Vadeyarapura Village , Yelaanka Hobli , Bangalore North Tulak. ii. Personal Guarantee of Mr. Nitesh Shetty. iii.Any other security of similar/ higher value acceptable to HDFC. iv. NHDPL to give post dated cheques towards the repayment of principal. You shall execute a Facility Agreement containing these terms, conditions and convenants in detail, Demand Promissory note and/or such other documents as may be required by us in the format laid down by HDFC.	The loan will be repaid in 47 Equated Monthly installments of Rs. 13,60,062/- and last installment of Rs. 13,60,043/- (comprising of principal and interest) commencing from subsequent month of the disbursement or earlier at HDFC's option. Strict monitoring of the project will be done either by HDFC iteself or may be outsourced. Interest on the outstanding principal will be paid monthly Or earlier at HDFC's option. Entire loan has been repaid during the financial year 2018-19.
Term loans from banks	18024	17299	Base rate plus 4.50%.	i. Registered mortgage on land, developments rights and structures built theron (both prsent &future) of projects presently under development under NUDPL Viz Cape Cod, Palo Alto, Santa Clara and Melno Park. ii. Exclusive charge on all borrower's share of project receivables/cash flows (both sold and unsold stock, present &future) along with escrow of gross sale proceeds. (Sum of receivables from sold stock and value of unsold stock minus cost to be incurred on project will at any point in time provide min 1.5x cover. Value of unsold stock to be calculated basis prevailing market rate). iii. Exclusive charge on all current assets long term loans and advances and movable fixed assets (both present and future) of the borrower. iv. Corporate guarantee from NEL Holdings Limited(Formerly known as Nitesh Estates Limited) Mortgage will be created in favour of Security Trustee to be appointed for the facility v. Personal Guarantee of Mr Nitesh Shetty	Total door to door tenor of 72 months with 36 months of moratorium and 12 equal quarterly repayments over next 36 months

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

2,350 (March 31, 2017 : 2,350) Non Convertible Debentures of Rs. 1,000,000/- each (secured)	-	33919	0.19	(i) a first ranking exclusive mortgage on the Mortgaged Properties, as described in Schedule I of debenture trust deed i.e. non agricultural land and shopping mall in favour of the Debenture Trustees; (ii) a first ranking exclusive hypothecation over the Hypothecated Properties i.e. all movable assets (both present and future) of the Company; all rights, titles, interests, benefits, claims and demands of the Company in respect of insurances both present and future and all monies lying to the credit of Transaction Accounts, accounts linked to Transaction accounts, Project receipts and all monies, securities, instruments, investments deposited or required to be deposited to the Transaction accounts; (iii) a first ranking exclusive pledge over the pledged securities i.e. 100% of the issued share capital of the Company in favour of the Debenture Trustee under the Securities Pledge Agreement; (iv) issuance by the Company of a Demand Promissory Note in favour of the Debenture Trustee; (v) a Corporate Guarantee issued by NEL Holdings Limited(Formerly known as Nitesh Estates Limited) (Ultimate Holding Company), In the absence of profits in the current year, the Company has not created debenture redemption reserve on NCDs as required under section 71 of the Companies Act, 2013 and the rules made thereunder.	a) The Company issued rated, listed, redeemable, non-convertible debentures ("NCD") of INR 2,350 million [2350 debentures of INR 1 million each] on May 14, 2015 on a private placement basis, in accordance with Section 42 of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules, 2014 and Companies (Share Capital and Debentures) Rules, 2014. 1. In the first and second year from the deemed date of allotment, no fixed Interest is payable on the Debentures; provided that if there are any amounts lying to the credit of the Payment Account (including in the form of any fixed deposits linked to the Payment Account) on the date falling on the 180th calendar day from Deemed Allotment Date and every 180th calendar day thereafter until the second anniversary from the Deemed Allotment Date (i.e. semi-annual interest payments), such amounts shall be paid out of the Payment Account by the Company to the Debenture Holders on each of such dates as Interest; 2. On the first Interest Payment Date after the beginning of the third year from the Deemed Date of Allotment, all amounts lying to the credit of the Payment Account, if any, shall be paid out as Interest. On the second Interest Payment Date after the beginning of the third year from the Deemed Date of Allotment, an aggregate Interest at the rate of 8% (eight per cent) per annum for the third year, compounded annually on the third anniversary from the Deemed Date of Allotment, shall be paid to the Debenture Holders. For the purposes of calculating the 8% per annum interest payable to the Debenture Holders for the third year, the following amounts shall be included (a) any amounts paid as Interest on the first Interest Payment Date after the beginning of the third year from the Deemed Date of Allotment; and (b) any amounts paid as Interest in the first and second year from the Deemed Date of Allotment in excess of Rs. 4,70,00,000/- 3. In the fourth year from the Deemed Date of Allotment, an interest at the rate of 10% per annum, compounded annually on the fourth anniversary from the Deemed Date of Allotment shall be paid semi-annually; and 4. In the fifth year from the Deemed Date of Allotment, an interest at the rate of 10% per annum, compounded annually on the fifth anniversary from the Deemed Date of Allotment shall be paid semi-annually. The following amounts shall be deposited into the Payment Account for each month: (I) During the first year from the Deemed Date of Allotment, 25% (twenty five per cent) of the Project Receipts received by the Company in the previous month; (II) During the second year from the Deemed Date of Allotment, 30% (thirty per cent) of the Project Receipts received by the Company in the previous month; (III) During the third year from the Deemed Date of Allotment, 35% (thirty five per cent) of the Project Receipts received by the Company in the previous month; (IV) During the fourth year from the Deemed Date of Allotment, 35% (thirty five per cent) of the Project Receipts received by the Company in the previous month; and (V) During the fifth year from the Deemed Date of Allotment, 35% (thirty five per cent) of the Project Receipts received by the Company in the previous month. The above debentures pertained to erstwhile subsidiary(Koregaon Park High Street Properties Pvt Ltd) which is no longer a subsidiary as on 31.03.2019 and so balance as on 31.03.2019 is NIL
	-				

18 Other financial liabilities

₹

	Current		Non-Current	
	31-Mar-19	**31-Mar-18**	**31-Mar-19**	**31-Mar-18**
Security Deposit	-	548	-	286
Other payables	-	465	-	619
Current maturities of long-term borrowings	-	64	-	-
Payable to land owners	-	48924	-	-
Accrued salaries and benefits	-	86	-	-
Interest accrued on borrowings	-	1800	-	-
Payable for purchase of property	-	16	-	-
Payable to related parties	1044	-	-	-
Other payables	3669	-	-	-
Total	**4,713**	**51,903**	**-**	**905**

19 Other Liabilities

	Current		Non-Current	
	31-Mar-19	**31-Mar-18**	**31-Mar-19**	**31-Mar-18**
Sinking Fund	-	-	-	-
Consideration under JDA towards purchase of land (Refer Note 19(i) noted below)	-	-	-	-
Interest free security deposit (IFRSD) from tenants	-	-	-	207
Advance received from related parties for sale of properties	-	7257	-	0
Other advance received from related parties towards contract	400	400	-	0
Advance received from related parties	3,661	671	-	-
Advance received from customers for sale of properties	7,393	10929	-	-
Contract Liability-Billings in excess of revenu	75,745	3700	-	-
Other statutory dues	763	945	-	-
Security Deposit	-	-	28	-
Other Payables	295	-	302	-
Payable to Land owner	91700	-	-	-
Accrued salaries and benefits	44	-	-	-
Interest payable	65	-	-	-
Total	**1,80,066**	**23,901**	**330**	**207**

19 (i) The Group has entered into joint development agreements with the land owners whereby the Group, at its cost, will construct apartments/buildings on the land owned by the land owners, and the portion of building constructed will be exchanged for ownership in the land. Such portion of land to be acquired by the Group as per joint development agreement is initially recorded at the estimated cost of construction for the portion of the building to be transferred to the land owner on completion of construction.

19 (ii) inclues Rs 135 Lakhs related to Value Added Tax of earlier year 2011-12 of holding company which has been subsequently paid after 31st March, 2019

20 Provisions

	Current		Non-Current	
	31-Mar-19	**31-Mar-18**	**31-Mar-19**	**31-Mar-18**
Provision for employee benefits				
Provision for gratuity	33	38	150	150
Provision for leave benefits	21	44	140	197
Provision for Income Tax	317	-	-	-
	371	**82**	**290**	**347**

21 Current Tax Liability (net)

	Current		Non-Current	
	31-Mar-19	**31-Mar-18**	**31-Mar-19**	**31-Mar-18**
Provision for income tax	155	204	-	-
Mat Credit Entitlement	70	70		
	85	**134**	**-**	**-**

22 Trade payables

	Current		Non Current	
	31-Mar-19	**31-Mar-18**	**31-Mar-19**	**31-Mar-18**
Trade payables				
(a) Total outstanding dues of micro enterprises and small enterprises (refer note 37 for details of dues to micro and small enterprises)	162	67	-	-
			-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises			-	-
- to related parties	290	375	-	-
- to others	27567	31518	-	-
			-	-
	28,019	**31,960**	**-**	**-**

NEL Holdings Limited (Formerly known as Nitesh Estates Limited)
Notes to the consolidated financial statements for the year ended March 31, 2019
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

23 Revenue from operations

	31-Mar-19 ₹	31-Mar-18 ₹
Revenue from operations(Refer Note 44)		
Income from property development	5686	2114
Building Maintenance income	106	807
Lease Rent Income	-	702
Other operating income	-	2
Income from sale of land	5500	0
	11,292	**3,625**

24 Other income

	31-Mar-19 ₹	31-Mar-18 ₹
Interest income on		
Bank deposits	-	20
Others	-	584
Dividend from current investments	-	41
Provisions no longer required written back	-	275
Income from sale of fixed assets	-	3
Miscellaneous Income	23	81
Profit on sale of Land	-	1000
	23	**2,004**

25 Land and construction cost

	31-Mar-19 ₹	31-Mar-18 ₹
Land and construction cost	98223	8903
	98,223	**8,903**

25a (Increase)/decrease in inventories of stock of flats, land stock and work-in-progress

	31-Mar-19	31-Mar-18
Opening Inventory	78655	76246
Less: Closing Inventory	170809	78655
Change in Inventory	**(92,154)**	**(2,409)**

26 Employee benefits expense

	31-Mar-19 ₹	31-Mar-18 ₹
Salaries, wages and bonus	1591	2569
Directors remuneration	357	357
Contribution to provident and other fund	38	57
Staff welfare expenses	34	22
	2,020	**3,026**

27 Finance costs

	31-Mar-19 ₹	31-Mar-18 ₹
Interest		
- On debentures	814	4906
- On bank loan	8219	8528
- Others	456	194
Total interest expense	**9,489**	**13,628**
Processing charges and other charges	-	355
Total finance costs	**9,489**	**13,983**

Finance cost includes Rs 68 Lakhs "Interest on Micro Small and Medium Enterprises [MSME]" and Rs 246 Lakhs interest charged as per the orders passed by RERA.

28 Depreciation and amortization expense

	31-Mar-19 ₹	31-Mar-18 ₹
Depreciation of property, plant and equipment	35	100
Depreciation on Investment Property	-	1147
Amortization of intangible assets	7	17
	42	**1,264**

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

29 Other expenses

	31-Mar-19 `	31-Mar-18 `
Power and fuel	49	120
Rent	308	332
Lease rent-vehicles	-	4
Rates and taxes	680	913
Insurance	30	19
Repairs and maintenance	-	-
Others	19	21
Office maintenance	40	49
Advertising and sales promotion	410	1388
Travelling and conveyance	85	93
Communication costs	20	31
Printing and stationery	2	3
Director's sitting fees	22	29
Donation	15	-
Bad debts / advances written off	-	117
Professional and consultancy charges	587	543
Payment to Auditors - Refer note (i) below	27	44
Hire Charges	3	1
Security Charges	-	-
Interest and other charges	77	-
Bank charges	3	2
Sales office expense	-	20
Expected Credit Loss Allowance against Advances	3808	158
Allowance for Impairment on Investments	2075	-
Loss on Sale of investments (Refer Note (ii) below)	1738	3558
Reversal of Cancellation charges	33	-
Miscellaneous expenses	121	125
	10,152	**7,571**

Note:

(i) **Payments to auditors**

	31-Mar-19 `	31-Mar-18 `
As an auditor:		
Statutory Audit fees	17	28
Limited review fees	9	14
Reimbursement of expenses	1	2
	27	**44**

(ii) a.During the year 2017-18, the Group has incurred a loss from sale of 541,49,499 number of shares in 'Nitesh Residency Hotels Private Limited" to related parties, the sale consideration of which is based on the valuation report of an independent valuer.

b.During the year 2018-19, the Group has incurred a loss from sale of 242,40,000 number of shares in " Koregaon Park High Street Properties Private Limited(Formerly known as Nitesh Pune Mall Private Limited".

(iii) **Details of CSR expenditure:**

The group has not provided for any Corportae Social Responsibility expenses, due to the absense of sufficient cash profits.

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

30 Income tax

	31-Mar-19 ₹	31-Mar-18 ₹
Current income tax:		
Current income tax charge	44	-
Adjustments in respect of current income tax of previous year	-	-
	44	**-**
Deferred tax:		
Decrease / (Increase) in deferred tax assets	864	(2,930)
Less : Recognised in OCI	(6)	1843
Less : Adjustments	(809)	-
Relating to origination and reversal of temporary differences	-	(1,087)
Income tax expense reported in the statement of profit or loss	**49**	**(1,087)**

Reconciliation of tax expense and the accounting profit multiplied by India’s domestic tax rate for March 31, 2017 and March 31, 2018:

	31-Mar-19 ₹	31-Mar-18 ₹
Accounting profit before income tax	(16,457)	(26,709)
At India's statutory applicable income tax rate		0
Non-deductible expenses for tax purposes:		0
Adjustment on account of depreciable assets	40	(2)
Tax effect of amounts which are not taxable in calculating taxable income:		-
Provision for doubtful debts		5
Adjustment in 43B	20	(33)
Other differences:		-
Difference due to gross accounting	(5)	-
Other Adjustments		150
Sale of investments		(1,208)
Recognised in OCI	(6)	-
	49	**(1,087)**

Reconciliation of deferred tax liabilities (net)

	31-Mar-19 ₹	31-Mar-18 ₹
Opening balance	2646	75
Deferred tax (credit)/charge during the period recognised in Profit & Loss	(49)	-1087
Deferred tax (credit)/charge during the period recognised in OCI	(6)	1843
Others	(809)	1815
Closing balance	**1,782**	**2,646**

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

31 Related Party Disclosure

(i) List of related parties

Description of relationship	Names of related parties
(a)Joint venture partners	Joji Reddy Showrie Reddy
(b) Key Management Personnel of the company and close member of Key Management Personnel of the company	Nitesh Shetty [Chairman and Managing Director] L.S.Vaidyanathan [Executive Director and Managing Director] Ashwini Kumar [Executive Director,Managing Director and Chief Operating Office P C Ashok (Director) Jagdish Capoor [Independent Director] G. N. Bajpai [Independent Director][Upto April 17th,2018] M. D Mallya [Independent Director][Upto April 5th, 2018] Dipali Khanna [Independent Director] Mahesh Bhupati [Independent Director] Anantha Sreenivasa Sharma [upto October 27, 2017] Venkateshan .M.A.[Chief Financial Officer][Upto April 30th,2019] Karthikeyan S. [Chief Financial Officer] Kamal Daluka[Executive Director & Chief Financial Officer][From April 10th,2019 D. Srinivasan [Company Secretary][Upto August 8th,2019] Prasant Kumar[Company Secretary][From August 10th, 2018] Prakruthi Shetty T G [Company Secretary upto November 12, 2018] Mahamaya Prathana Mallaya [Company Secretary upto June 30, 2017] Nischita Shetty [Relative of KMP] S. Ananthanarayanan[Additional Independent Director][From February,26th,2019] Shantanu Consul[Additional Independent Director][From February,26th,2019] Pradeep Narayan [Additional Director (from February 13, 2019)] Prathima Mariya Tellis [Company Secretary (up to February 3, 2018)] Rakesh Singh[Chief Executive Officer][From April, 10th, 2019]
(c) Enterprises owned or significantly influenced by Key Managerial Person	Nisco Ventures Private Limited Southern Hills Developers Private Limited (Formerly known as Nitesh Estates Projects Private Limited) Nitesh Infrastructure and Construction Nitesh Industries Private Limited Gross Outdoor Advertising Private Limited(Formerly known as Serve & Volley Outdoor Advertising Private Limited) Pushrock Environment Private Limited Avni Financial & Real Estate Private Limited Birch Investment Private Limited HMG Estate & Housing Limited Khubchandani Interbuild Private Limited Nitesh Office Parks Private Limited

(ii) Transactions with related parties

Transactions with related parties	31 March 2019	31 March 2018
Share in Profit to Joint Venturer:		
Showrie Reddy	-	-39
Joji Reddy	-	-32
Advertising and sales promotion expenses		-
Serve & Volley Outdoor Advertising Private Limited	-	6
Rent paid		
Nitesh Infrastructure and Construction	216	243
Nitesh Industries Private Limited	60	60
Other Expenses		
Nitesh Residency Hotels Private Limited	27	24
Maintenance charges received		
Nitesh Shetty	4	1
Nitesh Infrastructure & construction	8	-2
Advances received from customers		
Pushrock Environment Private Limited	1163	138
Nitesh Shetty	547	351
Nischita Shetty	-	100
Nitesh Infrastructures & Contructions	117	-
Repaid advance		
Avani Financial & Real Estate P. ltd.	-	189
Birch Investment Pvt. Ltd.	-	19
HMG Estate & Housing Ltd.	-	1
Khubchandani Interbuild Pvt. Ltd.	-	11
Nitesh Residency Hotels Private Limited	330	1286
Loans advanced		
Nitesh Residency Hotels Private Limited	1,055	1286
Managerial remuneration (Refer note 1 below)		
Nitesh Shetty	131	131
L.S.Vaidyanathan	117	117
Ashwini Kumar	-	109
D. Srinivasan	-	37
Venkateshan .M.A.	80	80
Prakruthi Shetty T.G	4	-
Prasant Kumar	13	-
Karthikeyan S	37	-
Directors' sitting fees		
G. N Bajpai	3	5
M. D Mallya	-	4
Jagdish Capoor	7	5
Ms. Dipali Khanna	9	7
S. Ananthanarayanan	6	4
Mahesh Bhupathi	1	1
Contribution of Gratuity Fund		
NEL Holdings Limited Employees' Gratuity Fund Trust	7	6
Nitesh Housing Developers Private Limited Employees' Gratuity Fund Trust	8	9
Nitesh Urban Development Private Limited Employees' Gratuity Fund Trust	6	5
Nitesh Property Management Private Limited Employees' Gratuity Fund Trust	-	2
Refund of Gratuity		
NEL Holdings Limited(Formerly known as Nitesh Estates Limited) Employees' Gratuity Fund Trust	-	8
Nitesh Housing Developers Private Limited Employees' Gratuity Fund Trust	8	8
Nitesh Urban Development Private Limited Employees' Gratuity Fund Trust	6	5
Sale of Investment in NRHPL*		
Nitesh Shetty		
The no of 2,67,32,031 shares of Rs.5.27 Each.	-	1409
Nitesh Industries Pvt Ltd.,		
The no of 2,74,17,467 shares of Rs.5.27 Each.	-	1445

(iii) Amount Outstanding as at Balance Sheet Date

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

	31 March 2019	31 March 2018
Trade receivables(asset)		
Nitesh Residency Hotels Private Limited	-	215
Nitesh Infrastructure and Constructions	4	121
Nitesh Shetty	1	1
Gross Outdoor Advertising Private Limited (Formerly known as Serve & Volley	5	-
Loans and advances to related entites(asset)		
Southern Hills Developers Private Limited	111	111
Joji Reddy and Showrie Reddy	0	1172
Nitesh Estates – Whitefield	3186	3388
Gross Outdoor Advertising Private Limited (Formerly known as Serve & Volley Outdoor Advertising Private Limited)	-	5
Nitesh Office Parks Private Limited	323	-
***Loans and advances from related entites (* liability)**		
Nitesh Residency Hotels Private Limited	931	206
Nitesh Infrastructure and Constructions	7	7
Nitesh Industries Private Limited	33	0
Pushrock Environment Private Limited	73	83
Advance against Property (asset)		
Nisco Ventures Private Limited	108	108
Security Deposits (asset)		
Nitesh Infrastructure and Construction	177	177
Unbilled Revenue(asset)		
Nitesh Residency Hotels Private Limited	1155	1155
***Unsecured Loans* (liability)**		
Nitesh Shetty	1	1
Vendor Advance(asset)		
Gross Outdoor Advertising Private Limited (Formerly known as Serve & Volley Outdoor Advertising Private Limited)	-	32
Nitesh Infrastructure and Construction	-	47
Trade Advances(asset)		
Gross Outdoor Advertising Private Limited (Formerly known as Serve & Volley Outdoor Advertising Private Limited)	157	98
Nitesh Industries	-	8
***Trade payables* (liability)**		
Pushrock Environment Private Limited	-	174
Nitesh Industries	34	15
Nitesh Infrastructure and Construction	95	55
Gross Outdoor Advertising Private Limited (Formerly known as Serve & Volley Outdoor Advertising Private Limited)	7	2
Nitesh Residency Hotels Private Limited	154	129
***Other Advance from customers towards contract* (liability)**		
Nitesh Residency Hotels Private Limited	400	400
***Advance from customers* (liability)**		
Nitesh Residency Hotels Private Limited	-	369
Nitesh Estates – Whitefield	-	96
Nitesh Shetty	3544	2997
Nischita Shetty - Madision Square	100	100
Pushrock Environment Private Limited	17	3695

Terms and conditions of transactions with related parties

1) Remuneration paid to KMP includes perquisites evaluated as per Income tax Rules and excludes provision for/contribution to gratuity and unveiled leave which are based on actuarial valuation done on an overall group basis (cannot be individually identified) are excluded in the disclosure above. Further the remuneration to KMP excludes accrual for bonus/incentives which is considered in the year in which the same is actually paid out.

2) The above information has been determined to the extent such parties have been identified on the basis of information provided by the Company, which has been relied upon by the auditors.

*3) Nitesh Residency Hotels Private limited (NRHPL) has ceased to exist as an associate company of holding company in 2017-18, as the holding company has divested/ trasferred 5,41,49,498 Class A equity shares of Rs. 10 each for a consideration of Rs. 5.27 per share aggregating to Rs. 2854 lakhs on the basis of the board resolution dated 12th December, 2017 and valuation report of independent valuer. (Refer above mentioned related party list).

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

32 Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

Particulars	31-Mar-19			31-Mar-18		
	Fair value through PL	Fair value through OCI	Amortised Cost	Fair value through PL	Fair value through OCI	Amortised Cost
Financial assets						
Investments Measured at Fair Value				6		
Investments Measured at Fair Value through OCI		4335			4335	
Investments Measured at Amortised Cost						
Measured at cost/ amortised cost						
Other Investments						
Trade receivables			4549			6726
Cash and Cash Equivalents			314			640
Bank balances other than Cash and Cash Equivalents			-			-
Loan			2458			1791
Other Financial Assets			-			10
	-	**4,335**	**7,321**	**6**	**4,335**	**9,167**
Financial liabilities						
Measured at amortised cost						
Non Current borrowings			-			33919
Current borrowings			102066			96674
Trade payables			28019			31960
Other financial liabilities			-			905
Other current financial liabilities			4713			51903
			1,34,798			**2,15,361**

Notes:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3 inputs are unobservable inputs for the asset or liability.

The Group does not enters into any derivative financial instruments like foreign exchange forward contracts, futures , options etc, which employs the use of market observable inputs. Further, the carrying amount is a reasonable approximation of fair value for all other financial instruments such as short-term trade receivables and payables.Hence no fair value hierarchy disclosures has been provided.

There have been no transfers between the levels during the period.

The carrying amounts of trade payables, non-trade payables, inter-corporate loans, loans (financial asset) and unbilled revenue, cash and cash equivalents, bank balances other than cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate.
They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets & liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

The details of fair value measurement of Group's financial assets/liabilities are as below:

Particulars	Level	31-Mar-19	31-Mar-18
Investments Measured at Fair Value through Profit and Loss:			
Investments in quoted investments	1	4,335	4,335
Financial assets/liabilities measured at fair value through OCI:			
Investment in equity instruments of Other company	3	4,335	4,335

The management assessed that the carrying values of cash and cash equivalents, trade receivables, deposits, trade payables, borrowings and other financial assets and liabilities approximate their fair values largely due to the short-term maturities.

The following methods and assumptions were used to estimate the fair values:

In absence of audited financial statements for the current year,the fair value of unquoted equity shares have been estimated using Net Assets Value Model, based on the last year financials.

The valuation requires management to make certain assumptions about the model inputs including forecast cash flow, discount rate,credit risk and volatility. The probabilities of the various estates within the range can be reasonably assessed and are used in managemnet's estimates of Fair Value for the unquoted investments.

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

33 Gratuity and other post-employment benefit plans

Particulars	31-Mar-19 ₹	31-Mar-18 ₹
Defined Benefit Plan		
Gratuity - Funded		
Non Current	150	150
Current	33	38
	183	**188**
Leave Encashment		
Non-Current	140	197
Current	21	44
	161	**241**

The Group has a defined benefit gratuity plan (funded). The Group's defined benefit gratuity plan is a final salary plan, which requires contributions to be made to a separately administered fund.

a) Gratuity -Funded

The Group operates defined gratuity plan for its employees. Under the plan, every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy.

b) Cost of Long term benefit by way of accumulated compensated absence arising during the service period of employees is calculated based on cost of service and the pattern of leave availment. The present value of obligation towards availment under such long term benefit is determined based on the actuarial valuation carried on by an Independent Actuary using projected limit credit method as at the close of accounting period. The Group is providing liability as per actuarial valuation in its books of accou the plan is not funded.

c)In absence of Actuarial valuation as on 31st March, 2019, the disclosure requirements as per IND AS-19 Employee Retirement Benefit for 'Long Term Defined Plans' in respect of Gratuity and Compensated Absence has been disclosed in the Financial Statements to the extent available, as on 30th September 2018.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

i. Changes in the defined benefit obligation and fair value of plan assets as at September 30,2018 :

Particulars	Gratuity cost charged to profit or loss				Remeasurement gains/(losses) in other comprehensive income							
	01-Apr-18	Service cost	Net interest expense	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contributions by employer	30-Sep-18
Defined benefit obligation	201	19	7	26	-28	-	-	-9	4	-4	-	194
Fair Value of Plan Asset	13	-	1	1	-28	-1	-	-	-	-1	28	13
Benefit liability	**188**	**19**	**6**	**25**	**-**	**1**	**-**	**-9**	**4**	**-4**	**-28**	**182**

ii. Changes in the defined benefit obligation and fair value of plan assets as at September 30,2018

Particulars	Gratuity cost charged to profit or loss				Remeasurement gains/(losses) in other comprehensive income							
	01-Apr-18	Service cost	Net interest expense	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contributions by employer	30-Sep-18
Defined benefit obligation	211	42	16	58	-25			-1	-43	-44	-	201
Fair Value of Plan Asset	20	-	1	-	-24	-0	-	-	-	-	16	13
Benefit liability	**192**	**42**	**14**	**58**	**-1**	**0**	**-**	**-1**	**-43**	**-44**	**-16**	**188**

iii. The principal assumptions used in determining gratuity and post-employment medical benefit obligations for the Group's plans are shown below:

Particulars	30-Sep-18	31-Mar-18
Discount rate	8.10%	7.50%
Future salary increases	6.00%	6.00%
Expected rate of return of assets		
Mortality		Indian assured lives mortality(2006-08) (modified ultimate)
Withdrawal rate	1%-2%	1%-2%

iv. A quantitative sensitivity analysis for significant assumption as at March 31,2019 is as shown below:

Asssmumtions	30-09-2018				31-03-2018			
	Discount Rate		Salary Growth Rate		Discount Rate		Salary Growth Rate	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
Sensitivity Level	'+50 basis point	-50 basis point	'+50 basis point	-50 basis point	'+50 basis point	-50 basis point	'+50 basis point	-50 basis point
Impact on defined benefit obligation - Gratuity	-3.00%	4.00%	3.00%	-1.00%	-4.26%	4.61%	2.15%	-2.52%

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

v. The following payments are expected contributions to the defined benefit plan in future years:

Particulars	30-Sep-18	31-Mar-18
Year 1	9	8
year 2	20	9
year 3	25	31
year 4	46	45
year 5	27	38
year 6 to 10	58	50
Total expected payments	185	181

The defined benefit obligations have the undermentioned risk exposures-

Interest rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.
Salary Inflation risk : Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

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

34 Segment information

Segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The Board of Directors of the Holding Company is identified as the Chief Operating Decision Maker ("CODM"), CODM evaluates the performance of the group based on the below operative segment for the purpose of allocation resources and evaluating financial performance.

The Holding Company is domiciled in India. The amount of its revenue from external customers broken by location of the customers is shown in the table below. There are no material assets held by the Holding Company outside India.

The Operative segment comprises of the following:
1) Residential,
2) Retail

₹

Particulars	From the year ended 31st march, 2019			From the year ended 31st march, 2018		
	Residential	**Retail**	**Total**	**Residential**	**Retail**	**Total**
Segment Revenue:						
External Customers	11292	-	11292	2295	1330	3625
Inter-segment revenue	-	-	-	-	-	-
Total Revenue	**11,292**	**-**	**11,292**	**2,295**	**1,330**	**3,625**
Segment Results:						
Profit/(loss) before tax and interest	(3,660)	(3,331)	(6,991)	(21,365)	6658	(14,707)
Add: Other Income (including interest income)			23			1,981
Add: Share of profit/(loss) from associate						(22)
Less: Finance cost			(9,490)			(13,983)
Less: Other unallocated expenditure						22
Profit/(Loss) before tax			**(16,457)**	**(21,365)**	**6,658**	**(26,709)**
Segment Assets	257450	33060	2,90,510	175521	58423	2,33,944
Unallocated			1,140			1,394
			2,91,650			**2,35,338**
Segment Liabilities	304634	11443	3,16,077	1,98,460	45,712	2,44,172
Unallocated			1,178			1,991
			3,17,255			**2,46,163**
Capital Assets Purchased*	22		**22**	**22**	**118**	**139**
Depreciation and amortization:	**42**		**42**	**66**	**1,197**	**1,264**

* Capital expenditure consists of addition of property, plant and equipment, investment property, intangible assets, intangible assets under development and CWIP.

Segment Policies:

1) Segment revenue and expenses are directly attributable to the segment except for certain expenses which are in the nature of common expenses. Common expenses have been allocated to the business segments on a reasonable basis.

2) Segment assets and liabilities include all operating assets and liabilities used by a segment.

Revenue from external customers
India
Rest of the world

The revenue information above is based on the locations of the customers.

35 Earnings per share ['EPS']

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity Shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	**31-Mar-19** **₹**	**31-Mar-18** **₹**
Profit after tax attributable to shareholders	(16,550)	(25,622)
Weighted average number of Equity Shares outstanding during the year	145832100	145832100
Effect of dilution:	-	-
Weighted average number of Equity Shares	145832100	145832100
Loss per share ['EPS']	**-11.35**	**-17.57**

36 Contingent liabilities

A.The Group have the following Contingent liabilities on the reporting date in respect of:

(i)(a). Claims against the Group pending applellate/judicial decision not acknowledged as debts:

Particulars	**31-Mar-19**	**31-Mar-18**
Claims against the Group not acknowledged as debts in respect of		
- Income-tax	741	807
- Service tax	1778	70
- Karnataka Value Added Tax	4472	4374

(i)(b). Following is the summary of financial exposure of cases filed against the group by customers,vendors and other business associates:

Customers-		
a. Seeking Possession of Property	758	-
b. Seeking Refund	5,237	-
c. Seeking Reimbursement of Pre - EMI	317	-
Vendors		
Seeking Recovery of Dues	214	-
Contractor dispute case	11	-
	6537	-

(ii) The holding company had filed its return of earlier year which subsequently become defective due to non-payment of MAT liability amounting to Rs 488 lakhs, as displayed in the income tax e-filing website dated on 16th October, 2017. The applicable interest liability on the above tax liability from the date of return filing till the date of balance sheet is yet to quantify.

(iii) The holding Company(NEL) has defaulted on payment of interest and principal to IDFC debenture holders since 30th June, 2016.
The Trustee on behalf of IDFC Debenture holders vide its petition numbered CP(IB)/270/BB/2018 has filed a petition seeking insolvency of NEL in terms of Section 7 of the Insolvency and Bankruptcy Code, 2016 before the National Company Law Tribunal, Bangalore Branch on 4th October,2018 for an outstanding amount of Rs.11,718 Lakhs against book liability of the Company of Rs. 9,328 Lakhs [Refer Note No. 17(ii)]
In these circumstances, the trustee has issued a legal notice dated 23rd October, 2018 to HDFC, as a authority in favour of which security charge were created to asserting their rights over the three properties of the NEL.

B.Commitments

(a) Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	31-Mar-19	**31-Mar-18**
Estimated amount of contracts remaining to be executed on projects (net of advances) and not provided for	45007	53700

Notes :

The Group has entered into various joint development agreements wherein, on completion of all obligations of the land owner and possession of land to the Group, the Group is required to construct and develop the entire property and hand over an agreed proportion of the built up area to the land owner as a consideration for the undivided share in land transferred to the Group.

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

37 Disclosure as required under Micro Small and Medium Enterprises Act, 2006 (MSME Act)

Particulars	**March 31, 2019 ₹**	**March 31, 2018 ₹**
(i) The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year.		
Principal amount due to micro and small enterprises	162	67
Interest due on above	78	-
(ii) The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(iii) The amount of interest due and payable for the period of delay in making payment	78	Nil
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	78	25
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid.	-	-

Note: The information as required to be disclosed under The Micro, Small and Medium Enterprises Development Act, 2006 is disclosed to the extent such parties have been identified on the basis of the information available with the company. Interest is not provided for the claims which are under dispute.

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

38 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Holding Company.

	31-Mar-19	31-Mar-18
Borrowings	102066	130593
Trade payables	28019	31960
Other payables	4713	51903
Less: Cash and cash equivalents	(314)	(640)
Net debt (A)	134484	213815
Equity	(29,649)	(8,951)
Total capital (B)	(29,649)	(8,951)
Equity plus Net debt [C=A+B]	**1,04,835**	**2,04,864**
Gearing ratio [D=A/C]	128%	104%

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been defaults in the payments of Interest and principal for loans from banks, financial institutions and Debenture .(Refer Note 17)
No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

39 Financial risk management objectives and policies

The Group's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the acquisition and Group's real estate operations. The Group's principal financial assets include cash and cash equivalents, loans and unbilled revenue that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Group. The financial risk committee provides assurance to the Group's senior management that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

i. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings. The sensitivity analyses in the following sections relate to the position as at 31 March 2019 and 31 March 2018. The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives.
The analyses exclude the impact of movement in market variables on: the carrying values of gratuity and other postretirement obligations; provisions; and the non-financial assets and liabilities of foreign operations.
The following assumptions have been made in calculating the sensitivity analysis:
1. The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2019 and 31 March 2018.

ii. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.
The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/decrease in	Effect of profit
March 31, 2019		
INR	+50	5
INR	-50	5

	Increase/decrease in	Effect of profit
March 31, 2018		
INR	+50	7
INR	-50	-7

iii. Credit risk

Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Financial Instrument and Cash Deposit

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and loans are given only within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Holding Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Holding Company's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.The Group's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2019 and 2018 is the carrying amounts.

iv. Liquidity risk

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments. (Rs. in lakhs)

	On demand	Less than 1 year	2-3 years	More than 3 Years	Total
Year ended 31/03/2019					
Borrowings	12951	-	35,713	53,402	1,02,066
Trade and other payables		28,019			28,019
Other Payables		4,713			4,713
Year ended 31/03/2018					
Borrowings	5,818	8,513	12,940	56,886	84,157
Trade and other payables	2,811	28,458			31,269
Interest free security deposit from customer		36			36
Loan and advances from related parties repayable on demand	1,188	1			1,189
Other non current liabilities			6,150		6,150

40 Standards issued but not yet effective

The Ministry of Corporate Affairs (“MCA”) through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules 2019 has notified the new Ind AS and certain amendments to existing Ind ASs. They shall come into force on 1stApril, 2019 and therefore, the group shall apply the same with effect from that date.

(a) New Indian Accounting Standard (Ind AS 116) “Leases”:

Ind AS 116 will replace the existing leases standard, Ind AS 17 “Leases” w.e.f. April 1, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a leas liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements as prescribed in Ind AS 17. The effect on the Financial statements on adoption of Ind AS 116 is being evaluated by the company.

(b) Other Amendments:

Several other Indian Accounting Standards have been amended on various issues with effect from April 1, 2019. The following amendments are relevant to the group:

(i) Ind AS 12 “Income Taxes”- (a) Income tax consequences of dividend, which requires an entity to to create a corresponding liability for Dividend Distribution Tax when it recognises a liability to pay dividend, and (b) Uncertainty over income tax treatments, requiring an entity to show the effect of the uncertainty for each uncertain tax treatment on taxable profits/losses, tax bases, unused tax losses/credits and tax rates by using either the most likely outcome or the expected outcome of the uncertainty;

(ii) Ind AS 19 “Employee Benefits”- Effect of plan amendment, curtailment or settlement; When an entity determines the past service cost at the time of plan amendment or curtailment, it shall remeasure the amount of net defined benefit liability/asset using the current value of plan assets and current actuarial assumptions which should reflect the benefits offered under the plan and plan assets before and after the plan amendment, curtailment and settlement.

(iii) Ind AS 109 “Financial Instruments”- Measurement of prepayment features with negative compensation in case of debt instruments; Negative compensation arises where the terms of the contract of the financial instrument permit the holder to make repayment or permit the lender or issuer to put the instrument to the borrower for repayment before the maturity at an amount less than the unpaid amounts of principal and interest.

The effect of the above amendments on the financial statements is being evaluated by the Company.

41 Financial instruments- accounting classification and fair value measurement

The carrying values of trade and other receivables, other assets, cash and short term deposits, tarde and other payables based on their notional amounts, reasonably approximate their fair values because these are mostly short term in nature or are re-priced frequently.

Group's assets and liabilities which are measured at amortised cost

Particulars	31st March 2019		31st March 2018	
	Carrying Value	Amortised Cost	Carrying Value	Amortised Cost
Financial Assets				
Trade Receivables	4549	4549	6726	6726
Cash and Cash equivalents	314	314	640	640
Bank balances other than cash and cash equivalents	-	-	-	-
Other Financial Assets	2458	2458	10	10
Security Deposits	-	-	296	296
Refundable deposits towards Joint Development Agreement	-	-	1028	1028
	7,321	**7,321**	**8,700**	**8,700**
Financial Liabilities carried at amortised costs:				
Non-Current borrowings	-	-	33919	33919
Current borrowings	102066	1,02,066	96673	96673
Trade payables	28019	28,019	31960	31960
Other Financial Liability	4713	4,713	52807	52807
	1,34,798	**1,34,798**	**2,15,359**	**2,15,359**

42 **Non- cancellable operating leases**

The Group has various operating leases for office premises and other facilities (cancellable as well as non-cancellable leases) for a period between 3 and 10 years. Most of the leases are renewable for further period on mutually agreeable terms and also include escalation clauses. The leases are cancellable through notice period of 1 to 3 months.

	31st March, 2019	31st March, 2018
Payments recognised as an expense	308	336
	-	
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows	-	
Within one year	-	-
Later than one year but not later than five years	-	-
Later than five years	-	-

Lease payment under an operating lease have not been recognised as an expenses on a straight-line basis over the lease term, as the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lesoors expected inflationary cost increases.

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

43 **Group Information**

The consolidated financial statements of the Group includes the following components:

Subsidiaries

Name of the Entity	Principal Activities	Country of Incorporation/Principal place of business	% of equity interest held by the Group	
			March 31, 2019	March 31, 2018
Nitesh Housing Developers Pvt. Ltd	Real Estate Development	India	100% *	100% *
Nitesh Urban Development Pvt Ltd	Real Estate Development	India	100%	100%
Nitesh Indiranagar Retail Pvt Ltd	Real Estate Development- Retail	India	100%	100%
Lob Property Management Private Limited(Formerly known as Nitesh Property Management Private Limited)	Property Management	India	100%	100%
Nitesh Office Parks Private Limited***	Real Estate Development	India	19.23%	100%
Koregaon Park High Street Properties Private Limited (Formerly known as Nitesh Pune Mall Private Limited)****	Real Estate Development- Retail	India	NIL	100%
Courtyard Costruction Private Limited	Real Estate Development	India	**100%	**100%

* NEL Holds 89.9 % and NOPPL holds 10.1%
** NEL holds 50% and NUDPL holds 50%
***Nitesh Office Parks Private Limited is no longer a subsidiary as on 31.03.2019 and hence it has not been consolidated as on 31.03.2019.

****During the year ownership rights of Koregaon Park High Street Properties Private Limited (Formerly known as Nitesh Pune Mall Private Limited) was sold and so it was not consolidated for the year ended 31.03.2019

Joint Ventures

Name of the Entity	Principal Activities	Country of Incorporation/Principal place of business	% of equity interest held by the Group	
			March 31, 2019	March 31, 2018
Nitesh Estates - Whitefield	Real Estate Development	India	24%	24%

The consolidated financial statements of the Group includes the following components:

(a) Associate

The Group has a 24% interest in Nitesh Estates- whitefield , which is engaged in development of residential complex in India. The Group’s interest in Nitesh Estates- Whitefield is accounted for using the equity method in the consolidated financial statements. Nitesh Estates- whitefield is not a listed company and hence, there is no quoted market price for the investment made by the Group.

The following table illustrates the summarised financial information of the Group’s investment in Nitesh Estates- whitefield:

(i) Summary of assets and liabilities

Particulars	March 31, 2019 Rs.	March 31, 2018 Rs.
Current assets	6556	6724
Non-current assets	1	1
Current liabilities	-3517	-3684
Total Equity	3040	3040
Attributable to the Group (24%)	730	730

(ii) Summary of profit and loss

Particulars	March 31, 2019 Rs.	March 31, 2018 Rs.
Total Revenue	-	1
Profit/(loss) for the year	-	-94
Attributable to the Group (24%)	-	(22)

(iii) Summary of cash flows

Particulars	March 31, 2019 Rs.	March 31, 2018 Rs.
Net cash inflow/(outflow) during the year	-3	2
Attributable to the Group (24%)	-1	1

(iv) Summary of commitments and contingent liabilities

Particulars	March 31, 2019 Rs.	March 31, 2018 Rs.
Capital commitments	-	-
Contingent liabilities	402	402
Attributable to the Group (24%)	96	96

NEL Holdings Ltd(Formerly known as Nitesh Estates Limited)

Notes to the Consolidated Financial Statements for the year ended 31st March 2019

44 Transition to Ind AS 115 "Revenue from contracts with customers"

a) Revenue disaggregation by various vertical as follows

Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Segment Vertical		
Residential	11,292	2,295
Retail	-	1,330
Total revenue from operations	11,292	3,625
Timing of goods or service	-	-
Goods transferred at a point in time	11,292	3,625
Goods transferred over time	-	-
Total revenue from operations	11,292	3,625

b) Performance obligation and partial performnce obligation

The remaining performance obligation disclosure provides the aggregrate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Group expects to recognise these amounts as revenue. Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the remaining performance obligation-related disclosures for contracts where the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time-and-material basis.

The Group as mentioned in the accounting policy, adopts the performance obligation crtiteria at a point of time when registration in repsect of the said flat has been done.

The impact on account of applying the erstwhile Ind AS 11 Construction Contracts instaed of Ind AS 115, Revenue from Contracts with Customers on the financial results of the Group for the year ended March 31, 2019 is as mentioned below:

Particulars	**Amount**
Revenue from Operations had Ind AS 11 been followed	(9,451)
Recognition of Revenue	20,743
Revenue from Operations as per Ind AS 115	11,292

c) Changes in Contract Assets & Contract Liabilities

This being the first year of implementation of Ind AS 115, the group is in the process of reconciliation of contract assets & contract liabilities.

d) Reconciliation of contract revenue recognised with the contracted price

	31st March, 2019
Contracted price	11,292.00
Less: Reduction towards variable consideration components*	-
	11,292.00

*The reduction towards variable consideration comprises of volume discounts, service level credits, or any concession given by the management.

e)

Ind AS-115- Revenue from Contracts with Customers has been notified by Ministry of Corporate Affairs (MCA) on 28th March, 2018 and is effective from accounting period beginning on or after 1st April, 2018 which replaces existing revenue recognition requirement. The application of Ind AS 115 has impacted the Group's accounting for recognition of revenue from real estate projects.

The Group has applied the "modified retrospective approach" (cumulative catch-up transition method), to contracts that were not completed as on 1st April, 2018 and has given impact of Ind AS 115 application by debit to reatined 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 lakhs and cost to the extent of Rs. 1,00,348 lakhs which was recognised till 31st march, 2018 under the erstwhile standards pending tthe completion of performance obligation from the coompany to its customers.

Accordingly, the following comparatives have not been restated and hence not comparable with the previous period figure.

i.Due to application of Ind AS 115 for the twelve months ended 31st march, 2019, revenue from operations is higher by Rs. 20,743 lakhs and Net Profit before tax ishigher by Rs. 7,609 lakhs , then what it would have been if the replaced standrads were applicable. Similarly, the basic and diluted EPS for the twelve months ended is increased by Rs.5.22 per share .

ii.Assets & Liabilities

Particulars	As at 31st Mar, 2019	As at 31st Mar, 2018
Inventories (Refer Note 7)	170808	78655
Contract Assets (Refer Note 12)	21192	27589
Contract liabilities (Refer Note 19)	75745	3700

f) (i) In the assessment of the group, there is no significant financing component in any of its contracts.

(ii) Revenue recognised during the year 2018-19 from performance obligations satisfied in the previous year is NIL

45 Neither development activities nor sale of apartments is undertaken by the holding Company for its three residential projects launched in prior to the effective date of RERA Act. Pending approval of sanction plan and certificate of commencement as well as prevalent adverse market condition of real estate business, the holding company has not registered the said projects under RERA Act. However, discontinuation of two projects out of the three has not been intimated to the RERA authority for necessary update.

The holding company has accepted working advance more than 10% of cost before RERA period in case of one residential project. Pending arbitration proceedings between the company and the landowner, the Company has decided to suspend the project on an intimation to Real Estate Regulatory Authority, Karnataka.

Out of the total advance collected Rs 897 Lakhs in respect of the said projects, the holding Company has refunded subsequently Rs 763 Lakhs and is in the process of refunding the remaining amount Rs 134 Lakhs .

46 Note on Going concern

The group has incurred losses continuously over the certain past period. As a result the net worth of the group has been negative and facing liquidity crisis. The adverse market environment and Government rules and regulations has slowed down the real estate business during the recent past. As a result, the group has suspended the development of certain projects to cope-up with present market condition and to recover from the financial stress. Management believe that the real estate market will be improved on domestic as well as overseas demand on the change of public mind set as well as Government initiative to increase the public expenditure with parallel growth of economy. On the expectation of changing scenario the accounts of the group have been continued to be prepared on going concern basis for the continuing operation and to realize the assets and discharge the liabilities under normal course of business.

47 Prior year comparatives

The figures of the previous year have been regrouped/reclassified/recast, wherever necessary, to conform with the current year's classification.

for and on behalf of the Board of Directors of
NEL Holdings Limited(Formerly known as Nitesh Estates Limited)

Sd/-	Sd/-	Sd/-
Nitesh Shetty	**L.S. Vaidyanathan**	**Rakesh Singh**
Managing Director	Executive Director	Chief Executive Officer
DIN: 00304555	DIN: 00304652	

Place: Bangalore
Date :30th May 2019

Sd/-
Kamal Daluka
Executive Director & Chief Financial Officer
Bangalore

Sd/-
Prasant Kumar
Company Secretary

Annexure

FORM NO. AOC.1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

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

(Information in respect of each subsidiary presented with amounts in Rs.)						
1		**1**	**2**	**3**	**4**	**5**
2	**Name of the subsidiary**	**Nitesh Housing Developers Pvt. Ltd.**	**Nitesh Urban Development Pvt. Ltd.**	**Nitesh Indiranagar Retail Pvt. Ltd.**	**LOB Property Management Private Limited(Formerly known as Nitesh Property Management Private Limited)**	**Courtyard Constructions Pvt. Ltd.**
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA	NA	NA	NA
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	NA	NA	NA	NA	NA
5	Share capital	500	658	6,991	30	1
6	Reserves & surplus	(32,471)	(12,863)	14,627	(689)	104
7	Total assets	74,266	63,458	33,060	518	621
8	Total Liabilities	74,266	63,458	33,060	518	621
9	Investments	-	630	-	-	-
10	Turnover	1,746	51	-	106	950
11	Profit before taxation	(5,028)	(4,310)	(3,331)	(69)	224
12	Provision for taxation	(48)	4	-	550	44
13	Profit after taxation	(4,980)	(4,314)	(3,331)	(75)	180
14	Proposed Dividend	-	-	-	-	-
15	% of shareholding	89.90	100	100	100	100

1 Names of subsidiaries which are yet to commence operations:

2 Names of subsidiaries which liquidated/sold during the year: 1. Nitesh Office Parks Private Limited
2. Nitesh Pune Mall Private Limited

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/Joint Ventures	Nitesh Estates-Whitefield
1. Latest audited Balance Sheet Date	31.03.2019
2. Shares of Associate/Joint Ventures held by the company on the year end	
No.	
Amount of Investment in Associates/Joint Venture	1,009
Extend of Holding %	24
3. Description of how there is significant influence	24% of stakeholding
4. Reason why the associate/joint venture is not consolidated	NA
5. Networth attributable to Shareholding as per latest audited Balance Sheet	7,296
6. Profit / Loss for the year	
i. Considered in Consolidation	-
ii. Not Considered in Consolidation	-

1 Names of associates or joint ventures which are yet to commence operations.
2 Names of associates or joint ventures which have been liquidated or sold during the year.

As per our report of even date attached

for **Ray & Ray**
Chartered Accountants
Firm registration number: 301072E

Sd/-
Bidyut Prakas Bhattacharya
Partner
Membership No. 053906

for and on behalf of the Board of Directors of
NEL Holdings Limited(Formerly known as Nitesh Estates Limited)

Sd/-
Nitesh Shetty
Managing Director
DIN : 00304555

Sd/-
L.S. Vaidyanathan
Executive Director
DIN : 00304652

Sd/-
Rakesh Singh
Chief Executive Officer

Sd/-
Kamal Daluka
Executive Director & Chief Financial Officer

Sd/-
Prasant Kumar
Company Secretary

Bangalore
May 30, 2019

Additional Information to Consolidated Inds-AS Financial Statements Based on the Standalone Ind-AS Financial Statements of the compenents of the Group

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

Name of the entity	Net Assets/ (Liabilities), *i.e* ., Total Assets minus Total				Total Comprehensive Income for the year ended March 31, 2019						Total Comprehensive Income for the year ended March 31, 2018					
	March 31,2019		March 31, 2018		Share in Profit/ [Loss]		Share in Other		Share in Total		Share in Profit/ [Loss]		Share in Other		Share in Total	
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of Consolidated Profit/ [Loss]	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount	As % of Consolidated Profit/ [Loss]	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
Parent																
Nitesh Estates Limited	-43%	12870	-315%	34146	88%	-14550	-1028%	11	88%	-14539	37%	-9562	102%	-3571	45%	-13133
Subsidiaries (Indian)																
Nitesh Indiranagar Retail Private Limited	-73%	21618	-229%	24813	20%	-3331	-121%	1	20%	-3330	2%	-430	0%	9	1%	-422
Nitesh Housing Developers Private Limited	108%	-31972	141%	-15317	30%	-4980	841%	-9	30%	-4989	27%	-6841	-1%	36	23%	-6805
LOB Property Management Private Limited(Formerly known as Nitesh Property Management Private Limited)	2%	-659	5%	-584	0%	-75	35%	0	0%	-75	1%	-314	0%	3	1%	-311
Nitesh Urban Development Private Limited	41%	-12205	45%	-4848	26%	-4315	374%	-4	26%	-4319	7%	-1897	0%	9	6%	-1888
Courtyard Construction Private Limited	0%	105	1%	-76	-1%	180	0%	0	-1%	180	0%	-49	0%	0	0%	-49
Nitesh Office Parks Private Limited	0%	0	0%	-13	0%	0	0%	0	0%	0	0%	-1	0%	0	0%	-1
Nitesh Pune Mall Private Limited(PUNE)	0%	0	112%	-12102	0%	0	0%	0	0%	0	25%	-6503	0%	0	22%	-6503
Joint Ventures																
Nitesh Estates - whitefiled	-2%	730	-7%	730	0%	0	0%	0	0%	0	0%	-22	0%	0	0%	-22
Sub Total	**32%**	-9514 **0**	-247%	26749 **0**	164%	-27070 **0**	100%	-1 **0**	164%	-27071 **0**	100%	-25621 **0**	100%	-3514 **0**	100%	-29135
Elimination and Consolidation Adjustments	68%	-20135	347%	-37574	-64%	-10521	0%		-64%	-10521	0%		0%		0%	
Consolidated Total	**100%**	**-29649**	100%	**-10825**	100%	**-16549**	100%	**-1**	100%	**-16550**	100%	**-25621**	100%	**-3511**	100%	**-29135**

PROXY FORM - MGT-11

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Company : NEL HOLDINGS LIMITED *(Formerly Nitesh Estates Limited)* (CIN: L07010KA2004PLC033412)

Registered Office : 'Nitesh Timesquare', 7th Floor, No. 8, M.G. Road, Bengaluru-560 001.

Name of the Member (s) : ______________________________

Registered address: ______________________________

E-mailId:__________________DPID.*___________________FolioNo./ClientID.*__________________

**** Applicable for member holding shares in electronic form.***

I / We, being the member(s) of_____Equity Shares of NEL Holdings Limited hereby appoint

1. Name :______________________________
   Address : ______________________________
   E-mail Id :______________________Signature:_________________________, or failing him / her
2. Name :______________________________
   Address : ______________________________
   E-mail Id :______________________Signature:_________________________, or failing him / her
3. Name :______________________________
   Address : ______________________________
   E-mail Id :______________________Signature:_________________________, or failing him / her

as my / our Proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 15th Annual General Meeting of the Company, to be held on **Friday, September 27, 2019 at 9.00 am. at 'Dr. B. R. Ambedkar Memorial Trust' (Ambedkar Bhavana), Miller's Road, Vasanthnagar, Bengaluru – 560 052** and at any adjournment thereof, in respect of such resolutions set out in the Notice convening the meeting as are indicated below:

List of Resolutions:

Resolution No.	Resolution	Vote (Optional) (please refer Note No. 3)		
ORDINARY BUSINESS		**For/ Assent**	**Against/ Descent**	**Abstain**
1.	To consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended 31st March 2019, together with the Reports of the Board of Directors and Auditor's thereon.			
2.	To appoint the Statutory Auditors of the Company			

SPECIAL BUSINESS

3.	To appoint Mr. Subramanian Ananthanarayanan (DIN: 07621318) a Director (Independent Director) of the Company			
4.	To appoint Mr. Jagdish Capoor (DIN: 00002516) as an Independent Director of the Company for the second term			
5.	To approve the divestment of subsidiary – Nitesh Indiranagar Retail Private Limited			

Signed this ____day of____, 2019

Signature of Proxyholder (s)

Signature of Shareholder(s)

Affix Revenue Stamp

Note:

(1) **This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the Meeting.**

(2) **For detailed resolutions please refer 15th Annual General Meeting Notice.**

(3) **It is optional to indicate your preference, if you leave the 'For / Assent', 'Against / Descent' or 'Abstain' column blank against any or all resolutions, your Proxy will be at the option to vote in the manner as he/she may deem appropriate.**

NEL Holdings Limited
(formerly Nitesh Estates Limited)
CIN: L07010KA2004PLC033412
Regd. Office: Level 7, Nitesh Timesquare, # 8, M. G. Road, Bengaluru-560 001, India
Ph. +91-80-4017 4000
Website: www.niteshestates.com; email: investor@niteshestates.com, cs@nelholdings.in

ATTENDANCE SLIP

(Members attending the meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall)

I hereby record my presence at the **15th Annual General Meeting** of the Company held on Friday, September 27, 2019 at 9.00 A.M. at
"Dr. B. R. Ambedkar Memorial Trust" (Ambedkar Bhavana), Miller's Road, Vasanthnagar, Bengaluru – 560 052.

Full Name & Address of the Member (in BLOCK letters)-- --- --- --- Folio No/DP ID* & Client ID*:-- --- No. of Shares held : --	------------------------------------ **Signature of the Member**

*applicable for member holding shares in electronic form

Full Name of the Proxy (in BLOCK letters) -- --	------------------------------------ **Signature of the Proxy**

As part of **GO GREEN** initiative and **SAVE PLANET EARTH,** the shareholders of NEL Holdings who have still not registered their email ids are hereby requested to register their email ids with their respective Depositories in their demat accounts in order to receive the soft copy of Annual Report by email

NEL
Holdings Limited

NEL Holdings Limited
CIN: L07010KA2004PLC033412
Regd Office: Level 7, Nitesh Timesquare, #8, M. G. Road,
Bangalore – 560 001, India
P: +91-80-4017-4000 F: +91-80-2555-0825
E: investor@niteshestates.com W: nelholdings.in