

Statement of audited Consolidated financial results for the quarter and year ended March 31, 2021

(Rs. in Lakh) except EPS data

Particulars	Quarter ended			Year ended	
	3 months ended 31-03-2021	Preceding 3 months ended 31-12-2020	Corresponding 3 months ended 31-03-2020	Year to date figures for current period ended 31.03.2021	Year to date figures for previous year ended 31.03.2020
	Audited	Unaudited	Audited	Audited	Audited
1 Total Income from operations	5,457	5,945	373	12,482	4,165
2 Net (Loss)/profit for the period (before tax and exceptional items)	(4,252)	(3,764)	(1,657)	(18,272)	(14,768)
3 Net (Loss)/profit for the period before tax (after exceptional items)	(4,522)	(4,054)	(64,481)	(12,671)	(77,592)
4 Net (Loss)/profit for the period after tax (after exceptional items)	(4,411)	(4,063)	(60,622)	(20,513)	(71,898)
5 Total Comprehensive (Loss)/ Income for the period (Comprising (loss)/profit after tax and Other Comprehensive (Loss)/Income after tax)	(4,181)	(4,039)	(60,527)	(20,381)	(68,237)
6 Equity Share Capital	14,583	14,583	14,583	14,583	14,583
7 Reserves (excluding Revaluation Reserve) as shown in the Audited Balance Sheet of the previous year					-
8 Earnings/(Loss) Per Share ('EPS') (of Rs. 10 each; not annualised for the quarter)					
(a) Basic	(3.02)	(2.79)	(41.57)	(14.07)	(49.30)
(b) Diluted	(3.02)	(2.79)	(41.57)	(14.07)	(49.30)

Notes to the financial results:

The above consolidated financial results have been reviewed by the Audit committee and approved by the Board of Directors of the Company at its meeting held on 29th June 2021. The figures for the last quarter are the balancing figures between the audited figures in respect of the full financial year upto 31st March, 2021 and the unaudited published year-to-date figures upto 31st December, 2020, being the date of the end of the third quarter of the financial year which were subject to limited review by the statutory auditors.

These results include the result of the following subsidiaries.

Subsidiaries: NHDPL South Private Limited (Formerly known as NHDPL Properties Private Limited), NUDPL Ventures Private Limited (Formerly known as NUDPL Enterprises Private Limited), Nitesh Indiranagar Retail Private Limited, LOB Properties Private Limited (Formerly known as Nitesh Property Management Private Limited) and Courtyard Hospitality Private Limited (Formerly known as Courtyard Constructions Private Limited)

The information presented above is prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended.

These consolidated financial results information presented above is prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015. These results are uploaded on the Company website i.e. www.nelholdings.in and on the Stock Exchanges where the shares of the Company are listed i.e. www.bseindia.com.

Ind AS 116 "Leases" mandatory for reporting periods beginning on or after 1st April, 2019 as notified by the Ministry of Corporate Affairs (MCA) vide Companies (Indian Accounting Standard), Amendment Rules, 2019, replacing the existing lease rental recognition criteria. However, it is not applicable for the Company as it does not hold any leases valid for more than 12 months as at 31st March, 2020.

The Group primarily operates in two business segments - 'Residential' and 'Retail'. All operations are in India and hence there is no geographical segment.

Figures for standalone financial results

No	Particulars	Quarter ended			Year ended	
		3 months	Preceding 3	Corresponding 3	Year to date	Year to date
		Audited	Unaudited	Audited	Audited	Audited
1	Revenue from Operations	4,665	1,906	145	7,372	1,920
2	Profit/(Loss) before tax	(2,830)	(5,976)	(91,607)	(7,465)	(1,02,354)
3	Profit/(Loss) after tax	(2,761)	(6,000)	(91,557)	(8,127)	(1,00,520)

The Company has exited Knightsbridge Residential project, via BTA that has been executed and transferred the assets and liabilities of the projects to Garden City. The proposal was approved by the share holders in the Annual General Meeting held on 30th September, 2020 for an all inclusive value of not less than Rs. 8 Cr. RERA approval for this transfer has been obtained.

The Company has transferred Virgin Island Residential project along with Debentures outstanding against the project to land owners by way of settlement executed. The proposal was approved by shareholders in the Annual General Meeting held on 30th September, 2020 for an all inclusive value of not less than Rs. 2 Cr.

The Company has exited Park Avenue Residential project, via BTA that has been executed and transferred the assets and liabilities of the projects to Garden City. The proposal was approved by the share holders in the Annual General Meeting held on 31st December, 2020 for an all inclusive value of not less than Rs. 35 Cr. RERA approval for this transfer has been obtained.

The Subsidiary Company, viz NHDPL South Private Limited (Formerly NHDPL Properties Private Limited) has exited Napa Valley Project via Business Transfer Agreement (BTA) that has been executed and transferred the assets and liabilities of the projects to True Blue Reality. The proposal was approved by the share holders in the Annual General Meeting held on 30th September, 2020 for an all inclusive value of one time settlement of not less than Rs. 36 Cr on a principal amount of Rs. 130 crs. RERA approval for this project has been obtained in the name of M/s. True Blue Reality.

Pursuant to one time settlement with IDFC, the company has redeemed the debenture amount of Rs. 55 crs. Net surplus of Rs. 52.69 crs is accounted for in the books. Debt in the books of the company of Rs. 108 crs with interest stands reduced from the overall liability of the company.

As per note no. 6 (i) to (iv) provided above, the Company has exited Knightsbridge, Virgin Island, Park Avenue and Napa Valley projects and entered in to one time settlement with the lenders against loan outstanding for said projects. Accordingly the company has classified Rs. 273 crores as disputed liability as the bank has released its charge on such projects but the lender has not provided any confirmation to the effect.

The Holding Company alongwith its two subsidiaries viz. NHDPL South Private Limited (formerly NHDPL Properties Private Limited) and NUDPL Ventures Private Limited (Formerly NUDPL Enterprises Private Limited) has defaulted on payment to various lenders, Principal (Rs 72,586 lakhs) as on 31st March, 2021 as the facilities have been called off by the banks & financial institutions and entire facility has become due for payment. The penal interest has not been provided for which Management is confident to get the waiver of penal interest as the request is being made to lenders to take haircut of principal & normal interest outstanding also whenever a project exit is being discussed.

The company has signed and got in to a joint settlement memo in March 2020 for Rs. 13 crs. The company has so far paid Rs. 6.75 crs and has found a buyer for Rs. 6.25 crs. The matter is currently heard in the debt recovery tribunal Blore for closure of this matter and the extended time lines due to the Pandemic of covid 19. M/s. Shiram Finance has asked for additional interest for the delayed payment during pandemic period which we are in the process of negotiation.

The Company has Rs. 582 crs liability with Yes Bank and this account has been classified as NPA in the Balance Sheet. The company is engaged in one time settlements and exits are happening, the bank is still legally pursuing recovery in the DRT, various court as well as litigation are pending under section 138. In addition to this the bank has filed a police complaint in the jurisdictional station Bangalore. The Company legal teams and lawyers contesting this legally.

The outbreak of second wave of COVID-19 pandemic has significantly impacted global businesses environment. The restriction of human movement through nationwide lockdown during the period from 27th March, 2021 to 21st June, 2021 imposed by the Government of India to prevent community spread of the disease has resulted significant reduction in economic activities with respect to the operations of the Company, The business of the Company has gone down drastically and the construction activities of the Company has been stopped due to non-availability of resources during lock down period. The Company has taken necessary steps to overcome the present situation by analysing various internal and external information inter-alia the assumptions relating to economic forecasts and future cash flows for assessing the recoverability of various assets and receivables viz, investments, contract and non-contract assets, trade and non-trade receivables, inventories, advances and contract costs as on the date of approval of these financial statements. The assumptions used by the company are being tested through sensitivity analysis and the company expects to recover the carrying amount of these assets and receivables based on the current indicators of future economic benefits. As the management is still assessing the impact of COVID-19 pandemic on the future period, the impact may be different from that estimated as at the date of approval of these financial statements and the company will continue to closely monitor the material changes if any, to the future economic conditions. Same situation is continuing in the FY 2020-21 due to pandemic outbreak.

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. As per the management with these exits of residential projects and the debt coming down, the company is hopeful of revival in the coming years.

These financial statements therefore do not include any adjustments relating to recoverability and classification of asset amounts or to classification of liabilities that may be necessary if the Company is unable to continue as a going concern.

The figures for the quarter ended 31st March, 2021 are the derived balancing figures between the unaudited figures in respect of nine months ended 31st December 2020.

The figures in respect of previous period have been regrouped/recast wherever necessary.

For and on behalf of the Board of Directors of
NEL Holdings South Limited (Formerly known as NEL Holdings Ltd)
 Sd/-
 L.S. Vaidyanathan
 DIN: 00304652
 Executive Director