

# NELCO LIMITED

Regd. Office: MIDC Plot No EL 6 TTC Industrial Area, Electronic Zone, Mahape, Navi Mumbai - 400 710

## Unaudited Financial Results for the Quarter ended 31<sup>st</sup> March 2011

Rs. In Lakhs

Sr. No.	Particulars	3 Months period ended 31.03.2011 (Unaudited)	3 Months period ended 31.03.2010 (Unaudited)	6 Months period ended 31.03.2011 (Unaudited)	6 Months period ended 31.03.2010 (Unaudited)	Year Ended 30.09.2010 (Audited)
1.	Sales / Income from Operations	2,534	4,277	6,456	8,438	14,297
	Less : Excise Duty	51	135	201	220	351
	a) Net Sales / Income from Operations	2,483	4,142	6,255	8,218	13,946
	b) Other Operating Income	5	3	5	3	10
	Total Income From Operations	2,488	4,145	6,260	8,221	13,956
2.	Expenditure					
	a) Decrease/(Increase) in stock in trade and work in progress	403	499	298	375	67
	b) Consumption of raw materials (Refer Note 3)	328	953	1,606	2,535	3,505
	c) Purchase of traded goods (Refer Note 3)	528	712	1,676	1,556	3,478
	d) Employees cost	475	690	1,020	1,350	2,705
	e) Depreciation	114	109	219	222	437
	f) Other expenditure (Refer Note 6)	844	1,269	1,805	2,210	5,172
	Total Expenditure	2,692	4,232	6,624	8,248	15,364
3.	Profit / (Loss) From Operations before Other Income, Interest and Exceptional Items (1 - 2)	(204)	(87)	(364)	(27)	(1408)
4.	Other Income	44	79	184	161	327
5.	Profit / (Loss) before Interest and Exceptional Items (3 + 4)	(160)	(8)	(180)	134	(1081)
6.	Interest Expense	153	354	325	650	1273
7.	Profit / (Loss) after Interest but before Exceptional Items (5 - 6)	(313)	(362)	(505)	(516)	(2354)
8.	Exceptional Items					
	Less: Deferred Revenue Expenditure	-	53	-	106	106
	Add : Profit on sale of Business to Crompton Greaves Ltd (Refer note 5)	175	-	175	-	5302
9.	Profit / (Loss) before tax (7 - 8 )	(138)	(415)	(330)	(622)	2842
10.	Tax Expense					
	a) Current Tax	(125)	(96)	(125)	(115)	725
	b) Deferred Tax	88	(33)	88	(33)	(33)
	c) Short / (Excess) Tax Provision for earlier years	-	8	5	8	10
11.	Net Profit/ (Loss) after tax (9 - 10)	(101)	(294)	(298)	(482)	2140
12.	Paid up equity share capital ( face value Rs.10/-)	2282	2282	2282	2282	2282
13.	Reserves excluding Revaluation Reserve	-	-	-	-	1,940
14.	Earnings Per Share (Rs.) - Basic and Diluted	(0.44)	(1.29)	(1.31)	(2.11)	9.37
15.	Public shareholding					
	- Number of shares	11385810	11385760	11385810	11385760	11385760
	- Percentage of shareholding	49.90	49.90	49.90	49.90	49.90
16.	Promoter and promoter group shareholding					
	a) Pledged/Encumbered					
	- Number of shares	-	-	-	-	-
	- Percentage of shareholding (as % of the total shareholding of promoter and promoter group)	-	-	-	-	-
	- Percentage of shareholding (as % of the total share capital of the company)	-	-	-	-	-
	b) Non-encumbered					
	- Number of shares	11432590	11432640	11432590	11432640	11432640
	- Percentage of shareholding (as % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00
	- Percentage of shareholding (as % of the total share capital of the company)	50.10	50.10	50.10	50.10	50.10
17.	Dividend (Proposed)					
	Rate per share (Face Value Rs. 10/-) (In Rupees)	-	-	-	-	2.00
	Amount (Rs. In Lakhs)	-	-	-	-	456

## Segment-wise Revenue, Results and Capital Employed for the Quarter Ended 31<sup>st</sup> March 2011

Rs. In Lakhs

Sr. No.	Particulars	3 Months period ended 31.03.2011 (Unaudited)	3 Months period ended 31.03.2010 (Unaudited)	6 Months period ended 31.03.2011 (Unaudited)	6 Months period ended 31.03.2010 (Unaudited)	12 Months period ended 30.09.2010 (Audited)
1	Segment Revenue (Net Sales / Income from operations)					
	(i) Automation & Control	732	2,357	3,243	3,792	6,304
	(ii) Network Systems	1,802	1,920	3,213	4,646	7,993
	(iii) Property Development	-	-	-	-	-
	(iv) Others	-	-	-	-	-
	Less : Excise Duty	51	135	201	220	351
	<b>Total</b>	<b>2,483</b>	<b>4,142</b>	<b>6,255</b>	<b>8,218</b>	<b>13,946</b>
	<b>Less : Inter Segment Revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Net Sales / Income from Operations</b>	<b>2,483</b>	<b>4,142</b>	<b>6,255</b>	<b>8,218</b>	<b>13,946</b>
2	Segment Results					
	(i) Automation & Control	102	(160)	(59)	(394)	(1,559)
	(ii) Network Systems	296	260	572	816	1329
	(iii) Property Development	(217)	-	(217)	-	-
	(iv) Others	-	-	-	-	-
	<b>Total</b>	<b>181</b>	<b>100</b>	<b>296</b>	<b>422</b>	<b>(230)</b>
	Less:					
	(i) Interest expense	153	354	325	650	1273
	(ii) Other un-allocable (income) /expenditure net of unallocable (income) / expenditure	166	161	301	394	(4,345)
	<b>(Loss)/Profit Before Tax</b>	<b>(138)</b>	<b>(415)</b>	<b>(330)</b>	<b>(622)</b>	<b>2,842</b>
3	Capital Employed (Segment Assets-Segment Liabilities)					
	(i) Automation & Control	4,067	5,872	4,067	5,872	3,795
	(ii) Network Systems	6,033	8,594	6,033	8,594	7,463
	(iii) Property Development	-	217	-	217	217
	<b>Total Segment Capital Employed (Segment Assets - Segment Liabilities)</b>	<b>10,100</b>	<b>14,683</b>	<b>10,100</b>	<b>14,683</b>	<b>11,475</b>

Notes :-

### 1 Statement of Assets and Liabilities

Rs. In Lakhs

Particulars	6 Months period ended 31.03.2011 (Unaudited)	6 Months period ended 31.03.2010 (Unaudited)
<b>SHAREHOLDERS' FUNDS :</b>		
(a) Capital	2,282	2,282
(b) Reserves and Surplus	1,642	-
<b>LOAN FUNDS</b>	6,554	12,911
<b>DEFERRED TAX LIABILITY(NET)</b>	88	-
<b>TOTAL</b>	<b>10,566</b>	<b>15,193</b>
<b>FIXED ASSETS (Net Block)</b>	2,533	2,112
<b>INVESTMENTS</b>	198	198
<b>CURRENT ASSETS, LOANS AND ADVANCES:</b>		
(a) Inventories	980	3,037
(b) Sundry Debtors	8,787	14,767
(c) Cash and Bank Balances	507	314
(d) Other Current Assets	-	-
(e) Loans and Advances	3,797	4,357
Less : Current Liabilities and Provisions		
(a) Liabilities	5,316	8,370
(b) Provisions	920	1,372
<b>MISCELLANEOUS EXPENDITURE (NOT WRITTEN OFF OR ADJUSTED)</b>	-	-
<b>PROFIT AND LOSS ACCOUNT</b>	-	149
<b>TOTAL</b>	<b>10,566</b>	<b>15,193</b>

2 Due to the nature of project business, financial performance is not uniform across the quarters. Hence, financial results for the quarter are not representative of the annual results.

3 "During the quarter ended 30th September, 2010 the company transferred Traction Electronics, SCADA and Industrial Drives businesses (sub-divisions of Automation and Control segment) to Crompton Greaves Limited (CGL) as a "going concern" to Crompton Greaves Limited on a slump sale basis for a total consideration of Rs. 8,100 lakhs. However, at the request of CGL, the Company has continued with certain operations of the transferred businesses, pending assignment of certain contracts by customers to CGL. Consequently Sales / Income from Operation, Consumption of Raw material, Purchase of Traded goods and Other expenditure in respect of these contracts for the quarter and six months ended 31st March, 2011, and for the year ended 30th September, 2010 have been included under the respective head in the above results."

Particulars	3 Months period ended 31.03.2011	6 Months period ended 31.03.2011	Year ended 30.09.2010
Sales / Income from operations	15	1,932	467
Consumption of Raw material	14	1,234	391
Purchase of traded goods	-	584	-
Other expenditure	-	99	72

4 Consequent to the reasons stated in note 2 and 3 above, figures for current period are not comparable with the previous period.

5 During the quarter ended 30 September, 2010 the company had provided for Rs. 197 lakhs being expenditure to be incurred as per the Business Transfer Agreement with Crompton Greaves Limited (CGL) and adjusted against the profit on sale of business. During the current period on fulfillment of certain conditions the excess provision of Rs. 175 lakhs has been reversed and disclosed as Profit on sale of business to Crompton Greaves Limited.

6 Other expenditure includes gain of Rs. 12.40 lakhs for the Quarter ended 31st March, 2011 and gain of Rs. 8.91 lakhs for the half year ended 31st March, 2011 (Quarter ended 31st March 2010 gain of Rs.61.14 lakhs and half year ended 31st March, 2010 gain of Rs. 263.58 lakhs and for the year ended 30th September 2010 gain of Rs. 234.03 lakhs) on account of foreign exchange fluctuations in respect of monetary items (viz foreign currency receivables and payables) in accordance with Accounting Standard 11.

7 Other Income includes Rs. 30.73 lakhs for the quarter ended 31st March, 2011 and Rs. 127.63 lakhs for the half year ended 31st March, 2011 relating to liabilities no longer required written back (Quarter ended 31st March 2010 Rs. Nil and half year ended 31st March, 2010 Rs. Nil and for the year ended 30th September 2010 Rs. 53.45 lakhs) and includes Rs. Nil for the quarter ended 31st March, 2011 and Rs. 38.70 lakhs for the half year ended 31st March, 2011 relating to interest on income tax refund (Quarter ended 31st March 2010 Rs. 26.42 lakhs and half year ended 31st March, 2010 Rs. 26.42 lakhs and for the year ended 30th September 2010 Rs. 91.98 lakhs )

8 Business Segments have been identified as reportable primary segments in accordance with Accounting Standard 17, taking into account the organisational structure as well as the differing of risks and returns of these segments.

9 Previous period's/year's figures have been regrouped, wherever necessary, in order to make them comparable.

10 Status of Investors Complaints for the quarter ended 31.03.2011: - At the beginning - NIL , Received - NIL , Disposed off - NIL and unresolved - NIL

11 The above results were reviewed and recommended by the Audit Committee and were approved by the Board of Directors at its meeting held on 4th May 2011.

12 In compliance with Clause 41 of the Listing Agreement with the Stock Exchange, a Limited Review of the results for the quarter ended 31st March, 2011 has been carried out by the Statutory Auditors.

FOR NELCO LIMITED

Place : Mumbai

Date : 4th May, 2011

P. R. MENON  
CHAIRMAN