

# NELCO LIMITED

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

## Unaudited Financial Results for the Quarter ended 30<sup>st</sup> June 2011

Rs. In Lakhs

Sr. No.	Particulars	3 Months period ended 30.06.2011 (Unaudited)	3 Months period ended 30.06.2010 (Unaudited)	9 Months period ended 30.06.2011 (Unaudited)	9 Months period ended 30.06.2010 (Unaudited)	Year Ended 30.09.2010 (Audited)
1.	Sales / Income from Operations	1,908	2,948	8,364	11,386	14,297
	Less : Excise Duty	3	64	204	284	351
	a) Net Sales / Income from Operations	1,905	2,884	8,160	11,102	13,946
	b) Other Operating Income	-	-	5	3	10
	Total Income From Operations	1,905	2,884	8,165	11,105	13,956
2.	Expenditure					
	a) Decrease/(Increase) in stock in trade and work in progress	(648)	(239)	(350)	136	67
	b) Consumption of raw materials (Refer Note 2)	24	733	1,630	3,268	3,505
	c) Purchase of traded goods	1,302	641	2,978	2,197	3,478
	d) Employees cost	650	683	1,670	2,033	2,705
	e) Depreciation	126	104	345	326	437
	f) Other expenditure (Refer Note 5)	745	1,067	2,550	3,277	5,172
	Total Expenditure	2,199	2,989	8,823	11,237	15,364
3.	Profit / (Loss) From Operations before Other Income, Interest and Exceptional Items (1 - 2)	(294)	(105)	(658)	(132)	(1,408)
4.	Other Income	22	140	206	301	327
5.	Profit / (Loss) before Interest and Exceptional Items (3 + 4)	(272)	35	(452)	169	(1,081)
6.	Interest Expense	160	379	485	1,029	1,273
7.	Profit / (Loss) after Interest but before Exceptional Items (5 - 6)	(432)	(344)	(937)	(860)	(2,354)
8.	Exceptional Items					
	Less: Deferred Revenue Expenditure	-	-	-	106	106
	Add : Profit on sale of Business to Crompton Greaves Ltd (Refer note 4)	-	-	175	-	5,302
9.	Profit / (Loss) before tax (7 - 8 )	(432)	(344)	(762)	(966)	2,842
10.	Tax Expense					
	a) Current Tax	-	-	(125)	(115)	725
	b) Deferred Tax	-	-	88	(33)	(33)
	c) Short / (Excess) Tax Provision for earlier years	-	2	5	10	10
11.	Net Profit/ (Loss) after tax (9 - 10)	(432)	(346)	(730)	(828)	2,140
12.	Paid up equity share capital ( face value Rs.10/-)	2,282	2,282	2,282	2,282	2,282
13.	Reserves excluding Revaluation Reserve	-	-	-	-	1,940
14.	Earnings Per Share (Rs.) - Basic and Diluted	(1.89)	(1.51)	(3.20)	(3.63)	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 30<sup>st</sup> June 2011

Rs. In Lakhs

Sr. No.	Particulars	3 Months period ended 30.06.2011 (Unaudited)	3 Months period ended 30.06.2010 (Unaudited)	9 Months period ended 30.06.2011 (Unaudited)	9 Months period ended 30.06.2010 (Unaudited)	12 Months period ended 30.09.2010 (Audited)
1	Segment Revenue (Net Sales / Income from operations)					
	(i) Automation & Control	66	1,048	3,309	4,840	6,304
	(ii) Network Systems	1,842	1,900	5,055	6,546	7,993
	(iii) Property Development	-	-	-	-	-
	(iv) Others	-	-	-	-	-
	Less : Excise Duty	3	64	204	284	351
	<b>Total</b>	<b>1,905</b>	<b>2,884</b>	<b>8,160</b>	<b>11,102</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>1,905</b>	<b>2,884</b>	<b>8,160</b>	<b>11,102</b>	<b>13,946</b>
2	Segment Results					
	(i) Automation & Control	(391)	(138)	(450)	(532)	(1,559)
	(ii) Network Systems	296	265	868	1,081	1,329
	(iii) Property Development	-	-	(217)	-	-
	(iv) Others	-	-	-	-	-
	<b>Total</b>	<b>(95)</b>	<b>127</b>	<b>201</b>	<b>549</b>	<b>(230)</b>
	Less:					
	(i) Interest expense	160	379	485	1,029	1,273
	(ii) Other un-allocable (income) /expenditure net of unallocable (income) / expenditure	177	92	478	486	(4,345)
	<b>(Loss)/Profit Before Tax</b>	<b>(432)</b>	<b>(344)</b>	<b>(762)</b>	<b>(966)</b>	<b>2,842</b>
3	Capital Employed (Segment Assets-Segment Liabilities)					
	(i) Automation & Control	3,132	5,849	3,132	5,849	3,795
	(ii) Network Systems	5,508	8,517	5,508	8,517	7,463
	(iii) Property Development	-	215	-	215	217
	<b>Total Segment Capital Employed (Segment Assets - Segment Liabilities)</b>	<b>8,640</b>	<b>14,581</b>	<b>8,640</b>	<b>14,581</b>	<b>11,475</b>

### Notes :-

- 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.
- 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" 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 nine months ended 30th June, 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 31.06.2011	9 Months period ended 30.06.2011	Year ended 30.09.2010
Sales / Income from operations	-	1,932	467
Consumption of Raw material	-	1,234	391
Purchase of traded goods	-	584	-
Other expenditure	-	99	72

- Consequent to the reasons stated in note 2 above, figures for current periods are not comparable with the previous periods.
- 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 nine months ended 30 June, 2011 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.
- Other expenditure includes loss of Rs. 2.48 lakhs for the Quarter ended 30th June, 2011 and gain of Rs. 6.42 lakhs for the nine months ended 30th June, 2011 (Quarter ended 30th June, 2010 loss of Rs.56.24 lakhs and nine months ended 30th June, 2010 gain of Rs. 207 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).
- 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.
- Previous period's/year's figures have been regrouped, wherever necessary, in order to make them comparable.
- Status of Investors Complaints for the quarter ended 30.06.2011: - At the beginning - Nil , Received - Nil , Disposed off - Nil and unresolved - Nil.
- The above results were reviewed and recommended by the Audit Committee and were approved by the Board of Directors at its meeting held on 10th August, 2011.
- In compliance with Clause 41 of the Listing Agreement with the Stock Exchange, a Limited Review of the results for the quarter ended 30th June , 2011 has been carried out by the Statutory Auditors.

FOR NELCO LIMITED

Place : Mumbai  
Date : 10th August, 2011

P. R. MENON  
CHAIRMAN