

# NELCO LIMITED

REGD. OFFICE :- EL-6, TTC INDUSTRIAL AREA, MIDC, ELECTRONICS ZONE, MAHAPE, NAVI MUMBAI - 400 710

## Audited Financial Results for the Quarter ended 30<sup>th</sup> September 2012

## Audited Consolidated Financial Results for the year ended 30<sup>th</sup> September, 2012

Rs. In Lakhs

Rs. In Lakhs

Sr. No.	Particulars	3 months period ended 30.09.2012 (Unaudited)	Preceding 3 Months ended 30.06.2012 (Unaudited)	Corresponding 3 Months ended 30.09.2011 in the previous year (Unaudited)	12 Months ended 30.09.2012 (Audited)	Previous year ended 30.09.2011 (Audited)
<b>1.</b>	<b>Income from Operations</b>					
	a) Sales / Income from Operations	2,923	3,696	2,990	14,210	11,354
	Less : Excise Duty	24	140	22	319	226
	Net Sales / Income from Operations	2,899	3,556	2,968	13,891	11,128
	b) Other Operating Income	17	-	-	20	5
	Total Income From Operations (net)	2,916	3,556	2,968	13,911	11,133
<b>2.</b>	<b>Expenses</b>					
	a) Cost of material consumed (Refer Note 2)	178	881	267	1,918	1,897
	b) Purchase of stock-in-trade	957	1,260	1,564	5,559	4,542
	c) Changes in Inventories of finished goods, work-in-progress and stock-in-trade	194	(187)	(227)	(50)	(577)
	d) Employees Benefit Expense	542	576	602	2,183	2,272
	e) Depreciation and amortization expenses	140	138	132	558	477
	f) Provision for foreseeable losses	(19)	-	504	15	504
	g) Other expenses (Refer Note 5)	843	816	1,043	3,270	3,469
	Total Expenses	2,835	3,484	3,885	13,453	12,584
<b>3.</b>	Profit / (Loss) From Operations before other income, finance costs and exceptional items (1 - 2)	81	72	(917)	458	(1,451)
<b>4.</b>	Other Income	105	4	8	264	214
<b>5.</b>	Profit / (Loss) from ordinary activities before Finance Costs and Exceptional Items (3 + 4)	186	76	(909)	722	(1,237)
<b>6.</b>	Finance cost	257	243	191	881	800
<b>7.</b>	Profit / (Loss) from ordinary activities after Finance Costs but before Exceptional Items (5 - 6)	(71)	(167)	(1,100)	(159)	(2,037)
<b>8.</b>	Exceptional Items (Refer Note 3)	-	268	108	268	283
<b>9.</b>	Profit / (Loss) from ordinary activities before tax (7 + 8)	(71)	101	(992)	109	(1,754)
<b>10.</b>	Tax expense					
	a) Current Tax	-	-	-	-	(125)
	b) Deferred Tax	-	-	(88)	-	-
	c) Short / (Excess) Tax Provision for earlier years	-	-	19	-	24
<b>11.</b>	Net Profit/ (Loss) from ordinary activities after tax (9 -10)	(71)	101	(923)	109	(1,653)
<b>12.</b>	Extraordinary items	-	-	-	-	-
<b>13.</b>	Net Profit/ (Loss) for the period (11-12)	(71)	101	(923)	109	(1,653)
<b>14.</b>	Paid up equity share capital ( face value Rs.10/-)	2,282	2,282	2,282	2,282	2,282
<b>15.</b>	Reserves excluding Revaluation Reserve as per Balance Sheet of previous accounting year	-	-	-	263	287
<b>16.</b>	Earnings Per Share (before and after extraordinary items) (of Rs. 10/-each) (not annualised):	(0.31)	0.44	(4.04)	0.48	(7.25)
	(a) Basic					
	(b) Diluted					
<b>17.</b>	Final Dividend - Proposed					
	Rate per share in Rs (FY12 - face value Rs 10/- ) (FY 11 - Face value Rs 10/-)				0.5	-
					114	-

Sr. No.	Particulars	Year ended 30.09.2012 (Audited)	Year ended 30.09.2011 (Audited)
<b>1.</b>	Sales / Income from Operations	16,371	13,397
	Less : Excise Duty	319	226
	a) Net Sales / Income from Operations	16,052	13,171
	b) Other Operating Income	20	5
	Total Income From Operations (net)	16,072	13,176
<b>2.</b>	Expenses		
	a) Cost of material consumed	1,918	1,897
	b) Purchase of stock-in-trade	5,559	4,542
	c) Changes in Inventories of finished goods, work-in-progress and stock-in-trade	(50)	(577)
	d) Employees benefit expenses	2,183	2,272
	e) Depreciation and amortization expenses	884	778
	f) Other expenses ( refer note 3)	5,131	5,604
	Total Expenses	15,625	14,516
<b>3.</b>	Profit/ (Loss) From Operations before Other Income, Finance cost and Exceptional Items (1 - 2)	447	(1,340)
<b>4.</b>	Other Income	271	233
<b>5.</b>	Profit/ (Loss) before finance cost and Exceptional Items (3 + 4)	718	(1,107)
<b>6.</b>	Finance cost	900	818
<b>7.</b>	Profit/ (Loss) after Finance cost but before Exceptional Items (5 - 6)	(182)	(1,925)
<b>8.</b>	Exceptional Items (Refer note 1)	268	283
<b>9.</b>	Profit/(Loss) from Ordinary Activities before tax (7 + 8 )	86	(1,642)
<b>10.</b>	Tax expense		
	a) Current Tax	49	(66)
	b) Deferred Tax	(33)	(22)
	c) Short Tax Provision for earlier years	-	24
	Net Profit/(Loss) after tax Before Share of Associate (9-10)	70	(1,578)
<b>12.</b>	Add : Share of Profit of Associate	33	25
<b>13.</b>	Net Profit/(Loss) after tax for the period (11+12)	103	(1,553)
<b>14.</b>	Paid up equity share capital ( face value Rs.10/-)	2,282	2,282
<b>15.</b>	Reserve excluding Revaluation Reserve	972	1,001
<b>16.</b>	Earnings Per Share (Rs.)- Basic and diluted-not annualised	0.45	(6.81)
<b>17.</b>	Final Dividend - Proposed		
	Rate per share in Rs (FY12 - face value Rs 10/- ) (FY 11 - Face value Rs 10/-)	0.50	-
	Amount (Rs in lakhs)	114	-
<b>18.</b>	Public shareholding		
	- Number of shares	11385810	11385810
	- Percentage of shareholding	49.90	49.90
<b>19.</b>	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	11432590
	- Percentage of shareholding (as % of the total shareholding of promoter and promoter group)	100	100
	- Percentage of shareholding (as % of the total share capital of the company)	50.10	50.10

### PART II

Sr. No.	Particulars	3 months period ended 30.09.2012 (Unaudited)	Preceding 3 Months ended 30.06.2012 (Unaudited)	Corresponding 3 Months ended 30.09.2011 in the previous year (Unaudited)	12 Months ended 30.09.2012 (Audited)	Previous year ended 30.09.2011 (Audited)
<b>A</b>	<b>PARTICULARS OF SHAREHOLDINGS</b>					
<b>1</b>	Public shareholding					
	- Number of shares	11385810	11385810	11385810	11385810	11385810
	- Percentage of shareholding	49.90	49.90	49.90	49.90	49.90
<b>2</b>	Promoter and promoter group shareholding					
	a) Pledged/Encumbered					
	- Number of shares	-	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-
	- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-
	b) Non-encumbered					
	- Number of shares	11432590	11432590	11432590	11432590	11432590
	- Percentage of shares (as % of the total shareholding of promoter and promoter group)	100	100	100	100	100
	- Percentage of shares (as % of the total share capital of the company)	50.10	50.10	50.10	50.10	50.10
<b>B</b>	<b>INVESTOR COMPLAINTS</b>					
	Pending at the beginning of the quarter		NIL			
	Received during the quarter		NIL			
	Disposed off during the quarter		NIL			
	Remaining unresolved at the end of the quarter		NIL			

### Audited Standalone Statement of Assets and Liabilities

Particulars		3 months period ended 30.09.2012	
<b>A</b>	<b>EQUITY AND LIABILITIES</b>		
<b>1</b>	<b>Shareholders' funds</b>		
	(a) Share capital	2,282	2,282
	(b) Reserves and surplus	263	287
	Sub total - Shareholder's Funds	2,546	2,569
<b>2</b>	<b>Non-current liabilities</b>		
	(a) Long-term borrowings	121	233
	(b) Deferred tax liability (Net)	-	-
	(c) Other long-term liabilities	321	526
	(d) Long-term provisions	578	801
	Sub total - Non-Current Liabilities	1,020	1,560
<b>3</b>	<b>Current liabilities</b>		
	(a) Short-term borrowings	8,003	4,944
	(b) Trade payables	4,182	5,745
	(c) Other current liabilities	737	906
	(d) Short-term provisions	591	702
	Sub total - Current Liabilities	13,514	12,297
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>17,079</b>	<b>16,426</b>
<b>B</b>	<b>ASSETS</b>		
<b>1</b>	<b>Non-current assets</b>		
	(a) Fixed assets	2,399	2,630
	(b) Non-current investments	198	198
	(c) Long-term loans and advances	2,709	2,199
	Sub total - Non-Current Assets	5,306	5,027
<b>2</b>	<b>Current assets</b>		
	(a) Inventories	2,097	1,896
	(b) Trade receivables	7,274	6,542
	(c) Cash and cash equivalents	291	500
	(d) Short-term loans and advances	993	1,457
	(e) Other current assets	1,118	1,004
	Sub total - Current Assets	11,773	11,399
	<b>TOTAL ASSETS</b>	<b>17,079</b>	<b>16,426</b>

### Segment wise Revenue, Results and Capital Employed for the Quarter Ended 30<sup>th</sup> September 2012

Particulars		12 Months period ended 30.09.2012		12 Months period ended 30.09.2011	
<b>1</b>	Segment Revenue (Net Sales / Income from operations)				
	(i) Automation & Control	989	1,798	1,142	5,700
	(ii) Network Systems	1,934	1,898	1,848	8,510
	Less : Excise Duty	24	140	22	319
	<b>Total</b>	<b>2,899</b>	<b>3,556</b>	<b>2,968</b>	<b>13,891</b>
	Less : Inter Segment Revenue	-	-	-	-
	<b>Net Sales / Income from Operations</b>	<b>2,899</b>	<b>3,556</b>	<b>2,968</b>	<b>13,891</b>
<b>2</b>	Segment Results				
	(i) Automation & Control	(63)	(167)	(1,224)	(304)
	(ii) Network Systems	539	552	294	2,152
	(iii) Property Development	-	-	-	(217)
	<b>Total</b>	<b>476</b>	<b>385</b>	<b>(930)</b>	<b>1,848</b>
	Less:				
	(i) Interest expense	237	224	163	797
	(ii) Other un-allocable (income) /expenditure net of unallocable (income) / expenditure	310	60	(101)	942
	<b>Profit/(Loss) Before Tax</b>	<b>(71)</b>	<b>101</b>	<b>(992)</b>	<b>109</b>
<b>3</b>	Capital Employed (Segment Assets-Segment Liabilities)				
	(i) Automation & Control	4,517	4,669	2,638	4,517
	(ii) Network Systems	5,711	5,639	4,449	5,711
	<b>Total Segment Capital Employed (Segment Assets - Segment Liabilities)</b>	<b>10,228</b>	<b>10,308</b>	<b>7,087</b>	<b>10,228</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.
- In the year ended September 30, 2010 the Company had transferred Tracton Electronics, Supervisory Control and Data Acquisition (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. However, at the request of CGL, the Company continued with certain operations of the transferred businesses till 30th June 2011. Consequently Sales/Income from Operations, Consumption of Raw Materials, Purchase of Traded Goods and Other Expenditure in respect of these contracts for the year ended 30th September, 2011 have been included under the respective head in the above results\*

Particulars	12 Months period ended 30.09.2012	12 Months period ended 30.09.2011
Sales/Income from Operations	-	1,932
Consumption of Raw materials	-	1,234
Purchase of Traded Goods	-	584
Other Expenditure	-	99

- The Company entered into a final settlement agreement with CGL considering all claims and differences that CGL had on account of all the associated risks and liabilities of the transferred Businesses under the Original Agreement and the effects of these were given to in the financial statement for the year ended September 30, 2011. Further during the year, the Company has received Rs. 268 lakhs on account of recovery of the liquidated damages in respect of these businesses.
- The tax year for the company being the year ending 31st March, 2012 and the provision based on the figures for the remaining six months up to 30th September, 2012. The tax liability for the period 1st April, 2012 and the provision based on the figures for the remaining six months up to 30th September, 2012. The tax liability for the period 1st April, 2012 to 31st March 2013 shall be determined accordingly.
- Other expenditure includes gain of Rs. 1.63 lakhs for the quarter ended 30th September, 2012 and loss of Rs. 129.76 Lakhs for the year ended 30th September, 2012 (loss of Rs. 64.45 lakhs for the quarter ended 30th June, 2012, loss of Rs. 151 lakhs for the quarter ended 30th September, 2011 and loss of Rs. 151 lakhs for the quarter ended 30th September, 2011) on account of foreign exchange fluctuations in respect of monetary items (viz foreign currency receivables and payables) in accordance with Accounting Standard 11.
- The Board of Directors has, at its meeting held on November 22,2012 recommended a dividend of Rs 0.5 per equity share of the face value Rs 10 each aggregating to Rs 114 lakhs and the corporate tax on such dividend aggregates Rs. 19 lakhs, which is subject to approval of shareholders.
- Figures for the previous periods are re-classified / re-arranged / re-grouped, wherever necessary, as per the format revised by SEBI in conformity with the amended Schedule VI to the Companies Act, 1956 and in order to make it comparable.
- The above results were reviewed and recommended by the Audit Committee and were approved by the Board of Directors at its meeting held on 22nd November 2012.

FOR NELCO LIMITED

P. R. Menon  
CHAIRMAN

Place : Mumbai  
Date : 22nd November, 2012