



9th May 2017

BSE Limited
Corporate Relationship Dept
1st Floor, New Trading Ring
Rotunda Building,
P.J. Towers, Fort,
Mumbai – 400 001

National Stock Exchange of India Ltd.
5th floor, Exchange Plaza, Plot No.C-1
Block "G" Bandra Kurla Complex
Bandra (East)
Mumbai – 400 051

Fax No.(022)22723121/2041

Fax No.2659 8237/38

BSE : 504112

NSE: Nelco EQ

Dear Sirs,

Sub: Outcome of the Board Meeting held on 9th May 2017

Pursuant to Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Ref : Our letters dated 4th April 2017 and 25th April 2017

This is to inform you that the Board of Directors adopted the Audited Financial Results (Standalone & Consolidated) of the Company for the quarter & year ended 31st March 2017. The copies of the said financial results along with Auditor's Report are enclosed.

The Company will be publishing Consolidated Audited Financial Results as per the prescribed format. The Audited Financial Results (Standalone & Consolidated) would be available on Company's website www.nelco.in.

Further, pursuant Regulation 33 (3) (d) of SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015, It is hereby confirmed that the Auditors of the Company has submitted unmodified opinion for Audited Financial Results (Standalone & Consolidated) for the year ended 31st March 2017.

The Meeting of the Board of Directors of the Company commenced at 2.30 p.m. and concluded at 4.45 p.m.

Thanking you,

Yours faithfully,
NELCO Limited


Girish V. Kirkinde
Company Secretary

NELCO LIMITED

REGD. OFFICE :- EL-6, TTC INDUSTRIAL AREA, MIDC, ELECTRONIC ZONE, MAHAPE, NAVI MUMBAI - 400 710, CIN: L32200MH1940PLC003164

Part-I
Statement of Consolidated Audited Financial Results for the quarter and twelve months ended 31st March, 2017

(Rs in Lakhs)

Sr.No.	Particulars	3 Months ended	Preceding 3	Corresponding 3	12 Months ended	18 Months ended
		31.03.2017	Months ended	Months ended	31.03.2017	31.03.2016
		Audited	Unaudited	Audited	Audited	Audited
		(Refer note 8)			(Refer note 8)	(Refer note 7)
1.	Income					
	a) Revenue from Operations	3,699	3,649	3,465	14,367	19,994
	b) Other Income (Refer note 5)	171	204	134	493	269
	Total Income (a+b)	3,870	3,853	3,599	14,860	20,263
2.	Expenses					
	a) Cost of materials consumed	-	-	4	-	128
	b) Purchase of stock- in-trade	979	295	559	2,640	4,078
	c) Changes in Inventories of finished goods, work-in-progress and stock-in-trade	(471)	350	44	(101)	8
	d) Employee Benefits Expense	514	507	468	1,959	2,794
	e) Voluntary Retirement Expenses (Refer note 4)	159	-	-	159	-
	f) Finance Cost	188	206	229	850	1,309
	g) Depreciation and amortization expense	210	214	174	802	1,111
	h) Transponder Charges	774	756	722	2,982	3,967
	i) Other expenses	1,380	1,290	1,171	4,915	6,846
	Total Expenses	3,733	3,618	3,371	14,206	20,241
3	Add:- Share of Profit of Associate	20	-	31	39	44
4	Profit / (Loss) before Tax (1 -2 +3)	157	235	259	693	66
5	Tax expense					
	a) Current Tax	50	25	36	91	52
	b) Deferred Tax	9	(19)	(36)	(26)	(52)
6	Net Profit from Continuing Operations (4-5)	98	229	259	628	66
7	(Loss) from Discontinued Operations	-	-	-	-	(7)
8	Add :- Gain on sale of MS Business (Refer note 2)	-	-	-	-	162
9	Net Profit from Discontinued Operations (7+8)	-	-	-	-	155
10	Net Profit for the period (6+9)	98	229	259	628	221
11	Other Comprehensive Income					
	A (i) Items that will not be reclassified to Profit or Loss	(6)	6	(3)	(26)	(32)
	A (ii) Income tax relating to items that will not be reclassified to Profit or Loss	-	-	-	-	-
	B (i) Items that may be reclassified to Profit or Loss	-	-	-	-	-
	B (ii) Income tax relating to items that may be reclassified to Profit or Loss	-	-	-	-	-
12	Total Comprehensive Income (10+11)	92	235	256	602	189
13	Paid up equity share capital (face value Rs.10/-)	2,282	2,282	2,282	2,282	2,282
14	Other Equity excluding revaluation reserve as per balance sheet of previous accounting year				(95)	(697)
15	Earnings Per Share Basic and Diluted (Face value Rs. 10/-each) (not annualised)					
	Continuing Operations	0.43	1.00	1.13	2.75	0.29
	Discontinued Operations	-	-	-	-	0.68
	Total Operations	0.43	1.00	1.13	2.75	0.97
	See accompanying notes to the statement of Consolidated Audited Financial Results					

13

Consolidated Segment wise Revenue, Results and Capital Employed for the quarter and twelve months ended 31st March, 2017						
Sr. No.	Particulars (Refer Notes below)	(Rs in Lakhs)				
		3 Months ended 31.03.2017	Preceding 3 Months ended 31.12.2016	Corresponding 3 Months ended 31.03.2016	12 Months ended 31.03.2017	18 Months ended 31.03.2016
		Audited (Refer note 8)	Unaudited	Audited	Audited (Refer note 8)	Audited (Refer note 7)
1	Segment Revenue from operations					
	(i) Automation & Control	104	27	113	394	1,256
	(ii) Network Systems	3595	3,622	3,352	13,973	18,738
	Total	3,699	3,649	3,465	14,367	19,994
	Less : Inter Segment Revenue	-	-	-	-	-
	Revenue from Operations	3,699	3,649	3,465	14,367	19,994
2	Segment Results					
	(i) Automation & Control	(149)	(122)	(105)	(466)	(618)
	(ii) Network Systems	920	662	804	3,001	3,628
	Total	771	540	699	2,535	3,010
	Add / (Less) :-					
	(i) Share of Profit of Associate	20	-	31	39	44
	(ii) Other unallocable income / (expenditure)	(446)	(99)	(242)	(1,031)	(1,679)
	(iii) Finance Cost	(188)	(206)	(229)	(850)	(1,309)
	Net Profit before Tax from Continuing Operations (A)	157	235	259	693	66
	(Loss) from Discontinued Operations	-	-	-	-	(7)
	Add :-Gain on sale of MS Business (Refer note 2)	-	-	-	-	162
	Net Profit from Discontinued Operations (B)	-	-	-	-	155
	Net Profit before tax for the period (A+B)	157	235	259	693	221
3	Segment Assets					
	(i) Automation & Control	2,548	3,211	3,030	2,548	3,030
	(ii) Network Systems	7,182	6,964	6,892	7,182	6,892
		9,730	10,175	9,922	9,730	9,922
	Unallocable Assets	3,323	5,458	5,653	3,323	5,653
	Total Assets	13,053	15,633	15,575	13,053	15,575
	Segment Liabilities					
	(i) Automation & Control	933	986	1,206	933	1,206
	(ii) Network Systems	3,694	4,435	3,437	3,694	3,437
		4,627	5,421	4,643	4,627	4,643
	Unallocable Liabilities	6,239	8,091	9,347	6,239	9,347
	Total Liabilities	10,866	13,512	13,990	10,866	13,990

Notes :-

- 1 The Company vide its letter dated 3rd April, 2014 had informed the Stock Exchange about the approval of the Board of Directors to restructure the operations of Company's Integrated Security & Surveillance Solutions business (ISSS business) which inter alia, includes the business of Unattended Ground Sensors (UGS) and forms part of the Automation & Control segment. As part of such restructuring, the Board of Directors of the Company at its meeting held on 28th January, 2015 accepted an offer made by The Tata Power Company Limited (TPCL), for its Strategic Engineering Division to purchase the business of UGS as a going concern on a slump sale basis at a consideration of Rs. 831 Lakhs with effect from 1st October 2014. The shareholders by postal ballot on 25th June, 2015 approved the transaction. The Business Transfer Agreement (BTA) was signed on 5th August, 2015. During the previous quarter ended 31st December, 2016, all the conditions precedent were satisfied and a jointletter confirming the same was signed subsequently on 2nd January, 2017 and accordingly, the financial information of prior periods have been restated with effect from 1st October, 2014, as if transfer had occurred on 1st October, 2014.

The financial parameters in respect of the ordinary activities attributable to the UGS business are as follows:

Particulars	(Rs in Lakhs)				
	3 Months ended 31.03.2017	Preceding 3 Months ended 31.12.2016	Corresponding 3 Months ended 31.03.2016	12Months ended 31.03.2017	18 Months ended 31.03.2016
Revenue from Operations	-	249	90	401	247
Expenses	-	187	90	332	399
Expenses attributable	-	26	17	78	141
Pre-tax Profit / (Loss)	-	36	(17)	(9)	(293)
Current Tax	-	-	-	-	-
Total Assets	-	-	941	-	941
Total Liabilities	-	-	-	-	-

The assets attributable to the UGS business have been impaired as at 1st October, 2014 to the tune of Rs. 166 Lakhs.

- 2 Further, as part of restructuring, the Board of Directors of the Company at its meeting held on 18th March, 2015 accepted the offer received from a company for the transfer of Managed Services business (MS Business) forming part of Network System segment as a going concern on a slump sale basis at a consideration of Rs. 210 Lakhs with effect from 1st April, 2015. The shareholders by postal ballot on 25th June, 2015 had approved the transaction. The said transaction was concluded on 31st August, 2015 after entering into definitive agreement and after obtaining various approvals as required under applicable laws. The said transaction was given effect during the quarter ended 30th September, 2015 with effect from 1st April, 2015.

The financial parameters in respect of the ordinary activities attributable to the MS business are as follows

Particulars	(Rs in Lakhs)				
	3 Months ended 31.03.2017	Preceding 3 Months ended 31.12.2016	Corresponding 3 Months ended 31.03.2016	12Months ended 31.03.2017	18 Months ended 31.03.2016
Revenue from Operations	-	-	-	-	553
Expenses	-	-	-	-	522
Expenses attributable	-	-	-	-	51
Pre-tax profit / (loss)*	-	-	-	-	(20)
Current Tax	-	-	-	-	-
Total Assets	-	-	-	-	-
Total Liabilities	-	-	-	-	-

An amount of Rs 162 Lakhs was accounted as profit on sale of this business for the 18 months ended 31st March, 2016.

* Includes, loss after tax of Rs 13 Lakhs in respect of MS business run on behalf of other company for the period from 1st April, 2015 to 31st August, 2015.

- 3 The Company adopted Indian Accounting Standard ("IND AS") from 1st April, 2016 and accordingly these Consolidated Audited financial results have been prepared in accordance with the recognition and measurement principles stated therein, prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India. Financial results for all the periods presented have been prepared in accordance with the recognition and measurement principles of IND AS. The impact of transition has been provided in the opening reserves as at 1st October, 2014 and all periods presented have been restated accordingly.
- 4 During the quarter ended 31st March, 2017, the Company has implemented a Voluntary Retirement Scheme (VRS). Accordingly, VRS expenditure of Rs.159 Lakhs has been debited to the Statement of Profit and Loss.

5 Other income includes :-

(Rs in Lakhs)

Particulars	3 Months ended 31.03.2017	Preceding 3 Months ended 31.12.2016	Corresponding 3 Months ended 31.03.2016	12Months ended 31.03.2017	18 Months ended 31.03.2016
	Audited (Refer note 8)	Unaudited	Audited	Audited (Refer note 8)	Audited (Refer note 7)
Interest income (including discounting)	3	3	41	42	72
Interest on Income tax refund	-	164	-	164	-
Liabilities / Provisions no longer required written back	76	-	16	91	98
Dividend income from Associate	3	-	-	3	-
Rent Income	23	22	22	87	56
Miscellaneous income	66	15	55	106	43
Total	171	204	134	493	269

6 Reconciliation between the Consolidated Audited financial results, as previously reported (referred to as 'previous GAAP') and as per IND AS is as under :-

Equity Reconciliation

(Rs in Lakhs)

Particulars	As at 31st March, 2016	As at 1st October, 2014
	Audited	Audited
Equity under Previous GAAP	968	1,690
Add :- Profit / (loss) on transfer of UGS business (refer note 1)	293	(166)
Adjustments :-		
Reversal of depreciation on Discontinued Operations	157	-
Effect of change in depreciation on account of componentisation of Property, Plant and Equipment	297	-
Interest income / (expense) on financial assets and financial liabilities (net)	(72)	25
Provision of trade receivables based on Expected Credit Loss model	(62)	-
Effect of measuring investments at fair value through Other Comprehensive Income	12	10
Depreciation on transition to Schedule II of the Companies Act, 2013 on Tangible Assets with Nil remaining useful life	-	(151)
Income in respect of Associate on account of adoption of IND AS	(7)	(8)
Others	(1)	(4)
Equity under IND AS	1,585	1,396

Total Comprehensive Income Reconciliation

(Rs in Lakhs)

Particulars	Corresponding 3 Months ended 31.03.2016	18 Months ended 31.03.2016
	Audited	Audited
Net Profit / (Loss) as per previous GAAP	187	(618)
Add:-Profit / (loss) on transfer of UGS business (refer note 1)	17	459
Adjustments :		
Remeasurement of Defined benefit obligations recognised in Other Comprehensive Income	3	33
Reversal of depreciation on Discontinued Operations	25	157
Effect of change in depreciation on account of componentisation of Property, Plant and Equipment	45	297
Interest income / (expense) on financial assets and financial liabilities (net)	(12)	(97)
Provision of trade receivables based on Expected Credit Loss model	-	(62)
Deferred Tax on depreciation due to transition to Schedule II of the Companies Act, 2013 on Tangible Assets with Nil remaining useful life	-	47
Income in respect of Associate on account of adoption of IND AS	(6)	1
Others	-	4
Net Profit / (Loss) as per IND AS	259	221
Other Comprehensive Income	(3)	(32)
Total Comprehensive Income under IND AS	256	189

- 7 The previous financial year of the Company was for 18 months ended 31st March, 2016. Accordingly, the figures for the previous financial year ended 31st March, 2016 are not comparable with the figures for the current financial year (12 months) ended 31st March, 2017.
- 8 The figures for the last quarter results of the current period are the differences between audited figures in respect of the full financial year and the published results upto the third quarter ended 31st December, 2016.

(Rs in Lakhs)

Standalone Financial details	3 Months ended 31.03.2017	Preceding 3 Months ended 31.12.2016	Corresponding 3 Months ended 31.03.2016	12 Months ended 31.03.2017	18 Months ended 31.03.2016
	Audited (Refer note 8)	Unaudited	Audited	Audited (Refer note 8)	Audited (Refer note 7)
Total income	2,643	2,469	2,251	9,818	13,775
Profit before Tax- Total Operations	250	162	68	667	133
Profit after Tax- Total Operations	250	162	68	667	133
Total Comprehensive income	246	168	65	642	100

- 10 The Audited Standalone financial results for the quarter and year ended 31st March, 2017 of the Company are available on the Company's website 'www.nelco.in', Bombay Stock Exchange's website "www.bseindia.com" and National Stock Exchange's website "www.nseindia.com".
- 11 The above results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at its meeting held on 9th May, 2017

Place :- Mumbai
Date :- 9th May, 2017

For Nelco Limited



R.R. Bhinge
Chairman

Nelco Ltd
Audited Consolidated statement of Assets and Liabilities as at 31st March, 2017

(Rs in Lakhs)

PARTICULARS (Refer Notes Above)	As at 31st March, 2017	As at 31st March, 2016	As at 1st October, 2014
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3,443	2,709	2,861
(b) Capital Work-in-Progress	284	611	336
(c) Intangible assets	117	52	88
(d) Financial Assets			
(i) Investments	527	877	835
(ii) Other Financial Assets	20	44	44
(e) Deferred tax assets (net)	78	52	-
(f) Non Current Tax Assets(net)	2,141	2,561	1,705
(g) Other non-current assets	22	90	78
Sub Total Non-Current Assets	6,632	6,996	5,947
Current assets			
(a) Inventories	902	800	963
(b) Financial Assets			
(i) Trade Receivables	3,669	4,311	3,791
(ii) Cash and cash equivalents	304	493	459
(iii) Bank balances other than (ii) above	54	34	32
(iv) Other Financial Assets	695	2,394	2,288
(d) Other current assets	797	547	768
Sub Total Current Assets	6,421	8,579	8,301
TOTAL ASSETS	13,053	15,575	14,248
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	2,282	2,282	2,282
(b) Other Equity	(95)	(697)	(886)
TOTAL EQUITY	2,187	1,585	1,396
LIABILITIES			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	212	29	49
(ii) Other financial liabilities	20	35	68
(b) Provisions	348	437	435
Sub Total non-current liabilities	580	501	552
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	5,430	8,451	6,573
(ii) Trade Payables	3,100	3,091	3,541
(iii) Other financial liabilities	229	685	500
(b) Provisions	243	367	437
(c) Other current liabilities	1,284	895	1,249
Sub Total current liabilities	10,286	13,489	12,300
TOTAL LIABILITIES	10,866	13,990	12,852
TOTAL LIABILITIES AND EQUITY	13,053	15,575	14,248

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF NELCO LIMITED

1. We have audited the accompanying Statement of Consolidated Financial Results of **NELCO LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") and its share of the profit of its associate for the year ended March 31, 2017 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement, which is the responsibility of the Parent's Management and approved by the Board of Directors, has been compiled from the related consolidated financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder ("Ind AS") and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such consolidated financial statements.

2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Parent's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Parent's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in paragraph 4 below, is sufficient and appropriate to provide a basis for our audit opinion.

3. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on separate financial statements, subsidiaries, and an associate referred to in paragraph 4 below, the Statement:



- a. includes the results of Tatanet Services Limited and Nelco Network Products Limited - subsidiaries and Nelito Systems Limited – an associate;
 - b. is presented in accordance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
 - c. gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net profit, total comprehensive income and other financial information of the Group for the year ended March 31, 2017.
4. We did not audit the financial statements of 2 subsidiaries included in the consolidated financial results, whose financial statements reflect total assets of Rs.4,359 Lakhs as at March 31, 2017, total revenues of Rs.7,997 Lakhs, total net profit after tax of Rs.223 Lakhs and total comprehensive income of Rs.223 Lakhs for the year ended on that date, as considered in the consolidated financial results. The consolidated financial results also include the Group's share of net profit of Rs.39 Lakhs and total comprehensive income of Rs.38 Lakhs for the year ended March 31, 2017, as considered in the consolidated financial results, in respect of an associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, is based solely on the reports of the other auditors.

Our opinion on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

5. The Statement includes the results for the Quarter ended March 31, 2017 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subjected to limited review by us.
6. The comparative financial information for the Quarter and Eighteen Months ended March 31, 2016 in respect of 2 subsidiaries, and 1 associate included in this Statement prepared in accordance with the Ind AS have been audited by other auditors and have been relied upon by us.

Our report is not qualified in respect of these matters.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Gurvinder Singh
Partner
(Membership No.110128)

MUMBAI, May 9, 2017

NELCO LIMITED						
REGD. OFFICE :- EL-6, TTC INDUSTRIAL AREA, MIDC, ELECTRONIC ZONE, MAHAPE, NAVI MUMBAI - 400 710, CIN: L32200MH1940PLC003164						
Part-I						
Statement of Standalone Audited Financial Results for the quarter and twelve months ended 31st March, 2017						(Rs in Lakhs)
Sr.No.	Particulars	3 Months ended 31.03.2017	Preceding 3 Months ended 31.12.2016	Corresponding 3 Months ended 31.03.2016	12 Months ended 31.03.2017	18 Months ended 31.03.2016
		Audited (Refer note 8)	Unaudited	Audited	Audited (Refer note 8)	Audited (Refer note 7)
1.	Income					
	a) Revenue from Operations	2,152	2,269	2,121	8,939	13,321
	b) Other Income (Refer note 5)	491	200	130	879	454
	Total Income (a+b)	2,643	2,469	2,251	9,818	13,775
2.	Expenses					
	a) Cost of materials consumed	-	-	4	-	128
	b) Purchase of stock- in-trade	979	295	559	2,640	4,078
	c) Changes in Inventories of finished goods, work-in-progress and stock-in-trade	(471)	350	44	(101)	8
	d) Employee Benefits Expense	514	507	468	1,959	2,794
	e) Voluntary Retirement Expenses (Refer note 4)	159	-	-	159	-
	f) Finance Cost	162	174	203	732	1,158
	g) Depreciation and amortization expense	127	125	108	464	707
	h) Sub Contracting Expenses	250	264	174	995	1,364
	i) Other expenses	673	592	623	2,303	3,560
	Total Expenses	2,393	2,307	2,183	9,151	13,797
3	Profit / (Loss) before tax (1 -2)	250	162	68	667	(22)
4	Tax expense					
	a) Current Tax	-	-	-	-	-
	b) Deferred Tax	-	-	-	-	-
5	Net Profit/ (Loss) from Continuing Operations (3 -4)	250	162	68	667	(22)
6	(Loss) from Discontinued Operations	-	-	-	-	(7)
7	Add :-Gain on sale of MS Business (Refer note 2)	-	-	-	-	162
8	Net Profit from Discontinued Operations (6+7)	-	-	-	-	155
9	Net Profit for the period (5+8)	250	162	68	667	133
10	Other Comprehensive Income					
	A (i) Items that will not be reclassified to Profit or Loss	(4)	6	(3)	(25)	(33)
	A (ii) Income tax relating to items that will not be reclassified to Profit or Loss	-	-	-	-	-
	B (i) Items that may be reclassified to Profit or Loss	-	-	-	-	-
	B (ii) Income tax relating to items that may be reclassified to Profit or Loss	-	-	-	-	-
11	Total Comprehensive Income (9+10)	246	168	65	642	100
12	Paid up equity share capital (face value Rs.10/-)	2,282	2,282	2,282	2,282	2,282
13	Other Equity excluding revaluation reserve as per balance sheet of previous accounting year				(790)	(1,432)
14	Earnings Per Share Basic and Diluted (Face Value Rs. 10/-each) (not annualised)					
	Continuing Operations	1.10	0.71	0.30	2.92	(0.10)
	Discontinued Operations	-	-	-	-	0.68
	Total Operations	1.10	0.71	0.30	2.92	0.58
	See accompanying notes to the statement of Standalone Audited Financial Results					

Segment wise Revenue, Results and Capital Employed for the quarter and twelve months ended 31st March, 2017

(Rs in Lakhs)



Sr. No.	Particulars (Refer notes below)	3 Months ended 31.03.2017	Preceding 3 Months ended 31.12.2016	Corresponding 3 Months ended 31.03.2016	12 Months ended 31.03.2017	18 Months ended 31.03.2016
		Audited (Refer note 8)	Unaudited	Audited	Audited (Refer note 8)	Audited (Refer note 7)
1	Segment Revenue from operations					
	(i) Automation & Control	104	27	113	394	1,256
	(ii) Network Systems	2,048	2,242	2,008	8,545	12,065
	Total	2,152	2,269	2,121	8,939	13,321
	Less : Inter Segment Revenue	-	-	-	-	-
	Revenue from Operations	2,152	2,269	2,121	8,939	13,321
2	Segment Results					
	(i) Automation & Control	(149)	(122)	(105)	(466)	(618)
	(ii) Network Systems	661	592	625	2,508	3,259
	Total	512	470	520	2,042	2,641
	Add / (Less) :-					
	(i) Other unallocable income /(expenditure)	(100)	(134)	(249)	(643)	(1,505)
	(ii) Finance Cost	(162)	(174)	(203)	(732)	(1,158)
	Profit/(Loss) Before Tax from Continuing Operations (A)	250	162	68	667	(22)
	(Loss) from Discontinued Operations	-	-	-	-	(7)
	Add :-Gain on sale of MS Business (Refer note 2)	-	-	-	-	162
	Net (Loss) from Discontinued Operations (B)	-	-	-	-	155
	Net Profit / (Loss) before tax for the period (A+B)	250	162	68	667	133
3	Segment Assets					
	(i) Automation & Control	2,548	3,211	3,030	2,548	3,030
	(ii) Network Systems	4,670	4,388	4,326	4,670	4,326
		7,218	7,599	7,356	7,218	7,356
	Unallocable Assets	3,213	4,667	5,550	3,213	5,550
	Total Assets	10,431	12,266	12,906	10,431	12,906
	Segment Liabilities					
	(i) Automation & Control	933	986	1,206	933	1,206
	(ii) Network Systems	2,427	2,634	2,058	2,427	2,058
		3,360	3,620	3,264	3,360	3,264
	Unallocable Liabilities	5,579	7,401	8,792	5,579	8,792
	Total Liabilities	8,939	11,021	12,056	8,939	12,056

Notes :-

- 1 The Company vide its letter dated 3rd April, 2014 had informed the Stock Exchange about the approval of the Board of Directors to restructure the operations of Company's Integrated Security & Surveillance Solutions business (ISSS business) which inter alia, includes the business of Unattended Ground Sensors (UGS) and forms part of the Automation & Control segment. As part of such restructuring, the Board of Directors of the Company at its meeting held on 28th January, 2015 accepted an offer made by The Tata Power Company Limited (TPCL), for its Strategic Engineering Division to purchase the business of UGS as a going concern on a slump sale basis at a consideration of Rs. 831 Lakhs with effect from 1st October 2014. The shareholders by postal ballot on 25th June, 2015 approved the transaction. The Business Transfer Agreement (BTA) was signed on 5th August, 2015. During the previous quarter ended 31st December, 2016, all the conditions precedent were satisfied and a joint letter confirming the same was signed subsequently on 2nd January, 2017 and accordingly, the financial information of prior periods have been restated with effect from 1st October, 2014, as if transfer had occurred on 1st October, 2014.

The financial parameters in respect of the ordinary activities attributable to the UGS business are as follows:

(Rs in Lakhs)

Particulars	3 Months ended 31.03.2017	Preceding 3 Months ended 31.12.2016	Corresponding 3 Months ended 31.03.2016	12 Months ended 31.03.2017	18 Months ended 31.03.2016
Revenue from Operations	-	249	90	401	247
Expenses	-	187	90	332	399
Expenses attributable	-	26	17	78	141
Pre-tax Profit /(Loss)	-	36	(17)	(9)	(293)
Current Tax	-	-	-	-	-
Total Assets	-	-	941	-	941
Total Liabilities	-	-	-	-	-

The assets attributable to the UGS business have been impaired as at 1st October, 2014 to the tune of Rs. 166 Lakhs.

- 2 Further, as part of restructuring, the Board of Directors of the Company at its meeting held on 18th March, 2015 accepted the offer received from a company for the transfer of Managed Services business (MS Business) forming part of Network System segment as a going concern on a slump sale basis at a consideration of Rs. 210 Lakhs with effect from 1st April, 2015. The shareholders by postal ballot on 25th June, 2015 had approved the transaction. The said transaction was concluded on 31st August, 2015 after entering into definitive agreement and after obtaining various approvals as required under applicable laws. The said transaction was given effect during the quarter ended 30th September, 2015 with effect from 1st April, 2015.

The financial parameters in respect of the ordinary activities attributable to the MS business are as follows

(Rs in Lakhs)

Particulars	3 Months ended 31.03.2017	Preceding 3 Months ended 31.12.2016	Corresponding 3 Months ended 31.03.2016	12 Months ended 31.03.2017	18 Months ended 31.03.2016
Revenue from Operations	-	-	-	-	553
Expenses	-	-	-	-	522
Expenses attributable	-	-	-	-	51
Pre-tax profit / (loss) *	-	-	-	-	(20)
Current Tax	-	-	-	-	-
Total Assets	-	-	-	-	-
Total Liabilities	-	-	-	-	-

An amount of Rs 162 Lakhs was accounted as profit on sale of this business for the 18 months ended 31st March, 2016.

* Includes, loss after tax of Rs 13 Lakhs in respect of MS business run on behalf of other company for the period from 1st April, 2015 to 31st August, 2015.



- 3 The Company adopted Indian Accounting Standard ("IND AS") from 1st April, 2016 and accordingly these Standalone Audited financial results have been prepared in accordance with the recognition and measurement principles stated therein, prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India. Financial results for all the periods presented have been prepared in accordance with the recognition and measurement principles of IND AS. The impact of transition has been provided in the opening reserves as at 1st October, 2014 and all periods presented have been restated accordingly.
- 4 During the quarter ended 31st March, 2017, the Company has implemented a Voluntary Retirement Scheme (VRS). Accordingly, VRS expenditure of Rs.159 Lakhs has been debited to the Statement of Profit and Loss.
- 5 Other income includes :- (Rs in Lakhs)

Particulars	3 Months ended 31.03.2017	Preceding 3 Months ended 31.12.2016	Corresponding 3 Months ended 31.03.2016	12 Months ended 31.03.2017	18 Months ended 31.03.2016
	Audited (Refer note 8)	Unaudited	Audited	Audited (Refer note 8)	Audited (Refer note 7)
Interest income (including discounting)	26	29	33	151	244
Interest on Income Tax refund	-	132	-	132	-
Liabilities / Provisions no longer required written back	76	-	16	91	98
Dividend income from Associate	-	-	-	7	2
Rent Income	23	22	22	87	56
Profit on sale of Investment in Associate	288	-	-	288	-
Miscellaneous income	78	17	59	123	54
Total	491	200	130	879	454

- 6 Reconciliation between the Standalone Audited financial results, as previously reported (referred to as 'previous GAAP') and as per IND AS is as under :-

Equity Reconciliation

(Rs in Lakhs)

Particulars	As at 31st March, 2016	As at 1st October, 2014
	Audited	Audited
Equity under Previous GAAP	420	1037
Add :- Profit / (loss) on transfer of UGS business (refer note 1)	293	(166)
Adjustments :-		
Reversal of depreciation on Discontinued Operations	157	-
Effect of change in depreciation on account of componentisation of Property, Plant and Equipment	74	-
Interest income / (expense) on financial assets and financial liabilities (net)	(72)	25
Provision of trade receivables based on Expected Credit Loss model	(30)	-
Effect of measuring investments at fair value through Other Comprehensive Income	8	7
Depreciation due to transition to Schedule II of the Companies Act, 2013 on Tangible Assets with Nil remaining useful life	-	(151)
Others	-	(2)
Equity under IND AS	850	750

11

Total Comprehensive Income Reconciliation

(Rs in Lakhs)



Particulars	Corresponding 3 Months ended 31.03.2016	18 Months ended 31.03.2016
Net Profit / (Loss) as per previous GAAP	26	(512)
Add :- Profit / (loss) on transfer of UGS business (refer note 1)	17	459
Adjustments :		
Remeasurement of Defined benefit obligations recognised in Other Comprehensive Income	3	33
Reversal of depreciation on Discontinued Operations	25	157
Effect of change in depreciation on account of componentisation of Property, Plant and Equipment	9	74
Interest income / (expense) on financial assets and financial liabilities (net)	(12)	(97)
Provision of trade receivables based on Expected Credit Loss model	-	(30)
Deferred Tax on depreciation due to transition to Schedule II of the Companies Act, 2013 on Tangible Assets with Nil remaining useful life	-	47
Others	-	2
Net Profit / (Loss) as per IND AS	68	133
Other Comprehensive Income	(3)	(33)
Total Comprehensive Income under IND AS	65	100

- 7 The previous financial year of the Company was for 18 months ended 31st March, 2016. Accordingly, the figures for the previous financial year ended 31st March, 2016 are not comparable with the figures for the current financial year (12 months) ended 31st March, 2017.
- 8 The figures for the last quarter results of the current period are the differences between audited figures in respect of the full financial year and the published results upto the third quarter ended 31st December, 2016.
- 9 The above results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at its meeting held on 9th May, 2017

Place :- Mumbai
Date :-9th May, 2017

For Nelco Limited

R.R. Bhinge
Chairman

Nelco Ltd
Audited Standalone statement of Assets and Liabilities as at 31st March, 2017

(Rs in Lakhs)

PARTICULARS (Refer Notes above)	As at 31st March, 2017	As at 31st March, 2016	As at 1st October, 2014
ASSETS			
Non-current assets			
(a) Property, plant and equipment	1,846	1,479	1,667
(b) Capital Work-in-Progress	284	52	18
(c) Intangible assets	9	16	48
(d) Financial Assets			
(i) Investments	618	704	219
(ii) Loans	910	1,110	1,439
(iii) Other Financial Assets	20	44	44
(e) Deferred tax assets (net)	-	-	-
(f) Income Tax Assets (net)	1,154	1,626	1,040
(g) Other non-current assets	22	90	77
Sub -Total Non-Current Assets	4,863	5,121	4,552
Current assets			
(a) Inventories	902	800	963
(b) Financial Assets			
(i) Trade Receivables	3,378	3,937	3,606
(ii) Cash and cash equivalents	279	441	99
(iii) Bank balances other than (ii) above	33	34	32
(iv) Other Financial Assets	539	2,216	2,114
(c) Other current assets	437	357	514
Sub-Total Current Assets	5,568	7,785	7,328
TOTAL ASSETS	10,431	12,906	11,880
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	2,282	2,282	2,282
(b) Other Equity	(790)	(1,432)	(1,532)
TOTAL EQUITY	1,492	850	750
LIABILITIES			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	12	29	49
(ii) Other financial liabilities	20	35	68
(b) Provisions	348	437	435
Sub-Total non-current liabilities	380	501	552
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	4,971	7,897	6,202
(ii) Trade Payables	2,725	2,747	3,313
(iii) Other financial liabilities	140	161	158
(b) Provisions	243	367	437
(c) Other current liabilities	480	383	468
Sub Total Current Liabilities	8,559	11,555	10,578
TOTAL LIABILITIES	8,939	12,056	11,130
TOTAL LIABILITIES AND EQUITY	10,431	12,906	11,880

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF NELCO LIMITED

1. We have audited the accompanying Statement of Standalone Financial Results of **NELCO LIMITED** ("the Company"), for the year ended March 31, 2017 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related standalone Ind AS financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ('Ind AS') and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such standalone financial statements.

2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

3. In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and

- (ii) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the year ended March 31, 2017.
4. The Statement includes the results for the Quarter ended March 31, 2017 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subjected to limited review by us.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Gurvinder Singh
Partner
(Membership No.110128)

MUMBAI, May 9, 2017