

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

National Stock Exchange of India Ltd.  
5<sup>th</sup> 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 27<sup>th</sup> April 2018  
Pursuant to Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Ref : Our letters dated 2<sup>nd</sup> April 2018 and 10<sup>th</sup> April 2018

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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 31<sup>st</sup> March 2018. The copies of the said financial results along with Auditor's Report are enclosed.

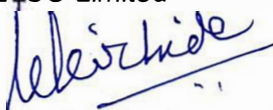
The Company will be publishing Consolidated Audited Financial Results as per the prescribed format. The Audited Financial Results (Standalone & Consolidated) would be available on Company's website [www.nelco.in](http://www.nelco.in).

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 31<sup>st</sup> March 2018.

The Meeting of the Board of Directors of the Company concluded at 6.45 p.m.

Thanking you,

Yours faithfully,  
NELCO Limited

  
Girish V. Kirkinde  
Company Secretary

Encl: As above

| 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 year ended March 31, 2018                          |  |                              |  |   |                                  |                                      |
| (Rs in Lakhs)  |  |                              |  |   |                                  |                                      |
| Sr.No.   | Particulars  | 3 months ended<br>31.03.2018 | Preceding 3 months<br>ended 31.12.2017 | Corresponding 3<br>months ended<br>31.03.2017 | Current Year<br>ended 31.03.2018 | Previous Year<br>ended<br>31.03.2017 |
|  |  | Unaudited<br>(Refer note 4)  | Unaudited                              | Unaudited<br>(Refer note 4)                   | Audited                          | Audited                              |
| 1  | Income   |                              |  |   |                                  |                                      |
|  | a) Income from Operations  | 3,905                        | 3,724                                  | 3,699   | 14,961                           | 14,367                               |
|  | b) Other Income (Refer note 2)   | 85                           | 112                                    | 139   | 494                              | 461                                  |
|  | <b>Total Income (a+b)</b>  | <b>3,990</b>                 | <b>3,836</b>                           | <b>3,838</b>                                  | <b>15,455</b>                    | <b>14,828</b>                        |
| 2  | Expenses   |                              |  |   |                                  |                                      |
|  | a) Purchase of stock-in-trade  | 689                          | 314                                    | 979   | 1,830                            | 2,640                                |
|  | b) Changes in Inventories of stock-in-trade  | (333)                        | 128                                    | (471)   | 14                               | (101)                                |
|  | c) Employee Benefits Expense   | 581                          | 575                                    | 514   | 2,256                            | 1,939                                |
|  | d) Voluntary Retirement Expenses   | -                            | -                                      | 159   | -                                | 159                                  |
|  | e) Finance Cost  | 121                          | 149                                    | 188   | 593                              | 850                                  |
|  | f) Depreciation and amortization expense   | 284                          | 234                                    | 210   | 949                              | 802                                  |
|  | g) Transponder Charges   | 829                          | 768                                    | 774   | 3,140                            | 2,982                                |
|  | h) Other expenses  | 1,321                        | 1,220                                  | 1,348   | 5,208                            | 4,883                                |
|  | <b>Total Expenses</b>  | <b>3,492</b>                 | <b>3,388</b>                           | <b>3,701</b>                                  | <b>13,990</b>                    | <b>14,174</b>                        |
| 3  | Add: Share of Profit of Associate accounted for using equity method                      | 21                           | 10                                     | 20  | 57                               | 39                                   |
| 4  | <b>Profit before Tax (1 -2 +3)</b>   | <b>519</b>                   | <b>458</b>                             | <b>157</b>                                    | <b>1,522</b>                     | <b>693</b>                           |
| 5  | Tax expense  |                              |  |   |                                  |                                      |
|  | a) Current Tax   | 93                           | 105                                    | 50  | 271                              | 91                                   |
|  | b) Deferred Tax  | 42                           | 10                                     | 9   | 40                               | (26)                                 |
| 6  | <b>Net Profit for the period (4 -5)</b>  | <b>384</b>                   | <b>343</b>                             | <b>98</b>                                     | <b>1,211</b>                     | <b>628</b>                           |
| 7  | Other Comprehensive Income   |                              |  |   |                                  |                                      |
|  | Items that will not be reclassified to Profit or Loss                                    |                              |  |   |                                  |                                      |
|  | Remeasurement of post employment benefit obligations                                     | 18                           | (19)                                   | (3)   | (18)                             | (24)                                 |
|  | Share of other comprehensive income of Associate accounted for using equity method       | (1)                          | (1)                                    | (2)   | (3)                              | (2)                                  |
| 8  | <b>Total Comprehensive Income for the period (6+7)</b>                                   | <b>401</b>                   | <b>323</b>                             | <b>93</b>                                     | <b>1,190</b>                     | <b>602</b>                           |
| 9  | Paid up equity share capital (Face value Rs.10/- each)                                   | 2,282                        | 2,282                                  | 2,282   | 2,282                            | 2,282                                |
| 10   | Other Equity   |                              |  |   | 1,095                            | (95)                                 |
| 11   | <b>Earnings Per Share (Basic and Diluted) (Face value Rs. 10/-each) (not annualised)</b> | <b>1.68</b>                  | <b>1.50</b>                            | <b>0.43</b>                                   | <b>5.31</b>                      | <b>2.75</b>                          |

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**Nelco Limited**  
Consolidated Balance Sheet as at March 31, 2018

**nelco**  
(It's in India)

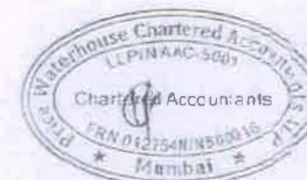
| Particulars                               | As at<br>March 31, 2018 | As at<br>March 31, 2017 |
|---|-------------------------|-------------------------|
|   | Audited                 | Audited                 |
| <b>ASSETS</b>                             |                         |                         |
| <b>Non-current assets</b>                 |                         |                         |
| Property, plant and equipment             | 4,886                   | 3,443                   |
| Capital Work-in-Progress                  | 468                     | 285                     |
| Intangible assets                         | 190                     | 117                     |
| Financial Assets                          |                         |                         |
| (i) Investments                           | 576                     | 527                     |
| (ii) Trade Receivable                     | 223                     | 304                     |
| (iii) Loans                               | 29                      | 20                      |
| Deferred tax assets (net)                 | 38                      | 78                      |
| Income Tax Assets (net)                   | 2,208                   | 2,141                   |
| Other non-current assets                  | 8                       | 22                      |
| <b>Total Non-Current Assets</b>           | <b>8,626</b>            | <b>6,937</b>            |
| <b>Current assets</b>                     |                         |                         |
| Inventories                               | 887                     | 501                     |
| Financial Assets                          |                         |                         |
| (i) Trade Receivables                     | 5,473                   | 3,365                   |
| (ii) Cash and cash equivalents            | 397                     | 304                     |
| (iii) Bank balances other than (ii) above | 28                      | 54                      |
| (iv) Loans                                | 107                     | 114                     |
| (v) Other Financial Assets                | 270                     | 617                     |
| Other current assets                      | 423                     | 761                     |
| <b>Total Current Assets</b>               | <b>7,585</b>            | <b>6,116</b>            |
| <b>TOTAL ASSETS</b>                       | <b>16,211</b>           | <b>13,053</b>           |
| <b>EQUITY AND LIABILITIES</b>             |                         |                         |
| <b>EQUITY</b>                             |                         |                         |
| Equity Share Capital                      | 2,282                   | 2,282                   |
| Other Equity                              | 1,095                   | (95)                    |
| <b>TOTAL EQUITY</b>                       | <b>3,377</b>            | <b>2,187</b>            |
| <b>LIABILITIES</b>                        |                         |                         |
| <b>Non-current liabilities</b>            |                         |                         |
| Financial Liabilities                     |                         |                         |
| (i) Borrowings                            | 758                     | 158                     |
| (ii) Other Financial Liabilities          | 10                      | 20                      |
| Provisions                                | 421                     | 348                     |
| Other liabilities                         | 30                      | -                       |
| <b>Total non-current liabilities</b>      | <b>1,219</b>            | <b>536</b>              |
| <b>Current liabilities</b>                |                         |                         |
| Financial Liabilities                     |                         |                         |
| (i) Borrowings                            | 3,839                   | 5,232                   |
| (ii) Trade Payables                       | 3,251                   | 2,358                   |
| (iii) Other Financial Liabilities         | 1,769                   | 1,132                   |
| Provisions                                | 181                     | 305                     |
| Other current liabilities                 | 2,575                   | 1,293                   |
| <b>Total current liabilities</b>          | <b>11,615</b>           | <b>10,330</b>           |
| <b>TOTAL LIABILITIES</b>                  | <b>12,834</b>           | <b>10,866</b>           |
| <b>TOTAL LIABILITIES AND EQUITY</b>       | <b>16,211</b>           | <b>13,053</b>           |





| Consolidated Segment wise Revenue, Results and Capital Employed for the quarter and year ended March 31, 2018 |  |                           |                                     |   |                               |                                |
|---|--|---------------------------|-------------------------------------|---|-------------------------------|--------------------------------|
| (Rs in Lakhs)   |  |                           |                                     |   |                               |                                |
| Sr. No.   | Particulars  | 3 Months ended 31.03.2018 | Preceding 3 Months ended 31.12.2017 | Corresponding 3 Months ended 31.03.2017 | Current Year ended 31.03.2018 | Previous Year ended 31.03.2017 |
|   |  | Unaudited (Refer note 4)  | Unaudited                           | Unaudited (Refer note 4)                | Audited                       | Audited                        |
| 1   | Segment Revenue from operations                                    |                           |                                     |   |                               |                                |
|   | (i) Automation & Control   | 69                        | 37                                  | 104                                     | 243                           | 394                            |
|   | (ii) Network Systems   | 3,836                     | 3,687                               | 3,595                                   | 14,718                        | 13,973                         |
|   | Total  | 3,905                     | 3,724                               | 3,699                                   | 14,961                        | 14,367                         |
|   | Less : Inter Segment Revenue from Operations                       | -                         | -                                   | -                                       | -                             | -                              |
|   |  | 3,905                     | 3,724                               | 3,699                                   | 14,961                        | 14,367                         |
| 2   | Segment Results  |                           |                                     |   |                               |                                |
|   | (i) Automation & Control   | (62)                      | (77)                                | (149)                                   | (340)                         | (466)                          |
|   | (ii) Network Systems   | 1,076                     | 907                                 | 910                                     | 3,633                         | 2,956                          |
|   | Total  | 1,014                     | 830                                 | 761                                     | 3,293                         | 2,490                          |
|   | Add / (Less) :-  |                           |                                     |   |                               |                                |
|   | (i) Share of Profit of Associate accounted for using equity method | 21                        | 10                                  | 20                                      | 57                            | 39                             |
|   | (ii) Other unallocable income / (expenditure)                      | (414)                     | (239)                               | (446)                                   | (1,275)                       | (1,031)                        |
|   | (iii) Finance Cost   | (102)                     | (143)                               | (178)                                   | (553)                         | (805)                          |
|   | Net Profit before Tax for the period                               | 519                       | 458                                 | 157                                     | 1,522                         | 693                            |
| 3   | Segment Assets   |                           |                                     |   |                               |                                |
|   | (i) Automation & Control   | 1,696                     | 1,769                               | 2,548                                   | 1,696                         | 2,548                          |
|   | (ii) Network Systems   | 10,878                    | 10,023                              | 7,182                                   | 10,878                        | 7,182                          |
|   |  | 12,574                    | 11,792                              | 9,730                                   | 12,574                        | 9,730                          |
|   | Unallocable Assets   | 3,637                     | 4,094                               | 3,323                                   | 3,637                         | 3,323                          |
|   | Total Assets   | 16,211                    | 15,886                              | 13,053                                  | 16,211                        | 13,053                         |
|   | Segment Liabilities  |                           |                                     |   |                               |                                |
|   | (i) Automation & Control   | 589                       | 630                                 | 933                                     | 589                           | 933                            |
|   | (ii) Network Systems   | 7,273                     | 7,084                               | 3,694                                   | 7,273                         | 3,694                          |
|   |  | 7,862                     | 7,714                               | 4,627                                   | 7,862                         | 4,627                          |
|   | Unallocable Liabilities  | 4,972                     | 5,196                               | 6,239                                   | 4,972                         | 6,239                          |
|   | Total Liabilities  | 12,834                    | 12,910                              | 10,866                                  | 12,834                        | 10,866                         |

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**Notes :-**

- The Company vide its letter dated September 1, 2017 had informed the stock exchange about the approval of the Board of Directors to (i) transfer by way of slump sale on a going concern basis, for a lump sum consideration to its wholly owned subsidiary, Nelco Network Products Ltd (NNPL) of the following : (a) Integrated Security and Surveillance Solution ('ISSS') business and (b) Very Small Aperture Terminals ("VSAT") hardware business and allied services consisting of network management, project management, infrastructure services, turnkey solutions for satellite communication systems, and co-location services to customers other than Tatanet Services Ltd (TNSL); and (ii) the amalgamations of TNSL with the Company, through a composite scheme of Arrangement and Amalgamation (Proposed scheme). The Proposed scheme has been approved by Bombay Stock Exchange (BSE), National Stock Exchange (NSE) and Securities Exchange Board of India (SEBI) and is subject to further approvals and consents. Since, the above reorganisation is between the Company (holding company) and its wholly owned subsidiaries Nelco Network Products Ltd. and Tatanet Services Ltd., this has no implication on consolidated financial results or consolidated financial position of the Company and its wholly owned subsidiaries.

**2 Other income includes :-**

(Rs in Lakhs)

| Particulars  | 3 Months ended<br>31.03.2018 | Preceding 3<br>Months ended<br>31.12.2017 | Corresponding<br>3 Months ended<br>31.03.2017 | Current Year<br>ended 31.03.2018 | Previous Year<br>ended<br>31.03.2017 |
|--|------------------------------|---|---|----------------------------------|--------------------------------------|
|  | Unaudited<br>(Refer note 4)  | Unaudited                                 | Unaudited<br>(Refer note 4)                   | Audited                          | Audited                              |
| Interest on Income Tax refund                            | -                            | 36  | -   | 110                              | 164                                  |
| Liabilities / Provisions no longer required written back | 25                           | 3   | 76  | 144                              | 91                                   |

**3 Standalone Financial details**

(Rs in Lakhs)

|  | 3 Months ended<br>31.03.2018 | Preceding 3<br>Months ended<br>31.12.2017 | Corresponding<br>3 Months ended<br>31.03.2017 | Current Year<br>ended 31.03.2018 | Previous Year<br>ended<br>31.03.2017 |
|--|------------------------------|---|---|----------------------------------|--------------------------------------|
|  | Unaudited<br>(Refer note 4)  | Unaudited                                 | Unaudited<br>(Refer note 4)                   | Audited                          | Audited                              |
| Income from Continuing Operations                                  | 810                          | 797                                       | 676   | 3,190                            | 2,569                                |
| Profit before Tax- Continuing and Discontinued Operations          | 329                          | 369                                       | 250   | 1,151                            | 667                                  |
| Profit after Tax- Continuing and Discontinued Operations           | 289                          | 278                                       | 250   | 977                              | 667                                  |
| Total Comprehensive Income- Continuing and Discontinued Operations | 307                          | 259                                       | 246   | 959                              | 642                                  |

- The figures for the last quarter results are the balancing figures between the audited figures in respect of the full financial year and published year to date figures up to the third quarter of the respective financial year.
- The Audited Standalone financial results for the year ended March 31, 2018 and the unaudited Standalone financial results for the quarter ended March 31, 2018, 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'.
- The above results have been prepared in accordance with Indian Accounting Standards ('IND AS') notified under Section 133 of the Companies Act 2013, read together with the Companies (Indian Accounting standard) Rules, 2015 and have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at its meeting held on April 27, 2018.

Place :- Mumbai  
Date :- April 27, 2018



For Nelco Limited,  
  
P J Nath  
Managing Director & CEO





# Price Waterhouse Chartered Accountants LLP

The Board of Directors  
Nelco Limited  
EL-6, TTC Industrial Area  
MIDC Electronic Zone, Mahape  
Navi Mumbai – 400 710

## Independent Auditor's Report on the Statement of consolidated financial results

1. We have audited the accompanying Statement containing the annual audited consolidated financial results of Nelco Limited ("hereinafter referred to as the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate company; for the year ended March 31, 2018 together with the notes thereon (hereinafter referred to as the "Statement"), which we have signed under reference to this report.

## Management's Responsibility for the consolidated financial results

2. Management of the Holding Company is responsible for the preparation of the accompanying Statement. The Management is also responsible for the preparation of the annual statutory consolidated financial statements in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 [Companies (Indian Accounting Standards) Rules, 2015] (Ind AS) (the "accounting principles generally accepted in India"), basis which the above Statement containing the annual audited consolidated financial results has been prepared. The responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Statement that is free from material misstatement, whether due to fraud or error.

## Auditors' Responsibility

3. Our responsibility is to express an opinion on the Statement based on our audit. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 ("the Act") and other applicable authoritative pronouncements 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 financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Statement. The procedures selected depend on the auditors' 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 auditors consider internal control relevant to the entity's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the Statement.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Opinion

6. In our opinion and to the best of our information and according to the explanations given to us:
  - (i) the Statement, together with the notes thereon are presented in the format prescribed under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
  - (ii) the Annual audited consolidated financial results for the year ended March 31, 2018 as set out in the Statement gives a true and fair view of the total consolidated comprehensive income (comprising of consolidated profit and consolidated other comprehensive income), and other financial information of the Group and its associate company for the year ended March 31, 2018 in accordance with the accounting principles generally accepted in India.

Price Waterhouse Chartered Accountants LLP, Nesco IT Building III, 8th Floor, Nesco IT Park, Nesco Complex  
Gate No. 3 Western Express Highway, Goregaon East, Mumbai – 400 063  
T: +91 (22) 61198000, F: +91 (22) 61198799

Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/500016 (ICAI registration number before conversion was 012754N)



# Price Waterhouse Chartered Accountants LLP

Nelco Limited

Independent Auditor's Report on the Statement of consolidated financial results

Year Ended March 31, 2018

Page 2 of 2

## Emphasis of Matter

7. We draw your attention to Note 4 of the Statement regarding the figures for the quarter ended March 31, 2018, which are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures upto the third quarter of the current financial year. Our opinion is not qualified in respect of this matter.

## Other Matter

8. The Statement include the Group's share of total comprehensive income (comprising of profit and other comprehensive income) of Rs. 54 lakhs for the year ended March 31, 2018 as considered in the Statement, in respect of one associate company, 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 Statement insofar as it relates to the amounts and disclosures included in respect of this associate company, is based solely on the report of the other auditors.

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

9. The Holding Company had prepared the consolidated Financial Results and consolidated financial statements for the year ended March 31, 2017 in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 [Companies (Indian Accounting Standards) Rules, 2015] (Ind AS), which were audited by another firm of chartered accountants, who vide their report dated May 9, 2017 and May 9, 2017 issued unmodified opinion on those consolidated Financial Results and consolidated financial statements respectively.
10. The Statement dealt with by this report has been prepared for the express purpose of filing with Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). This Statement is based on and should be read with the audited consolidated financial statements of the group and its associate company, for the year ended March 31, 2018 on which we issued an unmodified audit opinion vide our report dated April 27, 2018.

## Restriction on Use

11. This report is addressed to the Board of Directors of the Holding Company and has been prepared for and only for the purposes set out in paragraph 10 above. This report should not be otherwise used by any other party for any other purpose.

For Price Waterhouse Chartered Accountants  
LLP

Firm Registration Number:  
012754N/N500016



Sharmila A. Karve  
Partner  
Membership Number: 43229

Mumbai  
April 27, 2018



| NELCO LIMITED  |  |                |              |                 |                    |                  |
|--|--|----------------|--------------|-----------------|--------------------|------------------|
| REGD. OFFICE :- E1-6, TTC INDUSTRIAL AREA, MIDC, ELECTRONIC ZONE, MAHAPE, NAVI MUMBAI- 400 718, CIN: L32200MH1940PLC003164 |  |                |              |                 |                    |                  |
| Part 4   |  |                |              |                 |                    |                  |
| Statement of Standalone Audited Financial Results for the quarter and year ended March 31, 2018                            |  |                |              |                 |                    |                  |
| Sr.No.   | Particulars  | 3 months ended | Preceding 3  | Corresponding 3 | Current Year ended | (Rs in Lakhs)    |
|  |  | 31.03.2018     | months ended | Months ended    | 31.03.2018         | Previous Year    |
|  |  | Unaudited      | 31.12.2017   | 31.03.2017      |                    | ended 31.03.2017 |
|  |  | (Refer note 2) | Unaudited    | Unaudited       | Audited            | Audited          |
| A  | Continuing Operations  |                |              |                 |                    |                  |
| 1  | Income   |                |              |                 |                    |                  |
|  | a) Income from Operations  | 810            | 797          | 676             | 3,190              | 2,568            |
|  | b) Other Income  | 00             | 108          | 385             | 290                | 702              |
|  | Total Income (a+b)   | 810            | 905          | 1,061           | 3,480              | 3,270            |
| 2  | Expenses   |                |              |                 |                    |                  |
|  | a) Employee Benefits Expense   | 442            | 428          | 348             | 1,679              | 1,371            |
|  | b) Voluntary Retirement Expenses   | -              | -            | 159             | -                  | 155              |
|  | c) Finance Cost  | 98             | 122          | 153             | 478                | 657              |
|  | d) Depreciation and amortization expense   | 44             | 5            | 5               | 61                 | 30               |
|  | e) Sub Contracting Expenses  | 46             | 58           | 48              | 186                | 184              |
|  | f) Other expenses  | 314            | 274          | 289             | 1,199              | 968              |
|  | Total Expenses   | 944            | 887          | 1,002           | 3,603              | 3,400            |
| 3  | Profit / (Loss) before Tax (1-2)   | (74)           | 18           | 59              | (123)              | (129)            |
| 4  | Tax expense  |                |              |                 |                    |                  |
|  | a) Current Tax   | -              | -            | -               | -                  | -                |
|  | b) Deferred Tax  | -              | -            | -               | -                  | -                |
| 5  | Net Profit / (Loss) from Continuing Operations (3-4)                                       | (74)           | 18           | 59              | (123)              | (129)            |
| B  | Discontinued Operations ( Refer note 1)  |                |              |                 |                    |                  |
| 6  | Profit before tax from discontinued operations   | 403            | 351          | 191             | 1,274              | 796              |
| 7  | Tax Expense of discontinued operations   | 40             | 91           | -               | 174                | -                |
| 8  | Profit after tax from Discontinued Operations (6-7)  | 363            | 260          | 191             | 1,100              | 796              |
| 9  | Net Profit for the period (5+8)  | 289            | 278          | 250             | 977                | 667              |
| 10   | Other Comprehensive Income   |                |              |                 |                    |                  |
|  | Items that will not be reclassified to Profit or Loss- Continuing Operations               | 16             | (14)         | (5)             | (10)               | (18)             |
|  | Items that will not be reclassified to Profit or Loss- Discontinued Operations             | 2              | (5)          | 1               | (8)                | (7)              |
|  | Other Comprehensive Income   | 18             | (19)         | (4)             | (18)               | (25)             |
| 11   | Total Comprehensive Income for the period (9+10)   | 307            | 259          | 246             | 959                | 642              |
| 12   | Paid up equity share capital ( face value Rs.10/- each)                                    | 2,282          | 2,282        | 2,282           | 2,282              | 2,282            |
| 13   | Other Equity   |                |              |                 | 169                | (799)            |
| 14   | Earnings / (Loss) Per Share (Basic and Diluted) (Face Value Rs. 10/-each) (not annualised) |                |              |                 |                    |                  |
|  | From Continuing Operations   | (0.32)         | 0.08         | 0.26            | (0.54)             | (0.56)           |
|  | From Discontinued Operations   | 1.59           | 1.14         | 0.84            | 4.82               | 3.49             |
|  | From Continuing and Discontinued Operations  | 1.27           | 1.22         | 1.09            | 4.28               | 2.92             |





| Nelco Limited<br>Standalone Balance Sheet as at March 31, 2018          |                         |   |
|---|-------------------------|---|
| PARTICULARS   | As at<br>March 31, 2018 | (Its in Lakhs)<br>As at<br>March 31, 2017 |
|   | Audited                 | Audited                                   |
| <b>ASSETS</b>   |                         |   |
| <b>Non-current assets</b>   |                         |   |
| Property, plant and equipment   | 313                     | 352                                       |
| Intangible assets   | 5                       | -   |
| Financial Assets  |                         |   |
| (i) Investments   | 619                     | 618                                       |
| (ii) Loans  | -                       | 910                                       |
| Income Tax Assets (net)   | 1,386                   | 1,154                                     |
| Other non-current assets  | 2                       | 22  |
| <b>Total Non-Current Assets</b>   | <b>2,325</b>            | <b>3,056</b>                              |
| <b>Current assets</b>   |                         |   |
| Financial Assets  |                         |   |
| (i) Trade Receivables   | 870                     | 685                                       |
| (ii) Cash and cash equivalents  | 128                     | 279                                       |
| (iii) Bank balances other than (ii) above                               | 28                      | 33  |
| (iv) Loans  | 723                     | -   |
| (v) Other Financial Assets  | 49                      | 256                                       |
| Other current assets  | 103                     | 269                                       |
| Assets classified as held for sale                                      | 7,481                   | 5,853                                     |
| <b>Total Current Assets</b>   | <b>9,382</b>            | <b>7,375</b>                              |
| <b>TOTAL ASSETS</b>   | <b>11,707</b>           | <b>10,431</b>                             |
| <b>EQUITY AND LIABILITIES</b>   |                         |   |
| <b>EQUITY</b>   |                         |   |
| Equity Share Capital  | 2,282                   | 2,282                                     |
| Other Equity  | 169                     | (790)                                     |
| <b>TOTAL EQUITY</b>   | <b>2,451</b>            | <b>1,492</b>                              |
| <b>LIABILITIES</b>  |                         |   |
| <b>Non-current liabilities</b>  |                         |   |
| Financial Liabilities   |                         |   |
| Borrowings  | -                       | 12  |
| Other Financial Liabilities   | 10                      | 20  |
| Provisions  | 224                     | 179                                       |
| Other non-current liabilities   | -                       | -   |
| <b>Total non-current liabilities</b>                                    | <b>234</b>              | <b>211</b>                                |
| <b>Current liabilities</b>  |                         |   |
| Financial Liabilities   |                         |   |
| (i) Borrowings  | 3,510                   | 4,636                                     |
| (ii) Trade Payables   | 307                     | 337                                       |
| (iii) Other Financial Liabilities                                       | 253                     | 314                                       |
| Provisions  | 92                      | 98  |
| Other current liabilities   | 158                     | 63  |
| Liabilities directly associated with assets classified as held for sale | 4,702                   | 3,280                                     |
| <b>Total Current Liabilities</b>  | <b>9,022</b>            | <b>8,728</b>                              |
| <b>TOTAL LIABILITIES</b>  | <b>9,256</b>            | <b>8,939</b>                              |
| <b>TOTAL LIABILITIES AND EQUITY</b>                                     | <b>11,707</b>           | <b>10,431</b>                             |



| Segment-wise Revenue, Results and Capital Employed for the quarter and year ended March 31, 2018 |  |                           |                                     |   |                               |                                |
|--|--|---------------------------|-------------------------------------|---|-------------------------------|--------------------------------|
| (Rs in Lakhs)  |  |                           |                                     |   |                               |                                |
| Sr. No.  | Particulars                                | 3 Months ended 31.03.2018 | Preceding 3 months ended 31.12.2017 | Corresponding 3 Months ended 31.03.2017 | Current Year ended 31.03.2018 | Previous year ended 31.03.2017 |
|  |  | Unaudited (Refer note 2)  | Unaudited                           | Unaudited (Refer note 2)                | Audited                       | Audited                        |
| 1  | Segment Revenue from operations            |                           |                                     |   |                               |                                |
|  | Total Income from Operations               |                           |                                     |   |                               |                                |
|  | Continuing Operations                      |                           |                                     |   |                               |                                |
|  | (I) Automation & Control                   |                           |                                     |   |                               |                                |
|  | (II) Network Systems                       | 810                       | 797                                 | 676                                     | 3,190                         | 2,569                          |
|  |  | 810                       | 797                                 | 676                                     | 3,190                         | 2,569                          |
|  | Discontinued Operations (Refer note 1)     |                           |                                     |   |                               |                                |
|  | (I) Automation & Control                   | 69                        | 37                                  | 104                                     | 243                           | 394                            |
|  | (II) Network Systems                       | 1,456                     | 1,508                               | 1,372                                   | 5,935                         | 5,976                          |
|  |  | 1,525                     | 1,545                               | 1,476                                   | 6,178                         | 6,370                          |
|  | Total                                      | 2,335                     | 2,342                               | 2,152                                   | 9,368                         | 8,939                          |
|  | Less: Inter Segment Revenue                |                           |                                     |   |                               |                                |
|  | Total Income from Operations               | 2,335                     | 2,342                               | 2,152                                   | 9,368                         | 8,939                          |
| 2  | Segment Results                            |                           |                                     |   |                               |                                |
|  | Continuing Operations                      |                           |                                     |   |                               |                                |
|  | (I) Automation & Control                   |                           |                                     |   |                               |                                |
|  | (II) Network Systems                       | 390                       | 368                                 | 314                                     | 1,617                         | 1,200                          |
|  |  | 390                       | 368                                 | 314                                     | 1,617                         | 1,200                          |
|  | Discontinued Operations (Refer note 1)     |                           |                                     |   |                               |                                |
|  | (I) Automation & Control                   | (62)                      | (77)                                | (149)                                   | (340)                         | (466)                          |
|  | (II) Network Systems                       | 465                       | 428                                 | 340                                     | 1,614                         | 1,262                          |
|  |  | 403                       | 351                                 | 191                                     | 1,274                         | 796                            |
|  | Total                                      | 793                       | 719                                 | 505                                     | 2,891                         | 1,996                          |
|  | Continuing Operations                      |                           |                                     |   |                               |                                |
|  | Add / (Less)                               |                           |                                     |   |                               |                                |
|  | (I) Other unallocable income/(expenditure) | (366)                     | (228)                               | (102)                                   | (1,262)                       | (642)                          |
|  | (II) Finance Cost                          | (98)                      | (122)                               | (153)                                   | (478)                         | (687)                          |
|  | Net Profit before Tax for the period       | 329                       | 369                                 | 250                                     | 1,151                         | 667                            |
| 3  | Segment Assets                             |                           |                                     |   |                               |                                |
|  | Continuing Operations                      |                           |                                     |   |                               |                                |
|  | (I) Automation & Control                   |                           |                                     |   |                               |                                |
|  | (II) Network Systems                       | 954                       | 883                                 | 841                                     | 954                           | 841                            |
|  |  | 954                       | 883                                 | 841                                     | 954                           | 841                            |
|  | Discontinued Operations (Refer note 1)     |                           |                                     |   |                               |                                |
|  | (I) Automation & Control                   | 1,696                     | 1,769                               | 1,740                                   | 1,696                         | 1,740                          |
|  | (II) Network Systems                       | 5,785                     | 4,595                               | 4,113                                   | 5,785                         | 4,113                          |
|  |  | 7,481                     | 6,364                               | 5,853                                   | 7,481                         | 5,853                          |
|  | Unallocable Assets                         | 3,272                     | 3,517                               | 3,737                                   | 3,272                         | 3,737                          |
|  | Total Assets                               | 11,707                    | 10,764                              | 10,431                                  | 11,707                        | 10,431                         |
|  | Segment Liabilities                        |                           |                                     |   |                               |                                |
|  | Continuing Operations                      |                           |                                     |   |                               |                                |
|  | (I) Automation & Control                   |                           |                                     |   |                               |                                |
|  | (II) Network Systems                       | 137                       | 102                                 | 110                                     | 137                           | 110                            |
|  |  | 137                       | 102                                 | 110                                     | 137                           | 110                            |
|  | Discontinued Operations (Refer note 1)     |                           |                                     |   |                               |                                |
|  | Segment Liabilities                        |                           |                                     |   |                               |                                |
|  | (I) Automation & Control                   | 589                       | 630                                 | 733                                     | 589                           | 733                            |
|  | (II) Network Systems                       | 4,113                     | 2,973                               | 2,547                                   | 4,113                         | 2,547                          |
|  |  | 4,702                     | 3,603                               | 3,280                                   | 4,702                         | 3,280                          |
|  | Unallocable Liabilities                    | 4,417                     | 4,915                               | 5,549                                   | 4,417                         | 5,549                          |
|  | Total Liabilities                          | 9,256                     | 8,620                               | 8,939                                   | 9,256                         | 8,939                          |





**Notes :-**

- The Company vide its letter dated September 1, 2017 had informed the stock exchange about the approval of the Board of Directors to (i) transfer by way of slump sale on a going concern basis, for a lump sum consideration to its wholly owned subsidiary, Nelco Network Products Ltd (NNPL) of the following : (a) Integrated Security and Surveillance Solution (ISSS) business and (b) Very Small Aperture Terminals (VSAT) hardware business and allied services consisting of network management, project management, Infrastructure services, turnkey solutions for satellite communication systems, and co-location services to customers other than Tacnet Services Ltd (TNSL); and (ii) the amalgamation of TNSL with the Company, through a composite scheme of Arrangement and Amalgamation (Proposed scheme). The Proposed scheme has been approved by Bombay Stock Exchange (BSE), National Stock Exchange (NSE) and Securities Exchange Board of India (SEBI) and is subject to further approvals and consents. Considering the management intent to transfer the business as noted in (i) above, the noted businesses / operations have been classified as discontinued operations in accordance with IND AS 105. The financial parameters in respect of the activities attributable to the business referred to in (i) above are as follows :

(Rs in Lakhs)

| Particulars            | 3 Months ended<br>31.03.2018 | Preceding 3<br>months ended<br>31.12.2017 | Corresponding 3<br>Months ended<br>31.03.2017 | Current Year ended<br>31.03.2018 | Previous year<br>ended 31.03.2017 |
|------------------------|------------------------------|---|---|----------------------------------|-----------------------------------|
| Income from Operations | 1,561                        | 1,567                                     | 1,570   | 6,387                            | 6,548                             |
| Expenses               | 1,158                        | 1,216                                     | 1,379   | 5,113                            | 5,752                             |
| Profit before Tax      | 403                          | 351                                       | 191   | 1,274                            | 796                               |
| Tax Expense            | 40                           | 91  | -   | 174                              | -                                 |

- The figures for the last quarter results are the balancing figures between the audited figures in respect of the full financial year and published year to date figures up to the third quarter of the respective financial year.
- The above results have been prepared in accordance with Indian Accounting Standards (IND AS) notified under Section 133 of the Companies Act 2013, read together with the Companies (Indian Accounting standard) Rules, 2015 and have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at its meeting held on April 27, 2018.

Place :- Mumbai  
Date :- April 27, 2018



For Nelco Limited

P. J. Nath  
Managing Director



# Price Waterhouse Chartered Accountants LLP

The Board of Directors  
Nelco Limited  
EL-6, TTC Industrial Area  
MIDC Electronic Zone, Mahape  
Navi Mumbai – 400 710

## Independent Auditor's Report on the Statement of standalone financial results

1. We have audited the accompanying Statement containing the annual audited standalone financial results of Nelco Limited (the "Company") for the year ended March 31, 2018 together with the notes thereon (hereinafter referred to as the "Statement"), which we have signed under reference to this report.

## Management's Responsibility for the standalone financial results

2. Management is responsible for the preparation of the accompanying Statement. The Management is also responsible for the preparation of the annual statutory financial statements in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 [Companies (Indian Accounting Standards) Rules, 2015] (Ind AS) (the "accounting principles generally accepted in India"), basis which the above Statement containing the annual audited standalone financial results has been prepared. The responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Statement that is free from material misstatement, whether due to fraud or error.

## Auditors' Responsibility

3. Our responsibility is to express an opinion on the Statement based on our audit. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 ("the Act") and other applicable authoritative pronouncements 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 financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Statement. The procedures selected depend on the auditors' 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 auditors consider internal control relevant to the entity's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the Statement.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Opinion

6. In our opinion and to the best of our information and according to the explanations given to us:
  - (i) the Statement, together with the notes thereon are presented in the format prescribed under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
  - (ii) the Annual audited standalone financial results for the year ended March 31, 2018 as set out in the Statement gives a true and fair view of the total comprehensive income (comprising of profit and other comprehensive income) and other financial information of the Company for the year ended March 31, 2018 in accordance with the accounting principles generally accepted in India.

Price Waterhouse Chartered Accountants LLP, Nesco IT Building III, 8th Floor, Nesco IT Park, Nesco Complex Gate No. 3 Western Express Highway, Goregaon East, Mumbai – 400 063  
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Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP Identity no. LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)





# Price Waterhouse Chartered Accountants LLP

Nelco Limited

Independent Auditor's Report on the Statement of standalone financial results

Year Ended March 31, 2018

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## Emphasis of Matter

7. We draw your attention to Note 2 of the Statement regarding the figures for the quarter ended March 31, 2018, which are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures upto the third quarter of the current financial year. Our opinion is not qualified in respect of this matter.

## Other Matter

8. The Company had prepared the Standalone Financial Results and standalone financial statements for the year ended March 31, 2017 in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 [Companies (Indian Accounting Standards) Rules, 2015] (Ind AS), which were audited by another firm of chartered accountants, who vide their report dated May 9, 2017 and May 9, 2017 issued unmodified opinion on those Standalone Financial Results and standalone financial statements respectively.
9. The Statement dealt with by this report has been prepared for the express purpose of filing with Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). This Statement is based on and should be read with the audited financial statements of the company for the year ended March 31, 2018 on which we issued an unmodified audit opinion vide our report dated April 27, 2018.

## Restriction on Use

10. This report is addressed to the Board of Directors of the Company and has been prepared for and only for the purposes set out in paragraph 9 above. This report should not be otherwise used by any other party for any other purpose.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016



Sharmila A. Karve  
Partner  
Membership Number: 43229

Mumbai  
April 27, 2018