

20<sup>th</sup> October 2018

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 Limited  
5<sup>th</sup> floor, Exchange Plaza, Plot No.C-1  
Block "G" Bandra Kurla Complex  
Bandra (East)  
Mumbai – 400 051

BSE Code : 504112

NSE Code : Nelco EQ

Dear Sirs,

Sub: Outcome of Board Meeting  
Unaudited Financial Results for the Quarter and Half Year ended 30<sup>th</sup> September 2018

Further to our letter dated 9<sup>th</sup> October 2018, we are submitting:-

1. Unaudited Standalone Financial Results for the quarter and half year ended 30<sup>th</sup> September 2018 along with the Limited Review Report by the Statutory Auditors.
2. Unaudited Consolidated Financial Results for the Quarter and half year ended 30<sup>th</sup> September 2018 along with the Limited Review Report by the Statutory Auditors.

Both the above have been approved by the Board of Directors at its meeting held on 20<sup>th</sup> October 2018. The Meeting of the Board of Directors of the Company commenced at 2.30 p.m. and concluded at 5.00 p.m.

The said Results along with the Unaudited Standalone Financial Results will be available on Company's website [www.nelco.in](http://www.nelco.in).

The Company will publish the Unaudited Consolidated Financial Results in the prescribed format.

Please take the aforesaid on record.

Thanking you

Yours faithfully,  
NELCO Limited



Girish V. Kirkinde  
Company Secretary & Head legal

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 Unaudited Financial Results for the quarter and half year ended September 30, 2018

(Rs. In Lakhs)

Sr.No.	Particulars	3 Months ended	Preceding 3	Corresponding 3	6 Months ended	6 Months ended	Previous
		30.09.2018	months ended	Months ended	30.09.2018	30.09.2017	Year ended
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
			30.06.2018	30.09.2017			31.03.2018
<b>1</b>	<b>Income</b>						
	a) Income from Operations	4,519	4,903	3,612	9,422	7,332	14,961
	b) Other Income (Refer note 4)	114	72	249	186	297	494
	<b>Total Income (a+b)</b>	<b>4,633</b>	<b>4,975</b>	<b>3,861</b>	<b>9,608</b>	<b>7,629</b>	<b>15,455</b>
<b>2</b>	<b>Expenses</b>						
	a) Purchase of stock- in-trade	951	1,132	329	2,083	827	1,830
	b) Changes in Inventories of stock-in-trade	(129)	(3)	144	(132)	219	14
	c) Employee Benefits Expense	654	694	535	1,348	1,100	2,256
	d) Finance Cost	159	147	153	306	323	593
	e) Depreciation and amortization expense	296	289	210	585	431	949
	f) Transponder Charges	856	861	781	1,717	1,543	3,140
	g) Other expenses	1,462	1,359	1,373	2,821	2,667	5,208
	<b>Total Expenses</b>	<b>4,249</b>	<b>4,479</b>	<b>3,525</b>	<b>8,728</b>	<b>7,110</b>	<b>13,990</b>
3	Add:- Share of Profit of Associate accounted for using equity method	10	(1)	10	9	26	57
<b>4</b>	<b>Profit before Tax (1 -2 +3)</b>	<b>394</b>	<b>495</b>	<b>346</b>	<b>889</b>	<b>545</b>	<b>1,522</b>
<b>5</b>	<b>Tax expense</b>						
	a) Current Tax	163	114	73	277	73	271
	b) Deferred Tax (net) ( Refer note 3)	(778)	(12)	(12)	(790)	(12)	40
<b>6</b>	<b>Net Profit for the period (4 -5 )</b>	<b>1,009</b>	<b>393</b>	<b>285</b>	<b>1,402</b>	<b>484</b>	<b>1,211</b>
<b>7</b>	<b>Other Comprehensive Income</b>						
	Items that will not be reclassified to Profit or Loss						
	Remeasurement of post employment benefit obligations	-	(15)	1	(15)	(17)	(18)
	Share of other comprehensive income of Associate accounted for using equity method	-	(1)	(1)	(1)	(1)	(3)
<b>8</b>	<b>Total Comprehensive Income for the period (6+7)</b>	<b>1,009</b>	<b>377</b>	<b>285</b>	<b>1,386</b>	<b>466</b>	<b>1,190</b>
9	Paid up equity share capital ( face value Rs.10/- each)	2,282	2,282	2,282	2,282	2,282	2,282
10	Other Equity						1,095
<b>11</b>	<b>Earnings Per Share (Basic and Diluted) (Face value Rs. 10/-each) (not annualised)</b>	<b>4.42</b>	<b>1.72</b>	<b>1.25</b>	<b>6.14</b>	<b>2.12</b>	<b>5.31</b>



Consolidated Segment wise Revenue, Results and Capital Employed for the quarter and half year ended September 30, 2018							
							(Rs in Lakhs)
Sr. No.	Particulars	3 Months ended 30.09.2018	Preceding 3 months ended 30.06.2018	Corresponding 3 Months ended 30.09.2017	6 Months ended 30.09.2018	6 Months ended 30.09.2017	Previous Year ended 31.03.2018
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment Revenue from operations						
	(i) Automation & Control	116	145	37	261	137	243
	(ii) Network Systems	4,403	4,758	3,575	9,161	7,195	14,718
	<b>Total</b>	<b>4,519</b>	<b>4,903</b>	<b>3,612</b>	<b>9,422</b>	<b>7,332</b>	<b>14,961</b>
	<b>Less : Inter Segment Revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Revenue from Operations</b>	<b>4,519</b>	<b>4,903</b>	<b>3,612</b>	<b>9,422</b>	<b>7,332</b>	<b>14,961</b>
2	Segment Results						
	(i) Automation & Control	(77)	(46)	(35)	(123)	(201)	(340)
	(ii) Network Systems	904	1,009	817	1,913	1,650	3,633
	<b>Total</b>	<b>827</b>	<b>963</b>	<b>782</b>	<b>1,790</b>	<b>1,449</b>	<b>3,293</b>
	Add / (Less) :-						
	(i) Share of Profit of Associate accounted for using equity method	10	(1)	10	9	26	57
	(ii) Other unallocable income / (expenditure )	(314)	(347)	(300)	(661)	(622)	(1,275)
	(iii) Finance Cost	(129)	(120)	(146)	(249)	(308)	(553)
	<b>Net Profit before Tax for the period</b>	<b>394</b>	<b>495</b>	<b>346</b>	<b>889</b>	<b>545</b>	<b>1,522</b>
3	Segment Assets						
	(i) Automation & Control	1,333	1,293	2,380	1,333	2,380	1,696
	(ii) Network Systems	14,077	12,541	9,017	14,077	9,017	10,878
		15,410	13,834	11,397	15,410	11,397	12,574
	Unallocable Assets	4,858	4,048	3,566	4,858	3,566	3,637
	<b>Total Assets</b>	<b>20,268</b>	<b>17,882</b>	<b>14,963</b>	<b>20,268</b>	<b>14,963</b>	<b>16,211</b>
	Segment Liabilities						
	(i) Automation & Control	465	485	857	465	857	589
	(ii) Network Systems	9,347	8,020	6,173	9,347	6,173	7,273
		9,812	8,505	7,030	9,812	7,030	7,862
	Unallocable Liabilities	5,692	5,622	5,280	5,692	5,280	4,972
	<b>Total Liabilities</b>	<b>15,504</b>	<b>14,127</b>	<b>12,310</b>	<b>15,504</b>	<b>12,310</b>	<b>12,834</b>



**Notes :-**

- 1 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 amalgamation of TNSL (wholly owned subsidiary) 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), Securities Exchange Board of India (SEBI) and subsequently approved by Equity Shareholders at the NCLT convened meeting held on May 18, 2018. The Proposed scheme is subject to further approvals and consents. Since, the above reorganisation is between the Company (holding company) and its two wholly owned subsidiaries, this has no implication on consolidated financial results or consolidated financial position of the Company along with its wholly owned subsidiaries.
- 2 The Board of Directors of the Company at its meeting held on September 21, 2018 decided to exit from Nelito Systems Limited (an Associate Company). Considering the intent of the Board, this investment in the Associate has been classified as 'Assets classified as held for sale' in accordance with IND AS 105.
- 3 The management has reassessed the realisability of the Deferred Tax Asset and MAT Credit Entitlement, consequent to taxable profits generated in this quarter, and in accordance with the requirements of IND AS 12 'Income Taxes' has recognized Deferred Tax Asset and MAT Credit Entitlement u/s 115 JAA of Income Tax Act, 1961 of Rs. 279 lakhs and Rs. 499 lakhs respectively.

4 Other income includes :-

Particulars	(Rs in Lakhs)					
	3 Months ended 30.09.2018	Preceding 3 months ended 30.06.2018	Corresponding 3 Months ended 30.09.2017	6 Months ended 30.09.2018	6 Months ended 30.09.2017	Previous Year ended 31.03.2018
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Interest on Income Tax refund	33	-	74	33	74	110
Liabilities / Provisions no longer required written back	-	32	98	32	116	144

5 Standalone Financial details

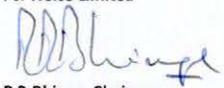
Standalone Financial details	(Rs in Lakhs)					
	3 Months ended 30.09.2018	Preceding 3 months ended 30.06.2018	Corresponding 3 Months ended 30.09.2017	6 Months ended 30.09.2018	6 Months ended 30.09.2017	Previous Year ended 31.03.2018
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Income from Continuing Operations	824	818	802	1642	1583	3,190
Profit before Tax- Continuing and Discontinued Operations	321	350	292	671	453	1,151
Profit after Tax- Continuing and Discontinued Operations	961	290	249	1251	410	977
Total Comprehensive Income- Continuing and Discontinued Operations	962	275	250	1237	393	959

- 6 The Ministry of Corporate Affairs (MCA), on March 28, 2018, notified Ind AS 115 "Revenue from Contracts with Customers" as part of the Companies (Indian Accounting Standards) Amendment Rules, 2018. The new standard is effective for accounting periods beginning on or after April 1, 2018. The Company has applied modified retrospective approach in adopting the new standard. The adoption of the standard did not have any material impact to the financial statements of the Company.
- 7 The Unaudited Standalone and Consolidated financial results for the quarter and half year ended September 30, 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".
- 8 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 October 20, 2018.

Place :- Mumbai  
Date :- October 20, 2018



For Nelco Limited

  
R.R. Bhinge, Chairman  
DIN : 00036557

<b>Nelco Limited</b>		
<b>Consolidated Unaudited Balance Sheet as at September 30, 2018</b>		
(Rs in Lakhs)		
Particulars	As at September 30, 2018	As at March 31, 2018
<b>ASSETS</b>		
<b>Non-current assets</b>		
(a) Property, plant and equipment	6,099	4,886
(b) Capital work-in-progress	1,073	468
(c) Intangible assets	182	190
(d) Financial assets		
(i) Investments ( Refer note 2)	16	576
(ii) Trade receivable	250	223
(iii) Loans	30	29
(iii) Other financial assets	406	-
(e) Deferred tax assets (net) ( Refer note 3)	835	38
(f) Income tax assets (net)	2,112	2,208
(g) Other non-current assets	28	8
<b>Total non current assets</b>	<b>11,031</b>	<b>8,626</b>
<b>Current assets</b>		
(a) Inventories	1,019	887
(b) Financial assets		
(i) Trade receivables	5,043	5,473
(ii) Cash and cash equivalents	586	397
(iii) Bank balances other than (ii) above	147	28
(iv) Loans	100	107
(v) Other financial assets	813	270
(c) Other current assets	967	423
Assets classified as held for sale (Refer note 2)	562	-
<b>Total current assets</b>	<b>9,237</b>	<b>7,585</b>
<b>TOTAL ASSETS</b>	<b>20,268</b>	<b>16,211</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
(a) Equity share capital	2,282	2,282
(b) Other equity		
Reserves and surplus	2,470	1,083
Other reserves	12	12
<b>Total equity</b>	<b>4,764</b>	<b>3,377</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	954	758
(ii) Other financial liabilities	6	10
(b) Provisions	462	421
(c) Other non-current liabilities	25	30
(d) Deferred tax liabilities (net) ( Refer note 3)	7	-
<b>Total non-current liabilities</b>	<b>1,454</b>	<b>1,219</b>
<b>Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	4,437	3,839
(ii) Trade payables	3,915	3,251
(iii) Other financial liabilities	3,425	1,769
(b) Provisions	177	181
(c) Other current liabilities	2,096	2,575
<b>Total current liabilities</b>	<b>14,050</b>	<b>11,615</b>
<b>Total liabilities</b>	<b>15,504</b>	<b>12,834</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>20,268</b>	<b>16,211</b>

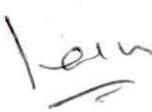


# Price Waterhouse Chartered Accountants LLP

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

1. We have reviewed the unaudited consolidated financial results of Nelco Limited (the "Company"), its subsidiaries and associate company (hereinafter referred to as the "Group") for the quarter and the half year ended September 30, 2018 which are included in the accompanying 'Statement of Consolidated Unaudited Financial Results for the quarter and half year ended September 30, 2018' and the Consolidated Unaudited Balance Sheet as on that date (the "Statement"). The Statement has been prepared by the Company's Management pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015"), which has been initialled by us for identification purposes. The Statement is the responsibility of the Company's Management and has been approved by its Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.
3. A review is limited primarily to inquiries of group personnel and analytical procedures applied to group's financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
4. We did not review the financial results of one associate company considered in the preparation of the Statement and which constitute total comprehensive income (comprising of profit and other comprehensive income) of Rs. 10 Lakhs and Rs. 9 Lakhs for the quarter and half year ended September 30, 2018 respectively. These financial results have been furnished to us by the Management, and our conclusion on the Statement insofar as it relates to the amounts and disclosures included in respect of this associate, is based solely on such management provided financial results.
5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

  
Sharmila A. Karve  
Partner  
Membership Number: 43229

Mumbai  
October 20, 2018

Price Waterhouse Chartered Accountants LLP, 252, Veer Savarkar Marg, Shivaji Park, Dadar (West)  
Mumbai - 400 028  
T: +91 (22) 66691500, F: +91 (22) 66547804 / 07

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 AAG-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)

NELCO LIMITED							
REGD. OFFICE :- EL-6, TTC INDUSTRIAL AREA, MIDC, ELECTRONIC ZONE, MAHAPE, NAVI MUMBAI - 400 710, CIN: L32200MH1940PLC003164							
Part-I							
Statement of Standalone Unaudited Financial Results for the quarter and half year ended September 30, 2018							
Sr.No.	Particulars	3 Months ended	Preceding 3 months	Corresponding 3	6 Months ended	6 Months ended	Previous
		30.09.2018	ended 30.06.2018	Months ended	30.09.2018	30.09.2017	Year ended
		Unaudited	Unaudited	30.09.2017	Unaudited	Unaudited	31.03.2018
				Unaudited			Audited
<b>A</b>	<b>Continuing Operations</b>						
<b>1</b>	<b>Income</b>						
	a) Income from Operations	824	818	802	1642	1583	3190
	b) Other Income	45	51	60	96	122	290
	<b>Total Income (a+b)</b>	<b>869</b>	<b>869</b>	<b>862</b>	<b>1,738</b>	<b>1,705</b>	<b>3,480</b>
<b>2</b>	<b>Expenses</b>						
	a) Employee Benefits Expense	494	514	398	1008	809	1679
	b) Finance Cost	109	100	126	209	258	478
	c) Depreciation and amortization expense	17	18	6	35	12	61
	d) Sub Contracting Expenses	33	33	32	66	82	186
	e) Other expenses	251	231	327	482	611	1199
	<b>Total Expenses</b>	<b>904</b>	<b>896</b>	<b>889</b>	<b>1,800</b>	<b>1,772</b>	<b>3,603</b>
<b>3</b>	<b>Profit / (Loss) before Tax (1 -2 )</b>	<b>(35)</b>	<b>(27)</b>	<b>(27)</b>	<b>(62)</b>	<b>(67)</b>	<b>(123)</b>
<b>4</b>	<b>Tax expense</b>						
	a) Current Tax	-	-	-	-	-	-
	b) Deferred Tax ( Refer note 3)	(792)	-	-	(792)	-	-
<b>5</b>	<b>Net Profit / (Loss) from Continuing Operations (3-4)</b>	<b>757</b>	<b>(27)</b>	<b>(27)</b>	<b>730</b>	<b>(67)</b>	<b>(123)</b>
<b>B</b>	<b>Discontinued Operations ( Refer note 1)</b>						
<b>6</b>	Profit before tax from discontinued operations	356	377	319	733	520	1,274
<b>7</b>	Tax Expense of discontinued operations	152	60	43	212	43	174
<b>8</b>	<b>Profit after tax from Discontinued Operations (6-7)</b>	<b>204</b>	<b>317</b>	<b>276</b>	<b>521</b>	<b>477</b>	<b>1,100</b>
<b>9</b>	<b>Net Profit for the period (5+8)</b>	<b>961</b>	<b>290</b>	<b>249</b>	<b>1,251</b>	<b>410</b>	<b>977</b>
<b>10</b>	<b>Other Comprehensive Income</b>						
	Items that will not be reclassified to Profit or Loss- Continuing Operations	(2)	(5)	1	(7)	(12)	(10)
	Items that will not be reclassified to Profit or Loss- Discontinued Operations	3	(10)	-	(7)	(5)	(8)
	<b>Other Comprehensive Income</b>	<b>1</b>	<b>(15)</b>	<b>1</b>	<b>(14)</b>	<b>(17)</b>	<b>(18)</b>
<b>11</b>	<b>Total Comprehensive Income for the period (9+10)</b>	<b>962</b>	<b>275</b>	<b>250</b>	<b>1,237</b>	<b>393</b>	<b>959</b>
<b>12</b>	Paid up equity share capital ( face value Rs.10/- each)	2,282	2,282	2,282	2,282	2,282	2,282
<b>13</b>	Other Equity						169
<b>14</b>	<b>Earnings / (Loss) Per Share (Basic and Diluted) (Face Value Rs. 10/-each) (not annualised)</b>						
	From Continuing Operations	3.32	(0.12)	(0.12)	3.20	(0.29)	(0.54)
	From Discontinued Operations	0.89	1.39	1.21	2.28	2.09	4.82
	From Continuing and Discontinued Operations	4.21	1.27	1.09	5.48	1.80	4.28



Segment wise Revenue, Results and Capital Employed for the quarter and half ended September 30, 2018							
Sr. No.	Particulars	3 Months ended	Preceding 3 months	Corresponding 3	6 months ended	6 months ended	(Rs. In Lakhs)
		30.09.2018	ended 30.06.2018	Months ended	30.09.2018	30.09.2017	Previous
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	<b>Segment Revenue from operations</b>						
	Total Income from Operations						
	<b>Continuing Operations</b>						
	(i) Automation & Control	-	-	-	-	-	-
	(ii) Network Systems	824	818	802	1,642	1,583	3,190
		824	818	802	1,642	1,583	3,190
	<b>Discontinued Operations (Refer note 1)</b>						
	(i) Automation & Control	116	145	37	261	137	243
	(ii) Network Systems	2,120	2,306	1,499	4,426	2,971	5,935
		2,236	2,451	1,536	4,687	3,108	6,178
<b>Total</b>	<b>3,060</b>	<b>3,269</b>	<b>2,338</b>	<b>6,329</b>	<b>4,691</b>	<b>9,368</b>	
<b>Less : Inter Segment Revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Total Income from Operations</b>	<b>3,060</b>	<b>3,269</b>	<b>2,338</b>	<b>6,329</b>	<b>4,691</b>	<b>9,368</b>	
2	<b>Segment Results</b>						
	<b>Continuing Operations</b>						
	(i) Automation & Control	-	-	-	-	-	-
	(ii) Network Systems	389	396	447	785	859	1,617
		389	396	447	785	859	1,617
	<b>Discontinued Operations (Refer note 1)</b>						
	(i) Automation & Control	(77)	(46)	(35)	(123)	(201)	(340)
	(ii) Network Systems	433	423	354	856	721	1,614
		356	377	319	733	520	1,274
	<b>Total</b>	<b>745</b>	<b>773</b>	<b>766</b>	<b>1,518</b>	<b>1,379</b>	<b>2,891</b>
<b>Continuing Operations Add / (Less)</b>							
(i) Other unallocable income / (expenditure)	(315)	(323)	(348)	(638)	(668)	(1,262)	
(ii) Finance Cost	(109)	(100)	(126)	(209)	(258)	(478)	
<b>Net Profit before Tax for the period</b>	<b>321</b>	<b>350</b>	<b>292</b>	<b>671</b>	<b>453</b>	<b>1,151</b>	
3	<b>Segment Assets</b>						
	<b>Continuing Operations</b>						
	(i) Automation & Control	-	-	-	-	-	-
	(ii) Network Systems	901	938	883	901	883	954
		901	938	883	901	883	954
	<b>Discontinued Operations (Refer note 1)</b>						
	(i) Automation & Control	1,333	1,293	1,837	1,333	1,837	1,696
	(ii) Network Systems	9,334	7,045	4,663	9,334	4,663	5,785
		10,667	8,338	6,500	10,667	6,500	7,481
	<b>Unallocable Assets</b>	<b>4,216</b>	<b>3,618</b>	<b>3,313</b>	<b>4,216</b>	<b>3,313</b>	<b>3,272</b>
<b>Total Assets</b>	<b>15,784</b>	<b>12,894</b>	<b>10,696</b>	<b>15,784</b>	<b>10,696</b>	<b>11,707</b>	
<b>Segment Liabilities</b>							
<b>Continuing Operations</b>							
(i) Automation & Control	-	-	-	-	-	-	
(ii) Network Systems	87	46	50	87	50	137	
	87	46	50	87	50	137	
<b>Discontinued Operations (Refer note 1)</b>							
<b>Segment Liabilities</b>							
(i) Automation & Control	465	485	675	465	675	589	
(ii) Network Systems	6,478	5,017	2,963	6,478	2,963	4,113	
	6,943	5,502	3,638	6,943	3,638	4,702	
<b>Unallocable Liabilities</b>	<b>5,067</b>	<b>4,621</b>	<b>5,123</b>	<b>5,067</b>	<b>5,123</b>	<b>4,417</b>	
<b>Total Liabilities</b>	<b>12,097</b>	<b>10,169</b>	<b>8,811</b>	<b>12,097</b>	<b>8,811</b>	<b>9,256</b>	



**Notes :-**

- 1 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 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), Securities Exchange Board of India (SEBI) and subsequently approved by Equity Shareholders at the NCLT convened meeting held on May 18, 2018. The Proposed scheme 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 30.09.2018	Preceding 3 months ended 30.06.2018	Corresponding 3 Months ended 30.09.2017	6 months ended 30.09.2018	6 months ended 30.09.2017	Previous Year ended 31.03.2018
Income from Operations including other income	2,298	2,497	1,675	4,795	3,259	6,387
Expenses	1,942	2,120	1,356	4,062	2,739	5,113
Profit before Tax	356	377	319	733	520	1,274
Tax Expense	152	60	43	212	43	174
Total Assets	10,667	8,338	6,500	10,667	6,500	7,481
Total Liabilities	6,943	5,502	3,638	6,943	3,638	4,702

- 2 The Board of Directors of the Company at its meeting held on September 21, 2018 decided to exit from Nelito Systems Limited (an Associate Company). Considering the intent of the Board, this investment in the Associate has been classified as 'Assets classified as held for sale' in accordance with IND AS 105.
- 3 The management has reassessed the realisability of the Deferred Tax Asset and MAT Credit Entitlement, consequent to taxable profits generated in this quarter, and in accordance with the requirements of IND AS 12 'Income Taxes' has recognized Deferred Tax Asset and MAT Credit Entitlement u/s 115 JAA of Income Tax Act, 1961 of Rs. 293 lakhs and Rs. 499 lakhs respectively.
- 4 The Ministry of Corporate Affairs (MCA), on March 28, 2018, notified Ind AS 115 "Revenue from Contracts with Customers" as part of the Companies (Indian Accounting Standards) Amendment Rules, 2018. The new standard is effective for accounting periods beginning on or after April 1, 2018. The Company has applied modified retrospective approach in adopting the new standard. The adoption of the standard did not have any material impact to the financial statements of the Company.
- 5 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 October 20, 2018.

Place :- Mumbai  
Date :- October 20, 2018



For Nelco Limited  
*R.R. Bhinge*  
R.R. Bhinge, Chairman  
DIN : 00036557

Nelco Limited		
Standalone Unaudited Balance Sheet as at September 30, 2018		
Particulars	(Rs. In Lakhs)	
	As at September 30, 2018	As at March 31, 2018
	Unaudited	Unaudited
<b>ASSETS</b>		
<b>Non-current assets</b>		
(a) Property, plant and equipment	299	313
(b) Intangible assets	3	5
(c) Financial assets		
(i) Investments ( Refer note 2)	507	619
(d) Deferred tax assets (net) ( Refer note 3)	792	-
(e) Income tax assets (net)	1,426	1,386
(f) Other non-current assets	2	2
<b>Total non-current assets</b>	<b>3,029</b>	<b>2,325</b>
<b>Current assets</b>		
(a) Financial assets		
(i) Trade receivables	845	870
(ii) Cash and cash equivalents	405	128
(iii) Bank balances other than (ii) above	147	28
(iv) Loans	234	723
(v) Other financial assets	58	49
(c) Other current assets	286	103
Assets classified as held for sale ( Refer note 1 and 2)	10,780	7,481
<b>Total current assets</b>	<b>12,755</b>	<b>9,382</b>
<b>TOTAL ASSETS</b>	<b>15,784</b>	<b>11,707</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
(a) Equity share capital	2,282	2,282
(b) Other equity		
Reserve and surplus	1,396	160
Other reserves	9	9
<b>Total equity</b>	<b>3,687</b>	<b>2,451</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
(a) Financial liabilities		
(i) Other financial liabilities	6	10
(b) Provisions	247	224
<b>Total non-current liabilities</b>	<b>253</b>	<b>234</b>
<b>Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	4,226	3,510
(ii) Trade payables	254	307
(iii) Other financial liabilities	267	253
(b) Provisions	92	92
(c) Other current liabilities	62	158
Liabilities directly associated with assets classified as held for sale ( Refer note 1)	6,943	4,702
<b>Total Current liabilities</b>	<b>11,844</b>	<b>9,022</b>
<b>Total liabilities</b>	<b>12,097</b>	<b>9,256</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>15,784</b>	<b>11,707</b>



# Price Waterhouse Chartered Accountants LLP

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

1. We have reviewed the unaudited standalone financial results of Nelco Limited (the “Company”) for the quarter and the half year ended September 30, 2018 which are included in the accompanying ‘Statement of Standalone Unaudited Financial Results for the quarter and half year ended September 30, 2018’ and the Standalone Unaudited Balance Sheet as on that date (the “Statement”). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations, 2015”), which has been initialled by us for identification purposes. The Statement is the responsibility of the Company’s management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.
3. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

  
Sharmila A. Karve  
Partner  
Membership Number: 43229

Mumbai  
October 20, 2018

Price Waterhouse Chartered Accountants LLP, 252, Veer Savarkar Marg, Shivaji Park, Dadar (West)  
Mumbai - 400 028  
T: +91 (22) 66691500, F: +91 (22) 66547804 / 07

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)