

NELCO LIMITED
REGD. OFFICE :- EL-6, TTC INDUSTRIAL AREA, MIDC, ELECTRONIC ZONE, MAHAPE,
MAVI MUMBAI - 400 710

Standalone unaudited financial results for the quarter ended 31st December 2013

Sr.No.	Particulars	3 Months ended 31.12.2013	Preceding 3 Months ended 30.09.2013	Corresponding 3 Months ended 31.12.2012 in the previous year	Rs. In Lakhs Previous year ended 30.09.2013
		Unaudited	Unaudited	Unaudited	Audited
1.	Income from Operations				
	a) Sales / Income from Operations	2,765	2,910	2,869	11,015
	Less : Excise Duty	29	27	15	60
	Net Sales / Income from Operations	2,736	2,883	2,854	10,955
	b) Other Operating Income	26	-	-	17
	Total Income From Operations (net)	2,762	2,883	2,854	10,972
2.	Expenses				
	a) Cost of material consumed	36	369	172	813
	b) Purchase of stock-in-trade	1,009	973	1,173	4,561
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	224	74	261	50
	d) Employees Benefit Expense	664	524	707	2,418
	e) Depreciation and amortization expenses	144	144	141	569
	f) Provision for foreseeable losses	-	6	-	6
	g) Other expenses	844	996	773	3,368
	Total Expenses	2,921	3,086	3,227	11,785
3.	Profit / (Loss) From Operations before other income, finance costs and exceptional items (1 - 2)	(159)	(203)	(373)	(813)
4.	Other Income	84	67	3	131
5.	Profit / (Loss) from ordinary activities before Finance Costs and Exceptional Items (3 + 4)	(75)	(136)	(370)	(682)
6.	Finance cost	240	238	256	955
7.	Profit / (Loss) from ordinary activities after Finance Costs but before Exceptional Items (5 - 6)	(315)	(374)	(626)	(1,637)
8.	Exceptional Items	-	-	-	-
9.	Profit / (Loss) from ordinary activities before tax (7 - 8)	(315)	(374)	(626)	(1,637)
10.	Tax expense	-	-	-	-
	a) Current Tax	-	-	-	-
	b) Deferred Tax	-	-	-	-
11.	c) Short / (Excess) Tax Provision for earlier years	-	-	-	-
12.	Net Profit/ (Loss) from ordinary activities after tax (9 - 10)	(315)	(374)	(626)	(1,637)
13.	Extraordinary Items	-	-	-	-
	Net Profit/ (Loss) for the period (11+12)	(315)	(374)	(626)	(1,637)



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Sr.No.	Particulars	3 Months ended 31.12.2013	Preceding 3 Months ended 30.09.2013	Corresponding 3 Months ended 31.12.2012 in the previous year	Previous year ended 30.09.2013
14.	Paid up equity share capital (face value Rs.10/-)	Unaudited 2,282	Unaudited 2,282	Unaudited 2,282	Audited 2,282
15.	Reserves excluding Revaluation Reserve as per Balance Sheet of previous accounting year				(1,374)
16.	Earnings Per Share Basic and Diluted (before and after extraordinary items) (of Rs. 10/-each) (not annualised)	(1.38)	(1.64)	(2.74)	(7.17)
Part II					
	Particulars	3 Months ended 31.12.2013	Preceding 3 Months ended 30.09.2013	Corresponding 3 Months ended 31.12.2012 in the previous year	Previous year ended 30.09.2013
A	PARTICULARS OF SHAREHOLDINGS				
1	Public shareholding				
	- Number of shares	11385810	11385810	11385810	11385810
	- Percentage of shareholding	49.90	49.90	49.90	49.90
2	Promoter and promoter group shareholding				
	a) Pledged/Encumbered				
	- Number of shares				
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)				
	- Percentage of shares (as a % of the total share capital of the company)				
	b). Non-encumbered				
	- Number of shares	11432590	11432590	11432590	11432590
	- Percentage of shares (as % of the total shareholding of promoter and promoter group)	100	100	100	100
	- Percentage of shares (as % of the total share capital of the company)	50.10	50.10	50.10	50.10
3 months ended 31.12.2013					
	Particulars	Pending at the beginning of the quarter	Received during the quarter	Disposed off during the quarter	Remaining unresolved at the end of the quarter
B	INVESTOR COMPLAINTS	NIL	1	1	NIL



Notes :-

- 1 Due to the nature of project business, financial results for the quarter are not representative of the annual results.
- 2 Business Segments have been identified as reportable primary segments in accordance with Accounting Standard 17, taking into account the organisational structure as well as the difference of risks and return of these segments.
- 3 Figures for the previous year/periods are re-classified / re-arranged / re-grouped, wherever considered necessary.
- 4 The Company has incurred loss for the quarter ended 31st December 2013 and the accumulated losses as at 31st December, 2013 has substantially eroded the Company's net worth. Notwithstanding this, these financial statements have been prepared on going concern basis in view of the financial support of the parent company and the business plan of the Company.
- 5 The figures for the preceding 3 months ended 30.09.2013 are the balancing figures between the audited figures in respect of the full financial year ended 30.09.2013 and the published year to date figures upto the third quarter of that financial year.
- 6 The above results were reviewed and recommended by the Audit Committee and were approved by the Board of Directors at its meeting held on 31st January, 2014.
- 7 In compliance with clause 41 of the listing agreements with stock exchanges, a limited review of the results for the quarter ended 31st December 2013 has been carried out by the Statutory Auditors.

Mumbai
31st January, 2014

For Nelco Limited



R.R. Bhinge
Chairman



Deloitte Haskins & Sells LLP

Chartered Accountants
Indiabulls Finance Centre
Tower 3, 27th - 32nd Floor
Senapati Bapat Marg
Elphinstone Road (West)
Mumbai - 400 013
Maharashtra, India

Tel: +91 (022) 6185 4000
Fax: +91 (022) 6185 4501/4601

INDEPENDENT AUDITORS' REVIEW REPORT TO THE BOARD OF DIRECTORS OF NELCO LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **Nelco Limited** ("the Company") for the quarter ended 31st December, 2013 ("the Statement"), being submitted by the Company pursuant to Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 4 below. This 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 of the Statement in accordance with the Standard on Review Engagements (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. 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.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards notified under the Companies Act, 1956 (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs) and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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4. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/ encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements and the particulars relating to investor complaints disclosed in Part II - Select Information for the quarter ended 31st December, 2013 of the Statement, from the details furnished by the Registrars.

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

R. A. Banga

R. A. Banga
Partner

(Membership No. 37915)

MUMBAI, 31st January, 2014

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

Consolidated unaudited financial Results for the quarter ended 31st December 2013

Sr. No	Particulars	3 months ended 31.12.2013	Preceding 3 Months ended 30.09.2013	Corresponding 3 Months ended 31.12.2012 in the previous year	Previous year ended 30.09.2013
		Unaudited	Unaudited	Unaudited	Audited
1.	Income from Operations				
	a) Sales / Income from Operations	3,518	3,622	3,399	13,517
	Less : Excise Duty	29	27	15	60
	Net Sales / Income from Operations	3,489	3,595	3,384	13,457
	b) Other Operating Income	26	-	-	17
	Total Income From Operations (net)	3,515	3,595	3,384	13,474
2.	Expenses				
	a) Cost of material consumed	36	369	172	813
	b) Purchase of stock-in-trade	1,009	973	1,173	4,561
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	224	74	261	50
	d) Employees Benefit Expense	664	524	707	2,418
	e) Depreciation and amortization expenses	217	217	227	892
	f) Provision for foreseeable losses	-	6	-	6
	g) Transporter charges	381	384	346	1,429
	h) Other expenses	1,052	1,183	943	4,065
	Total Expenses	3,583	3,730	3,829	14,234
3.	Profit / (Loss) From Operations before other Income, finance costs and exceptional items (1 - 2)	(68)	(135)	(445)	(760)
4.	Other Income	48	13	18	34
5.	Profit / (Loss) from ordinary activities before Finance Costs and Exceptional items (3 + 4)	(20)	(122)	(427)	(726)
6.	Finance cost	254	252	263	998
7.	Profit / (Loss) from ordinary activities after Finance Costs but before Exceptional Items (5 - 6)	(274)	(374)	(690)	(1,724)
8.	Exceptional Items	-	-	-	-
9.	Profit / (Loss) from ordinary activities before tax (7 + 8)	(274)	(374)	(690)	(1,724)
10.	Tax expense	17	-6	-18	-18
11.	Net Profit/ (Loss) from ordinary activities after tax (9 - 10)	(291)	(371)	(663)	(1,698)
12.	Add : Share of Profit/(Loss) of Associate	6	5	-2	35
13.	Net Profit/ (Loss) after tax, share of profit of associate (11+12)	(285)	(366)	(665)	(1,663)

Rs. In Lakhs



Sr.No	Particulars	3 months ended 31.12.2013	Preceding 3 Months ended 30.09.2013	Corresponding 3 Months ended 31.12.2012 in the previous year	Previous year ended 30.09.2013
14.	Paid up equity share capital (face value Rs.10/-)				
15.	Reserves excluding Revaluation Reserve as per Balance Sheet of previous accounting year	2,282	2,282	2,282	2,282
16.	Earnings Per Share Basic and Diluted (before and after extraordinary items) (of Rs. 10/- each) (not annualised):	(1.25)	(1.60)	(2.91)	(6.91)
				(2.91)	(7.29)

Part II

Particulars	3 months ended 31.12.2013	Preceding 3 Months ended 30.09.2013	Corresponding 3 Months ended 31.12.2012 in the previous year	Previous year ended 30.09.2013
A PARTICULARS OF SHAREHOLDINGS				
1 Public shareholding				
- Number of shares	11385810	11385810	11385810	11385810
- Percentage of shareholding	49.90	49.90	49.90	49.90
2 Promoter and promoter group shareholding				
a) Pledged/Encumbered				
- Number of shares	-	-	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-
b) Non-encumbered				
- Number of shares	11432590	11432590	11432590	11432590
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100	100	100	100
- Percentage of shares (as a % of the total share capital of the company)	50.10	50.10	50.10	50.10
3 months ended 31.12.2013				
B INVESTOR COMPLAINTS	Pending at the beginning of the quarter	Received during the quarter	Disposed off during the quarter	Remaining unresolved at the end of the quarter
	NIL	1	1	NIL



Consolidated Segment wise Revenue, Results and Capital Employed for the quarter ended 31st December, 2013

Rs. In Lakhs

Sr. No.	Particulars	3 months ended 31.12.2013	Preceding 3 Months ended 30.09.2013	Corresponding 3 Months ended 31.12.2012 in the previous year	Previous year ended 30.09.2013
1	Segment Revenue (Net Sales / Income from operations)	Unaudited	Unaudited	Unaudited	Audited
	(i) Automation & Control	918	837	1,301	3,416
	(ii) Network Systems	2,600	2,785	2,098	10,101
	Less : Excise Duty	29	27	15	60
	Total	3,489	3,595	3,384	13,457
	Less : Inter Segment Revenue	-	-	-	-
	Net Sales / Income from Operations	3,489	3,595	3,384	13,457
2	Segment Results				
	(i) Automation & Control	(164)	(317)	(356)	(1,164)
	(ii) Network Systems	452	424	223	1,567
	Total	288	107	(133)	403
	Less:				
	(i) Interest expense	237	215	244	909
	(ii) Other un-allocable (income) / expenditure net of unallocable (income) / expenditure	325	266	313	1,218
	Profit/(Loss) Before Tax	(274)	(374)	(690)	(1,724)
3	Capital Employed				
	(Segment Assets-Segment Liabilities)				
	(i) Automation & Control	3,931	4,099	4,793	4,099
	(ii) Network Systems	3,068	3,792	4,836	3,792
	Total Segment Capital Employed (Segment Assets - Segment Liabilities)	6,999	7,891	9,629	7,891



Notes :-

- 1 Due to the nature of project business, financial results for the quarter are not representative of the annual results.
- 2 Business Segments have been identified as reportable primary segments in accordance with Accounting Standard 17, taking into account the organisational structure as well as the difference of risks and return of these segments.
- 3 Figures for the previous years/periods are re-classified / re-arranged / re-grouped, wherever considered necessary.

Standalone Financials details	Rs. In Lakhs			
	3 months ended 31.12.2013	Preceding 3 Months ended 30.09.2013	Corresponding 3 Months ended 31.12.2012 in the previous year	12 Months ended 30.09.2013
	Unaudited	Unaudited	Unaudited	Audited
Total Income From Operations (net)	2,762	2,883	2,854	10,972
Profit before tax	-315	-374	-626	-1,637
Profit after tax	-315	-374	-626	-1,637

4 The Company has incurred loss for the quarter ended 31st December 2013 and the accumulated losses as at 31st December, 2013 has substantially eroded the Company's net worth. Notwithstanding this, these financial statements have been prepared on going concern basis in view of the financial support of the parent company and the business plan of the Company.

5 The figures for the preceding 3 months ended 30.09.2013 are the balancing figures between the audited figures in respect of the full financial year ended 30.09.2013 and the year to date figures upto the third quarter of that financial year.

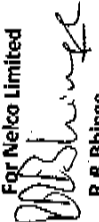
6 The unaudited standalone financial results for the quarter ended 31st December 2013 of the Company are available on the Company's website "www.nelco.in", Bombay Stock Exchange's website "www.bseindia.com" and National Stock Exchange's website "www.nseindia.com".

7 The above results were reviewed and recommended by the Audit Committee and were approved by the Board of Directors at its meeting held on 31st January, 2014.

8 In compliance with clause 41 of the listing agreements with stock exchanges, a limited review of the results for the quarter ended 31st December 2013 has been carried out by the Statutory Auditors.

Mumbai
31st January, 2014



For Nelco Limited

 R.R. Bhinge
 Chairman

Deloitte Haskins & Sells LLP

Chartered Accountants
Indiabulls Finance Centre
Tower 3, 27th - 32nd Floor
Senapati Bapat Marg
Elphinstone Road (West)
Mumbai - 400 013
Maharashtra, India

Tel: +91 (022) 6185 4000
Fax: +91 (022) 6185 4501/4601

INDEPENDENT AUDITORS' REVIEW REPORT TO THE BOARD OF DIRECTORS OF NELCO LIMITED

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **NELCO LIMITED** ("the Company") and its subsidiary (together "the Group") and its share of the profit of its associate for the quarter ended 31st December, 2013 ("the Statement"), being submitted by the Company pursuant to Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 6 below. This 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 of the Statement in accordance with the Standard on Review Engagements (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 misstatements. 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.
3. The Statement includes the results of 'Tatanet Services Limited', subsidiary and of 'Nelito Systems Limited', an associate.
4. We did not review the interim financial results of a subsidiary included in the consolidated financial results, whose interim financial results reflect, total revenues of Rs. 1,173 lakhs and total profit after tax of Rs.23 lakhs for the quarter ended 31st December, 2013, as considered in the consolidated financial results. The consolidated financial results also includes the Group's share of profit after tax of Rs. 6 lakhs for the quarter ended 31st December, 2013, as considered in the consolidated financial results, in respect of an associate, whose interim financial statements have not been reviewed by us. These interim financial statements have been reviewed by other auditors whose reports have been furnished to us by the Management and our report on the Statement in so far as it relates to the amounts and disclosures included in respect of this subsidiary and an associate, is based solely on the reports of the other auditors.

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5. Based on our review conducted as stated above and based on the consideration of the reports of the other auditors referred to in paragraph 4, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards notified under the Companies Act, 1956 (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs) and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the stock exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements and the particulars relating to investor complaints disclosed in Part II - Select Information for the quarter ended 31st December, 2013 of the Statement, from the details furnished by the Registrars.

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

R. K. Banga

R. A. Banga
Partner
(Membership No. 37915)

MUMBAI, 31st January, 2014