



29th January 2016

BSE Limited Corporate Relationship Dept 1 st Floor, New Trading Ring Rotunda Building, P.J. Towers, Fort Mumbai – 400 001 Fax No.(022)22723121/2041 BSE Code : 504112	National Stock Exchange of India Limited 5 th floor, Exchange Plaza, Plot No.C-1 Block "G" Bandra Kurla Complex Bandra (East) Mumbai – 400 051 Fax No.2659 8237/38 NSE Code : Nelco EQ
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Dear Sir,

Unaudited Financial Results & Limited Review Report for the Quarter and 15 months ended 31st December 2015.

Please refer our letter dated 8th January 2016.

Enclosed please find copy of the Unaudited Financial Results for the Quarter and 15 months ended 31st December 2015 along with Limited Review Report by the Auditors of the Company.

The above financial results were approved by the Board of Directors at its meeting held today, the 29th January 2016. The meeting of the Board of Directors of the Company commenced at 2.30 p.m. and concluded at 5.00 p.m.

Kindly take the same on record.

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 Unaudited financial Results for the Quarter and Fifteen Months ended 31st December, 2015		Rs. In Lakhs				
		3 Months ended 31.12.2015	Preceding 3 months ended 30.09.2015	Corresponding 3 Months ended 31.12.2014	15 Months ended 31.12.2015	Previous year ended 30.09.2014 (12 months)
Sr.No	Particulars	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	(Refer Notes below)					
1.	Income from Operations					
	a) Net Sales / Income from Operations (Net of excise duty)	3,402	3,257	3,338	17,081	13,405
	b) Other Operating Income	20	5	-	45	26
	Total Income From Operations (net)	3,422	3,262	3,338	17,126	13,431
2.	Expenses					
	a) Cost of materials consumed	-	7	124	199	491
	b) Purchase of stock- In-trade	717	486	912	3,610	3,254
	c) Changes in Inventories of finished goods, work-in-progress and stock-in-trade	(91)	167	(77)	76	548
	d) Employee Benefits Expense	504	475	534	2,593	2,400
	e) Depreciation and amortization expense (refer Note no 1 & 5)	244	242	460	1,497	919
	f) Transponder charges	716	685	571	3,245	1,621
	g) Other expenses	1,138	1,020	1,136	5,813	4,429
	Total Expenses	3,228	3,082	3,660	17,033	13,662
3.	Profit / (Loss) From Operations before other income, finance costs and exceptional items (1 - 2)	194	180	(322)	93	(231)
4.	Other income (refer note 6)	92	16	7	163	158
5.	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	286	196	(315)	256	(73)
6.	Finance cost	241	240	219	1,182	950
7.	Profit / (Loss) from ordinary activities after Finance Costs but before Exceptional Items (5 - 6)	45	(44)	(534)	(926)	(1,023)
8.	Exceptional items (refer note 2 for 3 months and 15 months ended 30th Sep, 2015 and 31st Dec, 15 respectively and note 4 for previous year ended 30th September, 2014)	-	162	-	162	1,241
9.	Profit / (Loss) from ordinary activities before tax (7 + 8)	45	118	(534)	(764)	218
10.	Tax expense					
	a) Current Tax	8	8	-	16	52
	b) Deferred Tax (refer note 5)	(8)	(8)	47	31	-
11.	Net Profit/ (Loss) from ordinary activities after tax (9 - 10)	45	118	(581)	(811)	166
12.	Add : Share of Profit/(Loss)of Associate	(13)	6	6	6	28
13.	Net Profit/ (Loss) after tax and share of profit of associate (11+12)	32	124	(575)	(805)	194
13 A	- From Continuing Operations	109	42	(472)	(550)	948
13 B	- From Discontinuing Operations (Refer Note no 1 & 2)	(77)	(80)	(103)	(417)	(754)
13 C	-Profit on sale of Discontinuing Operations (refer note 2)	-	162	-	162	-
14.	Paid up equity share capital (face value Rs.10/-)	2,282	2,282	2,282	2,282	2,282
15.	Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year					(592)
16.	Earnings Per Share Basic and Diluted (before and after extraordinary items) (of Rs. 10/-each) (not annualised) - Total Operations	0.14	0.54	(2.52)	(3.53)	0.85
16 A	Earnings Per Share Basic and Diluted (before and after extraordinary items) (of Rs. 10/-each) (not annualised)- From Continuing Operations	0.48	0.18	(2.07)	(2.41)	4.15
	See accompanying note to the Financial Results					

Consolidated Segment wise Revenue, Results and Capital Employed for the Quarter and Fifteen Months ended 31st December, 2015						
Sr. No.	Particulars	Rs. in Lakhs				
		3 Months ended 31.12.2015	Preceding 3 Months ended 30.09.2015	Corresponding 3 Months ended 31.12.2014	15 Months ended 31.12.2015	Previous year ended 30.09.2014 (12 months)
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment Revenue (Net Sales / Income from operations)					
	(i) Automation & Control	235	154	346	1,344	2,430
	(ii) Network Systems	3,167	3,103	2,992	15,737	10,975
	Total	3,402	3,257	3,338	17,081	13,405
	Less : Inter Segment Revenue	-	-	-	-	-
	Net Sales / Income from Operations	3,402	3,257	3,338	17,081	13,405
2	Segment Results					
	(i) Automation & Control	(89)	(138)	(329)	(956)	(746)
	(ii) Network Systems	654	617	258	2,626	1,850
	Total	565	479	(71)	1,670	1,104
	Less:					
	(i) Interest expense	241	240	219	1,182	950
	(ii) Other un-allocable (income) /expenditure net off unallocable (income) / expenditure	279	283	244	1,414	1,177
	Add:-					
	Exceptional items unallocable to segment (refer note 2 for 3 months and 15 months ended 30th Sep. 15 and 31st Dec, 15 respectively and note 4 for previous year ended 30th Sep.14)	-	162	-	162	1,241
	Profit/(Loss) Before Tax	45	118	(534)	(764)	218
3	Capital Employed (Segment Assets-Segment Liabilities)					
	(i) Automation & Control	2,501	2,760	3,320	2,501	3,471
	(ii) Network Systems	2,524	2,510	2,568	2,524	2,396
	Total Segment Capital Employed (Segment Assets - Segment Liabilities)	5,025	5,270	5,888	5,025	5,867

1 The Company vide its letter dated 3rd April, 2014 had informed the Stock Exchange about the approval of the Board of Directors to restructure the operations of Company's Integrated Security & Surveillance Solutions business ("ISSS business") which inter alia, includes the business of Unattended Ground Sensors (UGS) and forms part of the 'Automation & Control' segment. As part of such restructuring, the Board of Directors of the Company at its meeting held on 28th January, 2015 accepted an "offer" made by The Tata Power Company Limited, (Parent Company) for its Strategic Engineering Division to purchase the business of UGS as a "going concern" on a "slump sale" basis at a consideration of Rs. 831 Lakhs with effect from 1st October 2014. The shareholders by postal ballot on 25th June, 2015 have approved the transaction. The Business Transfer Agreement (BTA) is signed on 5th August, 2015. This shall be subject to concluding various approvals and consents to be received.

The assets attributable to the UGS business have been impaired in the three months ended 31st December, 2014 to the tune of Rs. 166 Lakhs and disclosed as part of Depreciation & Amortisation expense.

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

Particulars	Rs in Lakhs				
	3 Months ended 31.12.2015	Preceding 3 Months ended 30.09.2015	Corresponding 3 Months ended 31.12.2014	15 Months ended 31.12.2015	Previous year ended 30.09.2014 (12 months)
Net Sales / Income from Operations	5	14	60	157	524
Expenses	63	75	111	441	423
Expenses attributable	19	19	35	125	209
Pre-tax profit / (loss)	(77)	(80)	(86)	(409)	(108)

The transfer being effective from 1st October, 2014, the results of operation for the period after 1st October, 2014 includes a portion attributable to The Tata Power Company Limited which will be given effect to on completion of transaction.

2 Further, as part of restructuring, the Board of Directors of the Company at its meeting held on 18th March, 2015 accepted the offer received from a company for the transfer of Managed Services business ("MS Business") forming part of Network System segment as a "going concern" on a "slump sale" basis at a consideration of Rs. 210 lakhs with effect from 1st April, 2015. The shareholders by postal ballot on 25th June, 2015 have approved the transaction. The said transaction is concluded on 31st August, 2015 after entering into definitive agreement and after obtaining various approvals as required under applicable laws. The said transaction was given effect during the quarter ended September, 2015 with effect from 1st April, 2015. Consequent to the consummation of the transaction of MS business on a slump sale basis the effect of which is accounted in the September, 2015 quarter, the quarters are not comparable. An Amount of Rs 162 Lakhs is accounted as profit on sale of this business in September, 2015 quarter as disclosed under exceptional item.

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

Particulars	Rs in Lakhs				
	3 Months ended 31.12.2015	Preceding 3 Months ended 30.09.2015	Corresponding 3 Months ended 31.12.2014	15 Months ended 31.12.2015	Previous year ended 30.09.2014 (12 months)
Net Sales / Income from Operations	-	65	156	553	580
Expenses	-	59	158	522	672
Expenses attributable	-	3	15	51	554
Pre-tax profit / (Loss)	-	3	(17)	(20)	(646)

3 The Company has accumulated losses as at 31st December, 2015 which has substantially eroded the Company's net worth. Notwithstanding this, these unaudited financial results have been prepared on going concern basis in view of a support letter from the Parent Company .

4 In the year 2006, the Company had filed arbitration proceedings against Jawaharlal Nehru Port Trust (JNPT) for enforcement of its claim in respect of the additional work carried out, wrongful deduction of liquidated damages and encashment of bank guarantee by JNPT. The Arbitration award was passed in favour of the Company on 6th February, 2012. The said award, however, was challenged by JNPT in the Hon'ble Bombay High Court which dismissed the plea on 6th February, 2014 and awarded the claim to the Company. JNPT paid Rs 1,241 lakhs as decretal dues in June quarter, 2014.

5 Pursuant to the enactment of the Companies Act, 2013 (the 'Act'), the Group has, effective 1st October 2014, reviewed and revised the estimated useful lives of its fixed assets, in accordance with the provisions of Schedule II to the Act. Consequently, the depreciation charge for the three and fifteen months ended 31st December, 2015 is higher by Rs. 68 lakhs and Rs. 404 lakhs respectively and Rs. 104 lakhs (net of tax Rs. 47 lakhs) on account of transition provision has been adjusted to retained earnings as on 1st October, 2014.

6 Other income includes:

Particulars	Rs in Lakhs		
	3 Months ended 31.12.2015	Preceding 3 Months ended 30.09.2015	15 Months ended 31.12.2015
	Unaudited	Unaudited	Unaudited
Interest Income	-	1	7
Liabilities / Provisions no longer required written back	42	6	82
Bad Debt recovered	15	9	31
Rent Income	34	-	34
Miscellaneous income	1	-	9
Total	92	16	163

7 Standalone Financials details

	Rs in Lakhs		
	3 Months ended 31.12.2015	Preceding 3 Months ended 30.09.2015	15 Months ended 31.12.2015
	Unaudited	Unaudited	Unaudited
Total Income From Operations (net)	2194	2,104	11,797
Profit / (Loss) before tax	5	100	(491)
Profit / (Loss) after tax	5	100	(538)

8 In order to be in compliance with The Companies Act, 2013, the Company has extended its financial year from 30th September, 2015 to 31st March 2016. Consequently, the financial statements of the Company would be for 18 months from 1st October, 2014 to 31st March, 2016. The corresponding figures for fifteen months ended 31st December, 2014 are not available.

9 Due to the nature of project business, financial results for the periods are not representative of the annual results.

10 Figures for the previous year/periods are re-classified / re-arranged / re-grouped, wherever considered necessary.

11 The unaudited standalone financial results for the quarter ended 31st December, 2015 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".

12 The above results were reviewed and recommended by the Audit Committee and were approved by the Board of Directors at its meeting held on 29th January, 2016.

Mumbai
29th January, 2016

For Nelco Limited



R.R. Bhinge
Chairman

INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF NELCO LIMITED

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of Nelco Limited ("the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), and its share of the profit/(loss) of its associate for the Quarter and Fifteen Months ended 31st December, 2015 ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement which is the responsibility of the Holding Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. 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 Holding 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 information of a subsidiary included in the consolidated financial results, whose interim financial information reflect, total revenues of Rs. 1,737 lakhs and Rs. 7,664 lakhs for the Quarter and Fifteen Months ended 31st December, 2015, respectively, and total profit after tax of Rs. 40 lakhs for the Quarter ended 31st December, 2015 and total loss after tax of Rs. 270 lakhs for Fifteen Months ended 31st December, 2015, as considered in the consolidated financial results. The

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consolidated financial results also includes the Group's share of loss after tax of Rs. 13 lakhs for the Quarter ended 31st December, 2015 and Group's share of profit after tax of Rs. 6 lakhs for the Fifteen Months ended 31st December, 2015, respectively, as considered in the consolidated financial results, in respect of an associate, whose interim financial information have not been reviewed by us. These interim financial information 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.

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 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to note 3 to the Statement, which describes the continued applicability of the going concern concept to the Company despite substantial erosion in the Net worth of the Company as at 31st December, 2015 in view of the support letter from the Parent Company. Our report is not modified in respect of this matter.

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



Rupen K. Bhatt
Partner
(Membership No. 046930)

MUMBAI, 29th January, 2016

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

Sr.No.	Particulars	Statement of Standalone Unaudited Financial Results for the Quarter and Fifteen Months Ended 31st December, 2015				Rs. In Lakhs	
		3 Months ended 31.12.2015	Preceding 3 Months ended 30.09.2015	Corresponding 3 Months ended 31.12.2014	15 Months ended 31.12.2015	Previous year ended 30.09.2014 (12 months)	
		Unaudited	Unaudited	Unaudited	Unaudited	Audited	
	(Refer Notes Below)						
1.	Income from Operations	2,174	2,099	2,516	11,752	10,251	
	a) Net Sales / Income from Operations (Net of excise duty)	20	5	-	45	26	
	b) Other Operating Income	2,194	2,104	2,516	11,797	10,277	
	Total Income From Operations (net)						
2.	Expenses						
	a) Cost of materials consumed	-	7	124	199	491	
	b) Purchase of stock-in-trade	717	486	912	3,610	3,254	
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(91)	167	(77)	76	548	
	d) Employee Benefits Expense	504	475	534	2,593	2,400	
	e) Depreciation and amortization expense (Refer Note No 1. and 5)	141	139	355	971	571	
	f) Sub Contracting Expenses	230	222	301	1,268	959	
	g) Other expenses	594	507	580	3,029	2,600	
	Total Expenses	2,095	2,003	2,729	11,746	10,823	
3.	Profit / (Loss) From Operations before other income, finance costs and exceptional items (4 - 2)	99	101	(213)	51	(546)	
4.	Other Income (refer note 6)	126	52	50	353	321	
5.	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	225	153	(163)	404	(225)	
6.	Finance Cost	220	215	201	1,057	887	
7.	Profit / (Loss) from ordinary activities after Finance Costs but before exceptional items (5 - 6)	5	(62)	(364)	(653)	(1,112)	
8.	Exceptional Items (refer note 2 for 3 months and 15 months ended 30th Sep, 15 and 31st Dec, 15 respectively, note 4 for previous year ended 30th Sep 14)	-	162	-	162	1,241	
9.	Profit / (Loss) from ordinary activities before tax (7 + 8)	5	100	(364)	(491)	129	
10.	Tax expense	-	-	-	-	-	
	a) Current Tax	-	-	47	47	-	
	b) Deferred Tax (refer note 5)	-	100	(411)	(538)	129	
11.	Net Profit/ (Loss) from ordinary activities after tax (9 - 10)	5	18	(308)	(283)	883	
11 A	-From Continuing Operations	(77)	(80)	(103)	(417)	(754)	
11 B	-From Discontinuing Operations (Refer Note no 1 & 2)	-	162	-	162	-	
11 C	-Profit on sale of Discontinuing Operations (refer note 2)	2,282	2,282	2,282	2,282	2,282	
12	Paid up equity share capital (face value Rs.10/-)					(1,245)	
13	Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year					0.57	
14	Earnings Per Share Basic and Diluted (before and after extraordinary items) (of Rs. 10/- each) (not annualised) - Total Operations	0.02	0.44	(1.80)	(2.36)	3.87	
14 A	Earnings Per Share Basic and Diluted (before and after extraordinary items) (of Rs. 10/- each) (not annualised). From Continuing Operations	0.36	0.08	(1.35)	(1.24)	3.87	
	See accompanying note to the Financial Results						

Standalone Segment wise Revenue, Results and Capital Employed for the Quarter and Fifteen Months ended 31st December, 2015						Rs in Lakhs					
Sr. No.	Particulars	3 Months ended 31.12.2015		Preceding 3 Months ended 30.09.15		Corresponding 3 Months ended 31.12.2014		15 Months ended 31.12.2015		Previous year ended 30.09.2014 (12 months)	
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Audited	
1	Segment Revenue (Net Sales / Income from operations)										
	(i) Automation & Control	235	154	346	2,430	1,344	2,430				
	(ii) Network Systems	1,939	1,945	2,170	7,821	10,408	7,821				
	Total	2,174	2,099	2,516	10,251	11,752	10,251				
	Less : Inter Segment Revenue	-	-	-	-	-	-				
	Net Sales / Income from Operations	2,174	2,099	2,516	10,251	11,752	10,251				
2	Segment Results										
	(i) Automation & Control	(89)	(138)	(329)	(746)	(956)	(746)				
	(ii) Network Systems	560	539	372	1,547	2,592	1,547				
	Total	471	401	43	801	1,636	801				
	Less:										
	(i) Interest expense	220	215	201	887	1,057	887				
	(ii) Other un-allocable (income) / expenditure net off unallocable (income) / expenditure	246	248	206	1,026	1,232	1,026				
	Add:-										
	Exceptional items unallocable to segment (refer note 2 for 3 months and 15 months ended 30th Sep, 15 and 31st Dec, 15 respectively, note 4 for previous year ended 30th Sep, 14)	-	162	-	1,241	162	1,241				
	Profit/(Loss) Before Tax	5	100	(364)	129	(491)	129				
3	Capital Employed (Segment Assets-Segment Liabilities)										
	(i) Automation & Control	2,501	2,760	3,320	3,471	2,501	3,471				
	(ii) Network Systems	2,198	1,903	1,743	1,579	2,198	1,579				
	Total Segment Capital Employed (Segment Assets - Segment Liabilities)	4,699	4,663	5,063	5,050	4,699	5,050				



Notes :-

1 The Company vide its letter dated 3rd April, 2014 had informed the Stock Exchange about the approval of the Board of Directors to restructure the operations of Company's Integrated Security & Surveillance Solutions business ("ISSS business") which inter alia, includes the business of Unattended Ground Sensors (UGS) and forms part of the 'Automation & Control' segment. As part of such restructuring, the Board of Directors of the Company at its meeting held on 28th January, 2015 accepted an "offer" made by The Tata Power Company Limited, (Parent Company) for its Strategic Engineering Division to purchase the business of UGS as a "going concern" on a "slump sale" basis at a consideration of Rs. 831 Lakhs with effect from 1st October 2014. The shareholders by postal ballot on 25th June, 2015 have approved the transaction. The Business Transfer Agreement (BTA) is signed on 5th August, 2015. This shall be subject to concluding various approvals and consents to be received.

The assets attributable to the UGS business have been impaired in the quarter ended 31st December, 2014 to the tune of Rs. 166 Lakhs and disclosed as part of Depreciation & Amortisation expense.

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

Particulars	Rs in Lakhs				
	3 Months ended 31.12.2015	Preceding 3 Months ended 30.09.15	Corresponding 3 Months ended 31.12.2014	15 Months ended 31.12.2015	Previous year ended 30.09.2014 (12 months)
Net Sales / Income from Operations	5	14	60	157	524
Expenses	63	75	111	441	423
Expenses attributable	19	19	35	125	209
Pre-tax profit / (loss)	(77)	(80)	(86)	(409)	(108)

The transfer being effective from 1st October, 2014, the results of operation for the period after 1st October, 2014 includes a portion attributable to The Tata Power Company Limited which will be given effect to on completion of transaction.

2 Further, as part of restructuring, the Board of Directors of the Company at its meeting held on 18th March, 2015 accepted the offer received from a company for the transfer of Managed Services business ("MS Business") forming part of Network System segment as a "going concern" on a "slump sale" basis at a consideration of Rs. 210 lakhs with effect from 1st April, 2015. The shareholders by postal ballot on 25th June, 2015 have approved the transaction. The said transaction is concluded on 31st August, 2015 after entering into definitive agreement and after obtaining various approvals as required under applicable laws. The said transaction was given effect during the quarter ended September, 2015 with effect from 1st April, 2015. Consequent to the consummation of the transaction of MS business on a slump sale basis the effect of which is accounted in the September, 2015 quarter, the quarters are not comparable. An Amount of Rs 162 Lakhs is accounted as profit on sale of this business in September, 2015 quarter as disclosed under exceptional item.

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

Particulars	Rs in Lakhs				
	3 Months ended 31.12.2015	Preceding 3 Months ended 30.09.15	Corresponding 3 Months ended 31.12.2014	15 Months ended 31.12.2015	Previous year ended 30.09.2014 (12 months)
Net Sales / Income from Operations	-	65	156	553	580
Expenses	-	59	158	522	672
Expenses attributable	-	3	15	51	554
Pre-tax profit / (loss)	-	3	(17)	(20)	(646)

3 The Company has accumulated losses as at 31st December, 2015 which has substantially eroded the Company's net worth. Notwithstanding this, these unaudited financial results have been prepared on going concern basis in view of a support letter from the Parent Company.



4 In the year 2006, the Company had filed arbitration proceedings against Jawaharlal Nehru Port Trust (JNPT) for enforcement of its claim in respect of the additional work carried out, wrongful deduction of liquidated damages and encashment of bank guarantee by JNPT. The Arbitration award was passed in favour of the Company on 6th February, 2012. The said award, however, was challenged by JNPT in the Hon'ble Bombay High Court which dismissed the plea on 6th February, 2014 and awarded the claim to the Company. JNPT paid Rs 1,241 lakhs as decretal dues in June quarter 2014.

5 Pursuant to the enactment of the Companies Act 2013 (the 'Act'), the Company has, effective 1st October 2014, reviewed and revised the estimated useful lives of its fixed assets, in accordance with the provisions of Schedule II to the Act. Consequently, the depreciation charge for the three months and fifteen months ended 31st December, 2015 is higher by Rs 39 Lakhs and Rs 264 lakhs respectively and Rs.104 lakhs (net of tax Rs. 47 lakhs) on account of transition provision has been adjusted to retained earnings as on 1st October, 2014.

6 Other income includes :-

Particulars	Rs in Lakhs				
	3 Months ended 31.12.2015	Preceding 3 Months ended 30.09.15	Corresponding 3 Months ended 31.12.2014	15 Months ended 31.12.2015	Previous year ended 30.09.2014 (12 months)
	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Interest income	32	33	43	188	193
Liabilities / Provisions no longer required written back	42	6	-	82	82
Bad Debt recovered	15	9	7	31	26
Rent Income	34	-	-	34	-
Miscellaneous income	3	4	-	18	20
Total	126	52	50	353	321

7 In order to be in compliance with The Companies Act, 2013, the Company has extended its financial year from 30th September, 2015 to 31st March 2016. Consequently, the financial statements of the Company would be for 18 months from 1st October, 2014 to 31st March, 2016. The corresponding figures for fifteen months ended 31st December, 2014 are not available.

8 Due to the nature of project business, financial results for the periods are not representative of the annual results.

9 Figures for the previous year/periods are re-classified / re-arranged / re-grouped, wherever considered necessary.

10 The above results were reviewed and recommended by the Audit Committee and were approved by the Board of Directors at its meeting held on 29th January, 2016.

Mumbai
29th January, 2016

For Nelco Limited



R.R. Bhinge
Chairman

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

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 and Fifteen Months ended 31st December, 2015 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. 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 aforesaid Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

4. We draw attention to note 3 to the Statement, which describes the continued applicability of the going concern concept to the Company despite substantial erosion in the Net worth of the Company as at 31st December, 2015 in view of the support letter from the Parent Company. Our report is not modified in respect of this matter.

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



Rupen K. Bhatt
Partner
(Membership No. 046930)

MUMBAI, 29th January, 2016