

2nd February 2017

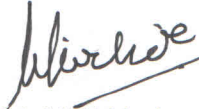
BSE Limited Corporate Relationship Department 1 <sup>st</sup> Floor, New Trading Ring Rotunda Bldg., PJ Towers, Dalal Street, Fort, Mumbai - 400 001 (Scrip code 504112)	National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East) Mumbai -400 051. (Scrip code NELCO EQ)
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Sub: Disclosure pursuant to Regulation 30 of SEBI (LODR) Regulations, 2015  
Sale of Company's Unattended Ground Sensors Business to The Tata Power Co. Ltd.

On 28<sup>th</sup> January, 2015, the Company had informed the Exchange that the Board of Directors of the Company approved the sale of Unattended Ground Sensors (UGS) business to The Tata Power Company Ltd. (Parent Company) for its Strategic Engineering Division (SED) as a "going concern" on a "slump sale" basis with effect from 1st October 2014. This was subject to various approvals as required under applicable law.

This is to further inform that, the Company has completed the required formalities for sale of its Unattended Ground Sensors (UGS) business to The Tata Power Company Ltd. (Parent Company). For details please refer Annexure.

Yours faithfully  
For Nelco Ltd.



Girish V. Kirkinde  
Company Secretary



**Annexure**

The details as required under Regulation 30 read with Schedule III to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI circular No. CIR/CFD/CMD/4/2015 dated 9<sup>th</sup> September 2015 are mentioned hereunder:

(a) the amount and percentage of the turnover or revenue or income and net worth contributed by such unit or division of the listed entity during the last financial year;	Particulars	FY2013-14	FY02014-16*
	Turnover of the Unit	Rs. 5.24 Cr	Rs. 2.46 Cr
	Percentage of turnover	5.1%	1.76%
	Networth of the Unit **	Rs. 9.97 Cr	Rs. 7.84 Cr
(Carrying cost of net Asset)			
*FY-2014-16 was from 1 <sup>st</sup> October 2014 to 31 <sup>st</sup> March 2016. As per the Business Transfer Agreement (BTA), the effective date of sale of unit has been 1 <sup>st</sup> October 2014. Accordingly, the figures of the turnover as mentioned above are not reflected in the Audited Accounts ending 31 <sup>st</sup> March 2016 (as it is from Discontinuing Operations as per the Accounting Standards).			
**The unit sold being an integral part of Nelco separate carrying cost of Net Asset is shown as Net worth.			
(b) date on which the agreement for sale has been entered into;	7 <sup>th</sup> August 2015		
(c) the expected date of completion of sale/disposal;	Conditions precedent were satisfied on 2nd January, 2017		
(d) consideration received from such sale/disposal;	The amount of consideration as mentioned in our letter dated 28 <sup>th</sup> January, 2015 was received on 1st February, 2017-		
(e) Brief details of buyers and whether any of the buyers belong to the promoter/promoter group/group companies. If yes, details thereof;	Buyer-The Tata Power Company Ltd., is a Promoter Company which holds 50.08% of equity share capital of Nelco Ltd.		
(f) whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length";	The sale of undertaking falls within the related party transactions. Nelco Ltd. has sold its undertaking to its Promoter Company (The Tata Power Co. Ltd.). The transaction has been done at arm's length.		
(g) additionally, in case of a slump sale, indicative disclosures provided for amalgamation/merger, shall be disclosed by the listed entity with respect to such slump sale.			
i) name of the entity(ies) forming part of the amalgamation/merger, details in letter such as, size, turnover etc.;	Nelco Ltd. (Seller) and The Tata Power Company Ltd. (Purchaser)		



ii)	whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length";	Yes. It falls under related party transactions. It has been done at "arms length"
iii)	area of business of the entity(ies);	Nelco Ltd. (Territory of India) The Tata Power Co. Ltd. (Territory of India and it also has Foreign Subsidiaries and Foreign Jointly Controlled Entities)
iv)	rationale for amalgamation/ merger;	Part of business restructuring process
v)	in case of cash consideration – amount or otherwise share exchange ratio;	Cash Consideration
vi)	brief details of change in shareholding pattern (if any) of listed entity.	No change

