

27th March 2019

BSE Limited Corporate Relationship Department 1 st Floor, New Trading Ring Rotunda Bldg., PJ Towers Dalal Street, Fort, Mumbai -400 001.	National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East) Mumbai -400 051.
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Dear Sir,

Sub: Disclosure pursuant to Regulation 30 of SEBI (LODR) Regulations, 2015
Disinvestment in Shares of Nelito Systems Limited

This is to inform that, the Board of Directors of Nelco Ltd. at its meeting held on 27th March, 2019 has granted in principle approval for sale of Company's entire Investment of 2,53,665 equity shares (representing 12.30% in equity share capital) of Nelito Systems Ltd. at a consideration of Rs.6.77 crores to DTS Corporation, Japan ("DTS"). This shall be subject to approvals and consents required under applicable law and the terms and conditions of the necessary agreements to be entered into between Nelco Ltd. & DTS.

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

a) name(s) of parties with whom the agreement is entered;	DTS Corporation (Purchaser) and Nelco Ltd. }Main shareholders/ Af-Taab Investment Company Ltd. } sellers
b) purpose of entering into the agreement;	Sale by Nelco Ltd. of its entire Investment (12.30%) in the equity shares of Nelito Systems Ltd. to DTS Corporation, Japan.
c) shareholding, if any, in the entity with whom the agreement is executed;	Except the above, , Nelco Ltd. does not hold shares in any other Companies mentioned above.
d) significant terms of the agreement (in brief) special rights like right to appoint directors, first right to share subscription in case of issuance of shares, right to restrict any change in capital structure etc.;	Effective from the Closing date, the nominee Director of Nelco Ltd. on the Board of Directors of Nelito Systems Ltd. shall resign from Directorship. Other terms and conditions of the Agreement are under negotiations and not yet finalised.
e) whether, the said parties are related to promoter/promoter group/group companies in any manner. If yes, nature of relationship;	Af-Taab Investment Ltd. (one of the Sellers of its investment in Nelito Systems Ltd.) is related to the Promoter /Promoter Group. This is not a transaction between two related parties per se.
f) whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length";	No



g) in case of issuance of shares to the parties, details of issue price, class of shares issued;	Not applicable
h) any other disclosures related to such agreements, viz., details of nominee on the board of directors of the listed entity, potential conflict of interest arising out of such agreements, etc;	NIL
i) in case of termination or amendment of agreement, listed entity shall disclose additional details to the stock exchange(s):	Not applicable
i. name of parties to the agreement ;	
ii. nature of the agreement;	
iii. date of execution of the agreement;	
iv. details of amendment and impact thereof or reasons of termination and impact thereof.	

The meeting of Board of Directors was concluded at 7.00 pm.

Yours faithfully
For Nelco Ltd.




Girish V. Kirkinde
Company Secretary & Head-Legal