

58th Annual Report



nesco

2016-17

CONTENTS

01

REPORT OF
BOARD OF
DIRECTORS

24

REPORT ON
CORPORATE
GOVERNANCE

35

BUSINESS
RESPONSIBILITY
REPORT

45

FINANCIAL
STATEMENTS
(STANDALONE)

101

FINANCIAL
STATEMENTS
(CONSOLIDATED)

161

SHAREHOLDERS
INFORMATION

165

NOTICE

Board of Directors

Mr. Suman J. Patel	Executive Chairman
Mr. Krishna S. Patel	Managing Director
Mr. Mahendra K. Chouhan	Independent Director
Mrs. Sudha S. Patel	Non-Executive Director
Mr. Jai S. Diwanji	Independent Director
Mr. K. S. Srinivasa Murty	Independent Director
Mr. Manu M. Parpia	Additional Independent Director (w.e.f. 10 May 2017)

Auditors

Manubhai & Shah LLP
Chartered Accountants

Banker

HDFC Bank Limited

Registered Office

Nesco Complex,
Western Express Highway, Goregaon (East),
Mumbai 400063
CIN: L17100MH1946PLC004886
Email: companysecretary@nesco.in Web: www.nesco.in
Tel: 022 66450123 Fax: 022 66450101

Registrar and Share Transfer Agents

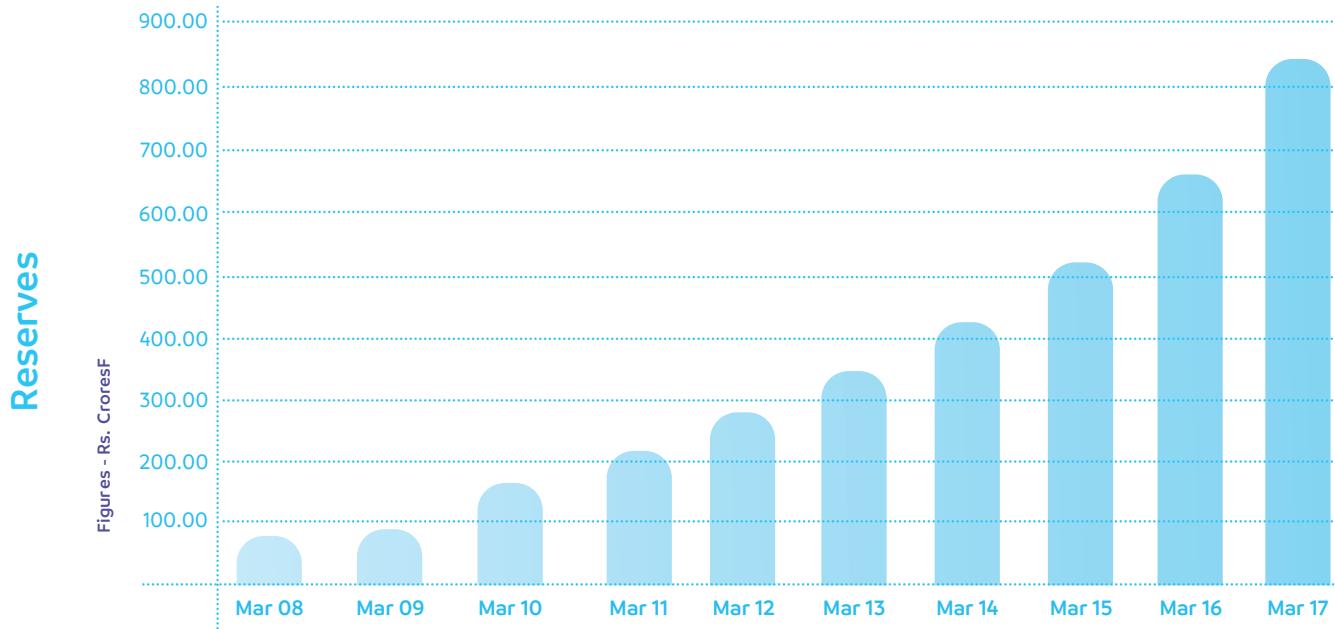
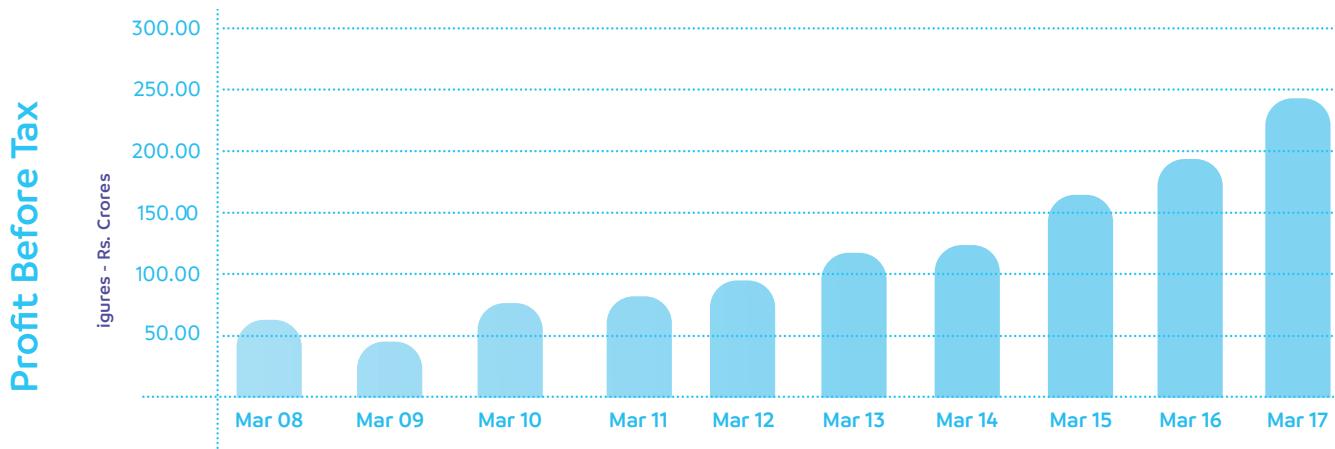
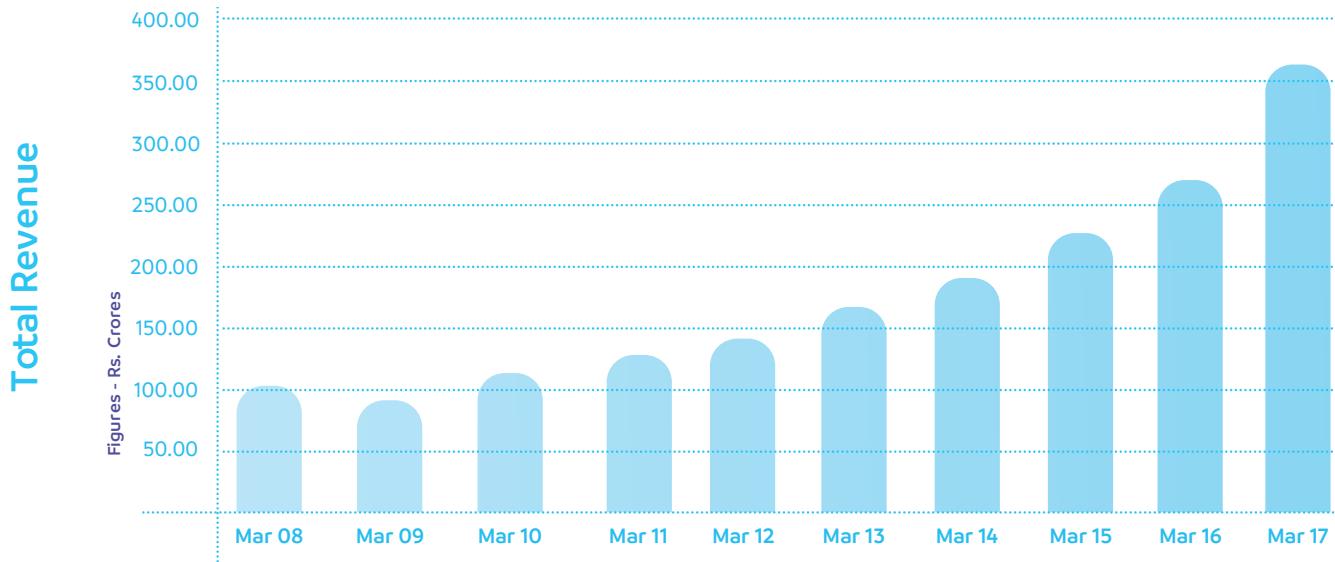
Sharex Dynamic (India) Private Limited

Branch Offices

New Delhi Himalaya House, Curzan Road, New Delhi 110001	Kolkata Benoy Bhavan, Camac Street, Kolkata 700016	Chennai Fagun Mansion, 26, Commander –in- Chief Road, Chennai 600105
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Plants

Karamsad Anand Sojitra Road, Karamsad, Gujarat 388325	Vishnoli Nadiad Petlad Road, Vishnoli, Gujarat 388450
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REPORT OF BOARD OF DIRECTORS

Dear Members,

Your Directors have pleasure in presenting 58th annual report of your Company for the financial year ended 31 March 2017.

1. Financial Results:

(₹ in Lakhs)

Particulars	Consolidated		Standalone	
	2016-17	2015-16	2016-17	2015-16
Income	35,722.76	29,930.29	35,154.45	29,707.55
Profit before depreciation and tax	25,256.79	21,744.05	25,185.28	21,742.89
Depreciation	812.97	670.13	812.97	670.13
Profit Before Taxes	24,443.82	21,073.92	24,372.31	21,072.76
Provision for Taxes	7,448.87	6,659.12	7430.13	6,659.12
Net Profit after Taxes	16,994.95	14,414.80	16,942.18	14,413.64
Balance brought Forward	2,376.30	1252.32	2,388.15	1,265.33
Amount available for appropriations:	19,371.26	15,667.12	19,330.33	15,678.97
Appropriations:				
1. Dividend	1,550.12	1,197.83	1,550.12	1,197.83
2. Tax on Dividend	315.57	243.85	315.57	243.85
3. Transfer to General Reserve	19,321.25	11,849.14	19,280.33	11,849.14
4. Surplus carried forward to Profit and Loss Account	50.00	2,376.30	50.00	2,388.15
Earning Per Share (Basic) (in ₹)	120.60	102.29	120.23	102.28
Earning Per Share (Diluted) (in ₹)	120.60	102.29	120.23	102.28

2. Review of Operations:

Your Company achieved a consolidated turnover of ₹ 35,722.76 lakhs, an increase of 19.35% over the previous year consolidated turnover of ₹29,930.29 lakhs.

Consolidated profit before tax was ₹24,443.82 lakhs as compared to ₹ 21,073.92 lakhs in previous year, an increase of 15.99%.

Consolidated earnings per share amounted to ₹120.60 (previous year ₹102.29). Company's reserves increased from ₹ 66,711.90 lakhs to ₹ 83,692.64 lakhs.

3. Dividend:

Your Directors are pleased to recommend a dividend of 110% per equity share amounting to ₹11 per equity share (previous year ₹8.50) of ₹10 each as dividend for the year ended 31 March 2017 for the approval of shareholders at the ensuing Annual General Meeting.

Dividend Distribution Policy

As per Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the top 500 listed Companies shall formulate a Dividend Distribution Policy. This policy is available on the Company's website at www.nesco.in

4. Sub Division of Equity Shares:

Your Company in its Board meeting held on 29 May 2017 has approved sub-division of equity shares from ₹10 to ₹2 per share which is subject to the approval of the shareholders at the ensuing

annual general meeting. The sub-division of equity shares if approved by the shareholders will initiate after 15 September 2017.

Management Discussion and Analysis:

i) Nesco IT Park:

Income for the year was ₹ 14,191.14 lakhs (previous year ₹ 12,440.45 lakhs), an increase of 14.07%.

Your Company has started construction of IT building 4, having built up area of approx. 17,00,000 sq. ft. So far ₹ 25,610.04 lakhs has been spent on IT building 4. The building is pre-certified Platinum rated under the LEED India for Core & Shell rating system from the Indian Green Building Council. IT buildings 1, 2 and 3 are fully occupied by well renowned companies. Hall 3 provides Incubation Centre; and, Child Care Centre for children of employees working in Nesco IT Park.

ii) Bombay Exhibition Centre:

Income for the year was ₹13,276.56 lakhs compared to ₹11,183.36 lakhs in the previous year, an increase of 18.72%.

An amount of ₹ 345.51 lakhs was spent during the year for additional space, adding more facilities and improving infrastructure.

During the year 109 exhibitions and conventions were held in our Centre, out of which 27 were new organizers. Some of the new clients include Business Live, Radeecal Exhibitions, I for Africa, Beyond Infotainment, Times Conferences Ltd., Sumansa Exhibitions. Narayan Seva Sansthan had this year organized wedding ceremony for 101 couples at Bombay Exhibition Centre.

Our Centre continues to bring more visitors to Mumbai than any other venue.

Your Company has decided to build a new world class exhibition and convention center with integrated facilities. Plans for construction of first phase admeasuring 15,00,000 sq. ft. are being finalized.

iii) Nesco Hospitality Private Limited:

Nesco Hospitality Private Limited, wholly owned subsidiary of your Company, earned revenue of ₹ 568.32 lakhs as compared to ₹ 222.75 lakhs during the previous year, profit before tax was ₹ 71.52 lakhs

The Company has commissioned two food courts and started food services within Nesco Complex with leading international and national food brands and is targeting to cater to the growing demand of quality food services from the exhibition organizers, exhibitors, visitors and employees working in Nesco IT Park.

Your Company is now setting up a large kitchen facility in area admeasuring approx. 24,000 sq. ft. This facility is expected to be operational from July 2017. The facility will have capacity to produce about 15,000 meals per day. An investment of about ₹ 15 Crores is being made in this new world class, hygienic, kitchen facility.

iv) Indibrator:

In the year under review, Indibrator income was ₹ 3,388.52 lakhs (previous year ₹ 2,793.44 lakhs), an increase of 21.30%. Indibrator has recently won several large contracts, and has completed its expansion of machine building division at its Vishnoli Complex, Gujarat.

v) Investments:

Income from investments and other income were ₹ 4,298.23 lakhs (previous year ₹ 3,290.29 lakhs).

5. Finance:

Your Company had no debt as on 31 March 2017. Company's liquid resources (fixed maturity plans, mutual funds, cash & bank balances) increased by 1.70% to ₹ 48,680.57 lakhs from ₹ 47,866.74 lakhs.

Estimated cost of developments proposed in NESCO IT Park, Bombay Exhibition Centre and NESCO Hospitality is about ₹1500 Crores. It is our endeavor to finance these expansions from our own resources, without any borrowings, and to remain debt free.

Your Company has neither accepted any deposits from the public during the year nor are any deposits outstanding for repayment.

6. Corporate Social Responsibility:

Your Company has undertaken various projects in the field of Education, Healthcare and Sanitation. Your Company is now supporting expansion of an English Medium Higher Secondary School and setting up of a new Surgical ICU.

Your Company is evaluating and will take up more CSR activities in different areas. Annual report of CSR activities is in "Annexure A" and is attached in this report.

7. Directors and Key Managerial Personnel:

Mrs. Sudha S. Patel, Non-executive Director, retires by rotation at the ensuing annual general meeting pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and articles of association of your Company and being eligible has offered herself for reappointment. Her brief resume and other related information has been detailed in the annexure to the notice.

Mr. Krishna S. Patel was designated as Managing Director of the Company and Mr. Sumant J. Patel was designated as Executive Chairman with effect from 01 August 2016.

Mr. Manu Parpia was appointed as an additional, non-executive, independent director on the Board with effect from 10 May 2017. He shall be appointed as an independent director for a period of five years subject to approval of the shareholders in the ensuing Annual General Meeting.

8. Board Evaluation:

Pursuant to the provisions of the Companies Act, 2013 read with the Rules issued thereunder and the Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force), the process for evaluation of the annual performance of the Directors, Board and Committees was carried out. The criteria applied in the evaluation process are detailed in the Corporate Governance Report which forms part of this report.

Regulation 17 of the Listing Regulations mandates that the Board shall monitor and review the Board evaluation framework. The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and Individual Directors.

The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The evaluation process has been explained in the Corporate Governance Report section in this annual report.

9. Training of Independent Directors:

Your Company's independent directors are highly qualified and have been associated with corporate and business organizations. They have been associated with your Company since last several years, hence they all understand Company's business and activities very well, however, pursuant to Regulation 4 of the Listing Regulations, the Board has shown all the Independent directors Company's business and manufacturing activities and were also introduced to Company's

staff. They were also introduced to new activities of the Subsidiary Company namely the Central Processing Unit (Kitchen Facility).

10. Declaration by Independent Directors:

All independent directors have given declarations that they meet the criteria of independence as prescribed under the provisions of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations.

11. Number of Board and Committee Meetings:

Pursuant to Section 134(3)(b), details of Board Meetings held during the year are given in the Report on Corporate Governance.

During the year four board meetings and four audit committee meetings were held, details of which are given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

A separate meeting of independent directors, pursuant to Section 149 (7) read with Schedule VI of the Companies Act, 2013 and Regulation 25 was held on 30 May 2016.

12. Policy on Directors appointment and Remuneration and other details:

The Company's policy on Directors appointment and remuneration and other matters provided in Section 178 (3) of the Act has been disclosed in Corporate Governance Report, which forms part of Annual Report.

13. Director's Responsibility Statement :

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, your Directors confirm that: -

- a) in the preparation of the annual accounts for the financial year ended 31 March 2017, the applicable accounting standards and Schedule III of the Companies Act, 2013, have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as on 31 March 2017 and of the profit and loss of the Company for the financial year ended 31 March 2017;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the annual accounts have been prepared on a going concern basis;
- e) proper internal financial controls laid down by the Directors were followed by the Company and that such internal financial controls are adequate and were operating effectively; and,
- f) proper systems to ensure compliance with the provisions of all applicable laws were followed and that such systems were adequate and operating effectively.

14. A. Auditors and Auditors Report:

The Board of Directors in their meeting held on 23 May 2015, on the basis of recommendations of the Audit Committee, in accordance with the provisions of Section 139(1) of the Companies Act, 2013, had appointed M/s Manubhai & Shah LLP, to act as the Statutory Auditors of your Company till the conclusion of the 60th Annual General Meeting. The Company has received certificate from the Auditors to the effect that the appointment is in accordance with the limits specified under Section 139 (9) of the Companies Act, 2013.

The Board of Directors in their meeting held on 29 May 2017, ratified the appointment of Auditors for the financial year 2017-18.

The Auditors Report for the financial year 2016-17, does not contain any qualification, reservation or adverse remark.

B. Secretarial Audit and Secretarial Audit Report:

In terms of Section 204 of the Companies Act, 2013, the Board of Directors at its meeting held on 29 May 2017, appointed Ms. Neeta H. Desai of M/s. ND & Associates, Practising Company Secretary, as the Secretarial Auditor to conduct an audit of the Secretarial records, for the financial year 2017-18. The Secretarial Audit Report for the financial year 2016-17 is annexed herewith as "Annexure B." The Secretarial Auditors Report does not contain any qualification, reservation or adverse remark.

15. Particulars of Loans, Guarantees and Investments:

The particulars of loans, guarantees and investments made by the Company pursuant to Section 186 of the Companies Act, 2013 have been disclosed in the financial statements forming part of Annual Report.

16. Internal Financial Control Systems:

Your Company has well laid out policies on financial reporting, asset management, adherence to Management policies and also on promoting compliance of ethical and well defined standards. The Company follows an exhaustive budgetary control and standard costing system. Moreover, the management team regularly meets to monitor goals and results and scrutinizes reasons for deviations in order to take necessary corrective steps. The Audit Committee which meets at regular intervals also reviews the internal control systems with the Management and the internal auditor. The internal audit is conducted at various locations of Company and covers all key areas. All audit observations and follow up actions are discussed with the Management as also the Statutory Auditors and the Audit Committee reviews them regularly.

17. Vigil Mechanism/Whistle Blower Policy:

The Board of Directors has formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177(10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations. The Company has a vigil mechanism to deal with fraud and mismanagement, if any. The policy is on the website of the Company.

18. Safety, Health and Environment:

Your Company recognizes its role in health and safety, as well as its responsibility towards environment and society. In fact your Company's goals are: no accidents, no injuries to people and no damage to environment. Safety and security of personnel, assets and environmental protection are also on top of the agenda of the Company at its manufacturing facilities.

Clean environment and sustainable development integrated with the business objective is the focus of the Company. The projects and activities are planned and designed with environment protection as an integral part to ensure a safe and clean environment for sustainable development.

19. Corporate Governance:

In compliance with Regulation 34 of the Listing Regulations, a separate report on Corporate Governance along with a certificate from M/s. Manubhai & Shah LLP, Chartered Accountants confirming compliance with requirement of corporate governance forms an integral part of this report.

20. Prevention of Sexual Harassment at Workplace:

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 read with rules made thereunder, your Company has constituted Internal

Complaints Committee which is responsible for redressal of complaints related to sexual harassment. During the year under review, there were no complaints pertaining to sexual harassment.

21. Extract of Annual Return:

Pursuant to Section 134(3)(a), extract of Annual Return in Form MGT- 9 has been annexed herewith as "Annexure C".

22. Particulars of Employees:

The information required under Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of the Company has been annexed herewith as "Annexure D."

23. Conservation of energy, technology absorption, foreign exchange earnings and outgo:

The information on conservation of energy and foreign exchange earnings and outgo activities in accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 forms part of the notes to accounts.

24. Subsidiary Company:

During the previous year your Company had entered into the business of food catering and related services within the Nesco Complex. Nesco Hospitality Private Limited, the wholly owned subsidiary of your Company is now operating Food Courts, Day Care Centre and Gymnasium in Bombay Exhibition Centre and Nesco IT Park. The Company is also in process of setting up a world class kitchen facility to cater to the needs of employees working in Nesco IT Park and visitors to exhibitions and conventions.

A separate statement containing the salient features of financial statements of subsidiary of your Company forms part of consolidated financial statements in compliance with Section 129 and other applicable provisions, if any, of the Companies Act, 2013.

25. Related Party Transactions:

During the financial year 2016-17, your Company has entered into transactions with related parties as defined under Section 2(76) of the Companies Act, 2013. All transactions with related parties were reviewed and approved by the Audit Committee. All related party transactions that were entered into were on an arm's length basis and were in the ordinary course of business.

There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

The Form AOC-2 pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out as "Annexure E" to this Report.

26. Deposits from Public:

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

27. Business Responsibility Report:

A Business Responsibility Report as per Regulation 34 of the Listing Regulations forms part of this Annual Report.

28. Indian Accounting Standards:

Your Company has adopted Indian Accounting Standard (Ind AS) notified by MCA and the relevant provision of the Companies Act, 2013 and the general circulars issued by the Ministry of Corporate Affairs from time to time. The significant accounting policies which are consistently applied have

been set out in the notes to the Financial Statements. In the preparation of the financial statements, figures of previous year have been reclassified, restated or regrouped wherever necessary to bring it in line with the Indian Accounting Standard (Ind AS).

29. Consolidated Financial Statements:

The consolidated financial statements of the Company are prepared in accordance with applicable Ind AS notified by Ministry of Corporate Affairs, and form part of this annual report.

30. Appreciation:

Your Directors wish to convey their appreciation for the support extended by the shareholders, clients and the employees of the Company.

For and on behalf of the Board of Directors

Sumant J. Patel
Executive Chairman
DIN: 00186976

Mumbai, 29 May 2017

Report on Corporate Social Responsibility Activities

Nesco's Corporate Social Responsibility (CSR) policy is aimed at demonstrating care for the community through its focus on education & skill development and health & wellness. The projects undertaken will be within the broad framework of Schedule VII of the Companies Act, 2013.

Composition of CSR Committee:

Mr. Sumant J. Patel
Mr. Mahendra K. Chouhan
Mr. Jai S. Diwanji
Mr. Krishna S. Patel

Average Net Profit of the Company for Last Three Financial Years:

Average Net Profit: ₹ 15,676.68 lakhs

Prescribed CSR Expenditure (two percent of the amount as in item above)

The Company is required to spend ₹ 313.53 lakhs towards CSR.

Details of CSR spend for 2016-17

- Total amount spent for the financial year: ₹ 320.42 lakhs
- Amount unspent, if any: NIL

Manner in which the amount spent during the financial year is detailed below:

(Figures are in ₹ in Lakhs)

CSR projects / activities	Sector in which the Project is covered	Location where Project is undertaken (Local Area / District)	Amount outlay Project or program wise	Amount spent on the projects or programs		Cumulative Expenditure up to the Reporting period	Amount spent: Direct or through Implementing agency
				Direct Expenditure	Over Heads		
Promoting Education by building infrastructure at schools, computer hardware and software for smart classes	Education	Karamsad, Gujarat	290.00	107.19	-	107.19	Through Implementing Agency
Promoting Education by building infrastructure at schools, computer hardware and software for smart classes	Education	Tarapur, Gujarat	14.00	13.23	-	13.23	Through Implementing Agency
Promoting healthcare and sanitation, infrastructure support for cancer diagnosis, calibration of healthcare equipment at hospitals, etc.	Health	Karamsad, Gujarat	200.00	200.00	-	200.00	Through Implementing Agency
		TOTAL	504.00	320.42	-	320.42	

The CSR Committee had approved and recommended payment of ₹ 290 lakhs towards construction of a school building at Karamsad. As the school building is expected to be ready by 31 July 2017, the total amount contributed has been segregated in two financial years.

Sumant J. Patel
Chairman, CSR Committee
DIN: 00186976

Krishna S. Patel
Managing Director
DIN: 001519572

Mumbai, 29 May 2017

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2017

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Nesco Limited
Nesco Complex,
Western Express Highway,
Goregaon (East), Mumbai - 400063

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Nesco Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the M/s. Nesco Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31 March 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during the Audit period)**
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the Company during the Audit period)**

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- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit period)**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit period)** and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit period)**
 - (vi) Other laws as per the representation made by the Company are as follows;
 - Factories Act, 1948
 - Industrial Disputes Act, 1947
 - Industrial Relations Act, 1962
 - Payment of Wages Act, 1936
 - Payment of Gratuity Act, 1972
 - Industries (Development & Regulation) Act, 1951
 - Employees Provident Fund and Miscellaneous Provisions Act, 1952
 - Employees State Insurance Act, 1948
 - Environment Protection Act, 1986
 - Indian Contracts Act, 1872
 - Income Tax Act, 1961 and Indirect Tax Laws
 - Environment (Protection) Act, 1986
 - Water (Prevention and control of pollution) Act, 1974
 - Applicable Municipal / Panchayat Laws

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and general meetings are complied.
- (ii) The provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review and as per the explanations/representation made by the management the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We have relied on the representation made by the Company and its officers for systems and mechanism formed by the Company for compliances under other applicable Acts, laws and regulations to the Company.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There are no changes in the composition of the Board of Directors during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting member's views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no instance of:

- (i) Public/Right/Preference issue of shares / debentures / sweat equity, etc.
- (ii) Redemption / buy-back of securities.
- (iii) Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013.
- (iv) Merger / amalgamation / reconstruction, etc.
- (v) Foreign technical collaborations.

Further, our report of even dated to be read along with the following clarifications:

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices we followed provide a reasonable basis of my opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws and regulations and happening.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Mumbai
06 May 2017

ND & Associates
FCS No. 3262
C P No.: 4741

Extract of Annual Return

As on the financial year ended 31 March 2017 (till date of the meeting) [Pursuant to Section 92 (3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

FORM NO. MGT-9**I. Registration and Other Details:**

i) CIN:	L17100MH1946PLC004886
ii) Registration Date:	15/04/1946
iii) Name of the Company:	NESCO LIMITED
iv) Category / Sub-Category of the Company:	Company Limited by Shares/ Indian Non-Government Company
v) Address of the registered office and contact details:	Nesco Complex, Western Express Highway, Goregaon (East), Mumbai - 400 063.
vi) Whether listed company Yes / No:	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any:	Sharex Dynamic (India) Private Limited Unit No. 1, Luthra Industrial Premises, Andheri Kurla Road, Andheri (East), Mumbai-400 072. Tel: 022 28515606 / 28515644 Fax: +91 22 28512885 Email: sharexindia@vsnl.com Website: www.sharexindia.com

II. Principal Business Activities of The Company:

Sl. No.	Name and Description of Main Products/ Services	NIC/NPCS Code of the Products/ Services	% of total turnover of the Company
1	IT Park (to build private IT park and to provide space on rental basis)	99531223 Office Buildings	40.38%
2	Exhibition and Convention Centre (provide space to trade fairs, exhibitions, conventions and conferences)	99531222 for Exhibition Centre	37.77%
3	Manufacture of machinery, equipments and capital goods (in the surface preparation and allied segments)	99611881 for machinery for metallurgy and parts of thereof 99611889 for other special purpose machinery n.e.c.	9.64%
4	Investments (Invest funds in Mutual Funds and securities)	---	12.23%

III. Particulars of Holding, Subsidiary and Associate Companies –

Sl. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary/ Associates	% of shares held	Applicable Section
1	Nesco Hospitality Private Limited	U55204MH2014PTC260414	Wholly Owned Subsidiary	99.96%	186

IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding: As per “Annexure F”

ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in the holding during the year
		No. of Shares	% of total shares of the Company	% of shares Pledged/encumbered to total shares	No. of shares	% of total shares of the Company	% of shares Pledged/encumbered to total shares	
1	Chandler & Price India Pvt. Ltd.	38,86,112	27.57%	---	38,86,112	27.57%	---	---
2	S. J. Patel	18,01,467	12.78%	---	18,01,467	12.78%	---	---
3	Patel Consultancy Services Private Limited	10,51,600	7.46%	---	10,51,600	7.46%	---	---
4	Sudhaben Sumant Patel	9,14,944	6.49%	---	9,14,944	6.49%	---	---
5	Engineering Global Pte Limited	7,50,000	5.32%	---	8,94,400	6.35%	---	---
6	S J Patel (HUF)	6,32,728	4.49%	---	6,32,728	4.49%	---	---
7	Krishna Sumant Patel	4,25,080	3.01%	---	4,25,080	3.01%	---	---

iii) Change in Promoters' Shareholding (please specify, if there is no change):

There is no change in the Promoter's Shareholding during the Financial Year 2016- 17.

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name	Shareholding			Cumulative Shareholding during the year				
		No. of Shares at the beginning / end of the Year	% of the Shares of the Company	Date	Increase/ (Decrease) in shareholding	Reason	No. Of shares	% of total Shares of the Company	
1	Franklin India Smaller Companies Fund								
	At the beginning of the year	204468	1.451	01-04-2016					
	Bought during the year			03-06-2016	1844	Buy	206312	1.464	
				10-06-2016	1742	Buy	208054	1.476	
				17-06-2016	115	Buy	208169	1.477	
				30-06-2016	26299	Buy	234468	1.664	
				28-10-2016	2218	Buy	236686	1.68	
				04-11-2016	94300	Buy	330986	2.349	
				16-12-2016	5794	Buy	336780	2.39	
				23-12-2016	4206	Buy	340986	2.42	
				30-12-2016	7733	Buy	348719	2.475	
				03-02-2017	25000	Buy	373719	2.652	
	Sold during the year			-	-	-	-	-	
	At the end of the year			31-03-2017			373719	2.652	
2	Modern Education Trust								
	At the beginning of the year	-	-	01-04-2016					
	Bought during the year			24-03-2017	268120	Buy	268120	1.903	
	Sold during the year			-	-	-	-	-	
	At the end of the year			31-03-2017			268120	1.903	
3	Catamaran Advisors LLP								
	At the beginning of the year	-	-	01-04-2016					
	Bought during the year			10-03-2017	-	Buy	190672	1.353	
	Sold during the year			-	-	-	-	-	
	At the end of the year			31-03-2017			190672	1.353	
4	SBI Small and Midcap Fund								
	At the beginning of the year	240000	1.703	01-04-2016					
	Bought during the year			12-08-2016	30000	Buy	270000	1.916	
	Sold during the year			11-11-2016	-7714	Sold	262286	1.861	
				02-12-2016	-16535	Sold	245751	1.744	
				20-01-2017	-11920	Sold	233831	1.659	
				27-01-2017	-3831	Sold	230000	1.632	
				03-02-2017	-52677	Sold	177323	1.258	
				10-02-2017	-7323	Sold	170000	1.206	
				24-03-2017	-691	Sold	169309	1.201	
	At the end of the year			31-03-2017			169309	1.201	

Sr. No.	Name	Shareholding			Cumulative Shareholding during the year			
		No. of Shares at the begin ning / end of the Year	% of the Shares of the Com pany	Date	Increase/ (Decrease) in share-holding	Reason	No. Of shares	% of total Shares of the Company
5	Pari Washington Company Pvt. Ltd. A/C Pari Washington India Master Fund Ltd.							
	At the beginning of the year	255920	1.816	01-04-2016				
	Bought during the year			-	-	-	-	
	Sold during the year			04-11-2016	-77050	Sold	178870	1.269
				17-02-2017	-6088	Sold	172782	1.226
				24-02-2017	-3104	Sold	169678	1.204
				03-03-2017	-1120	Sold	168558	1.196
				10-03-2017	-342	Sold	168216	1.194
				17-03-2017	-5504	Sold	162712	1.155
	At the end of the year			31-03-2017			162712	1.155
6	The New India Assurance Company Limited							
	At the beginning of the year	134400	0.954	01-04-2016				
	Bought during the year			-	-	-	-	
	Sold during the year			16-12-2016	-5772	Sold	128628	0.913
				23-12-2016	-4411	Sold	124217	0.881
				30-12-2016	-4817	Sold	119400	0.847
	At the end of the year			31-03-2017			119400	0.847
7	Sextant Autour Du Monde							
	At the beginning of the year	59803	0.424	01-04-2016				
	Bought during the year			06-05-2016	3665	Buy	63468	0.45
				18-11-2016	6564	Buy	57878	0.411
				25-11-2016	4874	Buy	62752	0.445
				02-12-2016	31212	Buy	93964	0.667
				06-01-2017	1928	Buy	95892	0.68
				10-03-2017	1036	Buy	96928	0.688
	Sold during the year			12-08-2016	-534	Sold	62934	0.447
				14-10-2016	-4620	Sold	58314	0.414
				21-10-2016	-4000	Sold	54314	0.385
				28-10-2016	-3000	Sold	51314	0.364
				24-03-2017	-2428	Sold	94500	0.671
	At the end of the year			31-03-2017			94500	0.671

Sr. No.	Name	Shareholding			Cumulative Shareholding during the year			
		No. of Shares at the begin- ning / end of the Year	% of the Shares of the Com- pany	Date	Increase/ (Decrease) in share- holding	Reason	No. Of shares	% of total Shares of the Company
8	East Sail							
	At the beginning of the year	109443	0.777	01-04-2016				
	Bought during the year			-	-	-	-	
	Sold during the year			04-11-2016	-32950	Sold	76493	0.543
				17-02-2017	-2363	Sold	74130	0.526
				24-02-2017	-1229	Sold	72901	0.517
				03-03-2017	-465	Sold	72436	0.514
				10-03-2017	-120	Sold	72316	0.513
				17-03-2017	-2531	Sold	69785	0.495
	At the end of the year			31-03-2017			69785	0.495
9	Sharad Kanayalal Shah							
	At the beginning of the year	53735	0.381	01-04-2016				
	Bought during the year			09-09-2016	150	Buy	53885	0.382
				14-10-2016	200	Buy	54085	0.384
				04-11-2016	3555	Buy	57640	0.409
				11-11-2016	100	Buy	57740	0.41
				03-02-2017	100	Buy	57840	0.41
				17-02-2017	1300	Buy	59140	0.42
	Sold during the year			-	-	-	-	
	At the end of the year			31-03-2017			59140	0.42
10	Malabar India Fund Limited							
	At the beginning of the year	103761	0.736	01-04-2016				
	Bought during the year			-	-	-	-	
	Sold during the year			02-09-2016	-3182	Sold	100579	0.714
				21-10-2016	-3863	Sold	96716	0.686
				28-10-2016	-2977	Sold	93739	0.665
				04-11-2016	-3160	Sold	90579	0.643
				11-11-2016	-1083	Sold	89496	0.635
				02-12-2016	-8917	Sold	80579	0.572
				13-01-2017	-858	Sold	79721	0.566
				27-01-2017	-2370	Sold	77351	0.549
				03-02-2017	-6772	Sold	70579	0.501
				17-02-2017	-15579	Sold	55000	0.39
				17-03-2017	-7519	Sold	47481	0.337
				24-03-2017	-2481	Sold	45000	0.319
	At the end of the year			31-03-2017			45000	0.319

Sr. No.	Name	Shareholding			Cumulative Shareholding during the year			
		No. of Shares at the beginning / end of the Year	% of the Shares of the Company	Date	Increase/ (Decrease) in shareholding	Reason	No. Of shares	% of total Shares of the Company
11	Wadkar Kamal S							
	At the beginning of the year	269602	1.913	01-04-2016				
	Bought during the year			-	-	-	-	
	Sold during the year			17-06-2016	-1240	Sold	268362	1.904
				23-12-2016	-80	Sold	268282	1.904
				31-03-2017	-268120	Sold	162	0.001
	At the end of the year			31-03-2017			162	0.001
12	Catamaran Management Services Private Limited							
	At the beginning of the year	190672	1.353	01-04-2016				
	Bought during the year			-	-	-	-	
	Sold during the year			10-03-2017	-190672	Sold	0	0
	At the end of the year			31-03-2017			0	0

Note-

Increase/Decrease in shareholding during the year is based on the weekly beneficial position received from Depositories, changes in respect of top ten shareholders were below 2% of the total Paid up Capital of the Company.

v) Shareholding of Directors and Key Managerial Personnel:

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
At the beginning of the year	31,41,491	22.29%	31,41,491	22.29%
Date wise Increase / Decrease in Directors and KMPs Shareholding during the year specifying the reasons for Increase / Decrease	---	---	---	---
At the end of the year	31,41,491	22.29%	31,41,491	22.29%

V. Indebtedness of the Company including interest outstanding/accrued but not due for payment: Company has no debt.

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Executive Chairman and Managing Director:

(Amount in ₹)

Sl. No.	Particulars of remuneration	Name of EC/MD		Total Amount
		Mr. Suman J. Patel	Mr. Krishna S. Patel	
1	Gross Salary			
	a) Salary as per provision contained in Section 17 (1) of the Income Tax Act 1961	60,00,000	80,00,000	1,40,00,000
	b) Value of Perquisite u/s 17 (2) Income Tax Act, 1961	---	---	---
	c) Profits in lieu of Salary Under Section 17 (3) Income Tax Act,1961	---	---	----
2	Stock Option	---	---	---
3	Sweat Equity	---	---	---
4	Commission - As % of Profits	3,50,00,000	1.25,00,000	4,75,00,000
	Others Specify			
5	Other allowances	---	---	---
6	Provident Fund	---	9,60,000	9,60,000
	Total	4,10,00,000	2,14,60,000	6,24,60,000

B. Remuneration to other directors:

(Amount in ₹)

Particulars of Remuneration	Name of the Directors				Total Amount
	Independent Directors			Non-Executive Director	
	Mr. Mahendra Chouhan	Mr. K.S. Srinivasa Murty	Mr. Jai S. Diwanji	Mrs. Sudha S. Patel	
Fees for Attending Board and Committee Meetings	1,80,000	45,000	2,20,000	1,40,000	5,85,000
· Commission	Nil	Nil	Nil	Nil	Nil
· Others	Nil	Nil	Nil	Nil	Nil
Total	1,80,000	45,000	2,20,000	1,40,000	5,85,000

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

(Amount in ₹)

Sl. No.	Particulars of remuneration	Key Managerial Personnel		Total Amount
		CFO	Company Secretary	
1	Gross Salary			
	a) Salary as per provision contained in Section 17 (1) of the Income Tax Act 1961	65,94,800	6,27,498	72,22,298
	b) Value of Perquisite u/s 17 (2) Income Tax Act, 1961	---	---	---
	c) Profits in lieu of Salary Under Section 17 (3) Income Tax Act,1961	---	---	---
2	Stock Option	---	---	---
3	Sweat Equity	---	---	---
4	Commission- As % of Profits	---	---	---
Others Specify				
5	Provident Fund	3,02,400	25,200	3,27,600
	Total	68,97,200	6,52,698	75,49,898

VII. Penalties / Punishment/ Compounding Of Offences: N.A.

ANNEXURE D**Particulars of Employees**

- a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Executive Director	Ratio to median remuneration
Mr. Sumant J. Patel	130.19
Mr. Krishna S. Patel	68.14

Non- executive Directors	Ratio to median remuneration
NIL	NIL

- b. The percentage increase in remuneration of each director, chief financial officer, company secretary in the financial year:

Name	% increase
Mr. Sumant J. Patel, Executive Chairman	5.77%
Mr. Krishna S. Patel, Managing Director	31.59%
Mr. Dipesh R. Singhania, Chief Financial Officer	31.54%
Ms. Jinal J. Shah, Company Secretary	20.00%

- c. The percentage increase in the median remuneration of employees in the financial year: 3%
d. The number of permanent employees on the rolls of the Company: 166 (excluding Key Managerial Personnel)
e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average annual increase was around 7.5%, after accounting for promotions and other event based compensation revisions.

Increase in the managerial remuneration for the year was 16.83%

- f. The key parameters for any variable components of remuneration availed by the directors:

The members in the annual general meeting of the Company held on 08 August 2013 had approved payment of commission to Mr. Sumant J. Patel at 3% of net profits and in the annual general meeting held on 03 August 2015 approved commission to Mr. Krishna S. Patel at 3% of net profits of the Company.

- g. Affirmation that the remuneration is as per the remuneration policy of the Company:

Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and Senior Management is as per the Remuneration Policy of your Company.

- h. There were no employees in respect of remuneration not less than limits prescribed under section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014.

FORM NO. AOC - 2
[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of Section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions at arm's length basis.

Nesco Limited has entered into following contracts or arrangements with its related parties during financial year 2016-17

Sr. No.	Particulars	Details	Details
1	Name of the related party	Shri. Suman J. Patel	Mrs. Sudha S. Patel
2	Nature and Relationship	Executive Chairman	Non-executive Director
3	Nature of contracts/ arrangement/transactions	Nesco Limited entered into leave and license agreement with Shri. Suman J. Patel for a land situated at Karamsad, Gujarat at an annual license fees of upto ₹ 20,00,000/- per annum	Nesco Limited sold 2250 equity shares of ₹ 100/- of Pink Pineapple Designers Private Limited (formerly known as NSE Housing and Investments Pvt. Ltd.) to Mrs. Sudha S. Patel at face value.
4	Duration of the contract	For a period of three years with effect from 09 May 2015	Not applicable
5	Date of approval by the Board	10 August 2016	08 November 2016

ANNEXURE F

SHARE HOLDING PATTERN

Category-wise Share Holding											
Category of Shareholders	No. of Shares held at the beginning of the year 01/04/2016				No. of Shares held at the end of the year 31/03/2017				% Change during the year		
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares			
A. PROMOTERS											
(1). INDIAN											
(a). Individual	37,74,219	-	37,74,219	26.783	37,74,219	-	37,74,219	26.783	-	-	
(b). Central Govt.	-	-	-	-	-	-	-	-	-	-	
(c). State Govt(s).	-	-	-	-	-	-	-	-	-	-	
(d). Bodies Corp.	49,37,712	-	49,37,712	35.039	49,37,712	-	49,37,712	35.039	-	-	
(e). FIINS / BANKS.	-	-	-	-	-	-	-	-	-	-	
(f). Any Other	-	-	-	-	-	-	-	-	-	-	
Sub-total (A) (1):-	87,11,931	-	87,11,931	61.822	87,11,931	-	87,11,931	61.822	-	-	
(2). FOREIGN											
(a). Individual NRI / For Ind	-	-	-	-	-	-	-	-	-	-	
(b). Other Individual	-	-	-	-	-	-	-	-	-	-	
(c). Bodies Corporates	8,94,400	-	8,94,400	6.347	8,94,400	-	8,94,400	6.347	-	-	
(d). Banks / FII	-	-	-	-	-	-	-	-	-	-	
(e). Qualified Foreign Investor	-	-	-	-	-	-	-	-	-	-	
(f). Any Other Specify	-	-	-	-	-	-	-	-	-	-	
Sub-total (A) (2):-	8,94,400	-	8,94,400	6.347	8,94,400	-	8,94,400	6.347	-	-	
Total shareholding of Promoter (A) = (A) (1)+(A)(2)	96,06,331	-	96,06,331	68.169	96,06,331	-	96,06,331	68.169	-	-	
(B) PUBLIC SHAREHOLDING											
(1) INSTITUTIONS											
(a). Mutual Funds	4,52,468	-	4,52,468	3.211	5,50,528	-	5,50,528	3.907	0.696	-	
(b). Banks / FI	3,071	40	3,111	0.022	1935	40	1,975	0.014	-0.008	-	
(c). Central Govt.	-	-	-	-	-	-	-	-	-	-	
(d). State Govt.	452	-	452	0.003	1,21,491	-	1,21,491	0.862	0.859	-	
(e). Venture Capital Funds	600	-	600	0.004	-	-	-	-	-0.004	-	
(f). Insurance Companies	1,34,400	-	1,34,400	0.954	-	-	-	-	-0.954	-	
(g). FIIs	6,72,111	-	6,72,111	4.769	2,056	-	2,056	0.015	-4.754	-	
(h). Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-	-	
(i). Others (specify)	-	-	-	-	-	-	-	-	-	-	
Sub-total (B)(1):-	12,63,102	40	12,63,142	8.963	6,76,010	40	6,76,050	4.798	-4.165	-	

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year 01/04/2016				No. of Shares held at the end of the year 31/03/2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) NON-INSTITUTIONS									
(a). BODIES CORP.									
(i). Indian	3,89,415	1,768	3,91,183	2.776	3,63,320	2,69,888	6,33,208	4.493	1.717
(ii). Overseas	-	-	-	-	-	-	-	-	-
(b). Individuals									
(i) Individual shareholders holding nominal share capital upto Rs.1 lakh	15,81,148	6,52,845	22,33,993	15.853	15,92,982	6,28,873	22,21,855	15.767	-0.086
(ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	2,24,831	3,19,562	5,44,393	3.863	2,73,393	49,960	3,23,353	2.295	-1.568
(c). Other (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	50,135	-	50,135	0.356	64,333	-	64,333	0.457	0.101
Overseas Corporate Bodies	746	-	746	0.005	5,30,506	-	5,30,506	3.765	3.76
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	2,069	-	2,069	0.015	36,356	-	36,356	0.258	0.243
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	22,48,344	9,74,175	32,22,519	22.868	28,60,890	9,48,721	38,09,611	27.035	4.167
Total Public Shareholding (B)=(B) (1)+(B)(2)	35,11,446	9,74,215	44,85,661	31.831	35,36,900	9,48,761	44,85,661	31.833	0.002
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	1,31,17,777	9,74,215	1,40,91,992	100.00	1,31,43,231	9,48,761	1,40,91,992	100.00	0.002

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Corporate Governance:

Company's endeavour is to maximize shareholder value. Nesco is committed to adopt best governance practices and its adherence in true spirit at all times. It has strong legacy of fair, transparent and ethical governance practices.

Company has adopted a code of conduct which is applicable to all employees and is posted on the website of the Company. The Company also has in place a code for preventing insider trading.

Company is fully compliant with the requirements of the listing regulations and applicable corporate governance norms and is committed to ensuring compliance with all modifications within the prescribed time.

2. Board of Directors:

The present strength of the Board of Directors is seven. The Board comprises of the Executive Chairman, Managing Director and five other non-executive Directors, out of which four are Independent Directors. Mr. Manu Parpia, was appointed as an additional, nonexecutive, independent Director on the Board of the Company with effect from 10 May 2017.

Day to day management is conducted by the Executive Chairman and the Managing Director of the Company subject to superintendence, control and direction of the Board of Directors.

Details of composition of the Board and summary of other Directorships and Board Committee Memberships of each of the Directors as on 31 March 2017 are as follows:

Name of the Directors	Executive / Non Executive / Independent / Alternate	No. of other Directorship *	Membership held in Committees #	Chairmanship held in Committee of Directors ##
Mr. Sumant J. Patel	Promoter / Executive	---	---	---
Mr. Mahendra K. Chouhan	Non-Executive and Independent	04	05	03
Mr. Jai S. Diwanji	Non-Executive and Independent	02	03	---
Mr. K. S. Srinivasa Murty	Non-Executive and Independent	---	02	---
Mrs. Sudha S. Patel	Promoter / Non-Executive	---	01	01
Mr. Krishna S. Patel	Promoter / Executive	---	02	---

* This excludes directorship held in Nesco Limited, private companies, foreign companies, companies formed under section 8 of the Companies Act, 2013 and directorship held as an alternate director.

Committees includes membership in Audit Committee and Stakeholders Relationship Committee in Indian Public Limited Companies including Nesco Limited

Disclosure excludes Membership / Chairmanship in Committees of Directors of Nesco Limited.

3. Training of Board Members:

All the Non-Executive Directors are associated with the Company for several years, besides regular presentations are made to all Non-Executive Independent Directors to give an update and details of Company's operations, including new activities undertaken and the proposed activities.

4. Mechanism for evaluating Board Members:

One of the key functions of the Board is to monitor and review the Board evaluation framework. The questionnaire of the survey is a key part of the process of reviewing the functioning and effectiveness of the Board and for identifying possible paths for improvements.

Each Board member is requested to evaluate the effectiveness of Board dynamics and relationships, information flow, decision making of Directors, relationship to stakeholders, Company performance, Company strategy, and the effectiveness of the whole Board and its various committees.

Independent Directors have three key roles i.e. governance, control and guidance. The performance indicators on which the independent directors are evaluated include:

- Ability to contribute to and monitor our corporate governance practice
- Ability to contribute by introducing international best practices to address top- management issues
- Active participation in long-term strategic planning
- Commitment to the fulfillment of Directors' obligations and fiduciary responsibilities, which include participation in Board and Committee meetings.

5. Number of Board Meetings and Attendance Record of Directors:

Meetings of the Board are scheduled well in advance. The Board meets at least once in a quarter to consider amongst other business the performance of the Company and financial results. Each time, a detailed agenda is prepared in consultation with the Executive Chairman & Managing Director.

The particulars of Board Meetings held during the year 01.04.2016 to 31.03.2017 as well as attendance of Directors at the Board and the last AGM are given here below:

Sr. No	Date of Board Meeting
01	30.05.2016
02	10.08.2016
03	08.11.2016
04	09.02.2017

Attendance of each Director at the Board meetings held during the year and at the last Annual General Meeting is as under:

Name of Director	Number of board meetings attended during the year	Whether attended Last AGM held on 10.08.2016
Mr. Sumant J. Patel	4	YES
Mr. Mahendra K. Chouhan	4	YES
Mr. Jai S. Diwanji	4	YES
Mr. K. S. Srinivasa Murty	1*	NO
Mrs. Sudha S. Patel	4	YES
Mr. Krishna S. Patel	4	YES

*Includes meetings attended over video conference.

Remuneration of Directors - Sitting fees, perquisites and commission:

(₹ in lakhs per annum)

Name of Directors	Designation	Sitting fees	Salary	Perquisites and allowance	Commission	Provident Fund	Total
Mr. Sumant J. Patel	Executive Chairman	---	60.00	---	350.00	---	410.00
Mr. Mahendra K. Chouhan	Director	1.80	---	---	---	---	1.80
Mr. Jai S. Diwanji	Director	2.20	---	---	---	---	2.20
Mr. K. S. Srinivasa Murty	Director	0.45	---	---	---	---	0.45
Mrs. Sudha S. Patel	Director	1.40	---	---	---	---	1.40
Mr. Krishna S. Patel	Managing Director	---	80.00	---	125.00	9.60	214.60
Total		5.85	140.00	---	475.00	9.60	630.45

6. Vigil Mechanism/Whistle Blower Policy:

The Company has a vigil mechanism to deal with fraud and mismanagement, if any. The policy is on the website of the Company.

7. Board Committees:

The Board has constituted six committees i.e. Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee and Sexual Harassment Committee.

Audit Committee

Composition:

The Committee comprises of Mr. Mahendra K. Chouhan as Chairman, Mr. K. S. Srinivasa Murty, Mr. Jai S. Diwanji and Mr. Krishna S. Patel as members.

During the year the Committee met 4 times on 30.05.2016, 10.08.2016, 08.11.2016 and 08.02.2017. The attendance of each director at the meeting was as follows:

Sr. no.	Name of the Member	No. of meetings held during the year 2016-17	No. of Meetings Attended during the year 2016-17
a.	Mr. Mahendra K. Chouhan	4	4
b.	Mr. K. S. Srinivasa Murty	4	1*
c.	Mr. Jai S. Diwanji	4	4
d.	Mr. Krishna S. Patel	4	4

*Includes meetings attended over video conference.

Scope of Audit Committee:

The terms of reference are broadly as under:

- Overall assessment of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending the appointment of external auditor, fixation of audit fee and also approval for payment for any other service rendered by the Auditors.

- c. Reviewing with management the annual financial statement before submission to the board, focusing primarily on:
- Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Companies Act, 2013.
 - Changes if any, in accounting policies and practices.
 - Major accounting entries based on exercise of judgment by management.
 - Observations if any, in draft audit report.
 - Significant changes/amendments, if any, arising out of audit.
 - The going concern assumption.
 - Compliance with accounting standards.
 - Qualification in the draft audit report.
 - Compliance with stock exchange and legal requirements concerning financial statement.
 - Any related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc., that may have potential conflict with the interests of Company at large.
- d. Review of quarterly /half yearly unaudited financial results before submission to the auditors and the Board.
- e. Reviewing with the management, external and internal auditors, and the adequacy of internal control systems.
- f. Reviewing the adequacy of internal audit functions, including the structure of internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- g. Discussion with internal auditors any significant finding and follow up thereon.
- h. Reviewing the findings, if any, of any internal investigation by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of material nature and reporting the matter to the Board.
- i. Discussions with external auditors before the audit commence nature and scope of audit as well as have post- audit discussion to ascertain any area of concern.
- j. Reviewing the Company's financial and risk management policies.
- k. To look into the reasons for substantial defaults, if any, in the payment to the shareholders (in case of non -payment of declared dividends) and creditors.
- l. Financial Statements and Investments made by subsidiaries.
- m. The Audit Committee also reviews:
- Management discussion and analysis of financial condition and results of operations;
 - Statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - Management letters / letters of internal control weaknesses issued by the statutory Auditors;
 - Internal audit reports relating to internal control weaknesses; and
 - The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.

The Chairman of the Audit Committee briefs the Board about the significant discussions held at the Audit Committee Meetings.

Nomination and Remuneration Committee

Composition:

The Committee comprises of Mr. Jai S. Diwanji as Chairman, Mr. Mahendra K. Chouhan and Mrs. Sudha S. Patel as members.

During the year under review the committee met two times on 30.05.2016 and 10.08.2016. The attendance of each director at the meeting was as follows:

Sr. no.	Name of the Member	No. of meetings held during the year 2016-17	No. of Meetings Attended during the year 2016-17
a.	Mr. Jai S. Diwanji	2	2
b.	Mr. Mahendra K. Chouhan	2	2
c.	Mrs. Sudha S. Patel	2	2

Scope of Nomination and Remuneration Committee:

The following matters are referred to the Nomination and Remuneration Committee:

- Fixing the remuneration payable to the Executive Chairman / Managing Director within the overall limits approved by the members.
- Determining the remuneration policy of the Company and
- Reviewing the performance of employees and their compensation.

Remuneration Policy:

Remuneration policy of the Company is designed to create a high performance culture. It enables the Company to attract, retain and motivate employees to achieve results.

Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed components) and commission (variable components) to its Executive Chairman and Managing Director. Annual increments are decided by the Nomination and Remuneration Committee within the salary scale approved by the members of the Company. Nomination and Remuneration Committee decides on the commission payable to the Executive Chairman and Managing Director as a percentage of profits for the financial year and within the ceiling limits prescribed under the Act based on the performance of the Company as well as that of the Executive Chairman and Managing Director

Stakeholders Relationship Committee

Composition:

The Committee comprises of Mrs. Sudha S. Patel as Chairperson, Mr. K. S. Srinivasa Murty and Mr. Jai S. Diwanji and Mr. Krishna S. Patel as members.

During the year the Committee met 4 times on 30.05.2016, 10.08.2016, 08.11.2016 and 08.02.2017. The attendance of each director at the meeting was as follows:

No.	Name of the Member	No. of meetings held during the year 2016-17	No. of Meetings Attended during the year 2016-17
a.	Mrs. Sudha S. Patel	4	4
b.	Mr. K. S. Srinivasa Murty	4	1*
c.	Mr. Jai S. Diwanji	4	4
d.	Mr. Krishna S. Patel**	4	3

* Includes meetings attended over video conference.

** Mr. Krishna S. Patel was appointed as member of the Committee with effect from 01 July 2016.

Scope of Stakeholders Relationship Committee:

The Committee administers the following activities:

- Transfer of Shares
- Transmission of shares
- Issue of Duplicate share certificates
- Change of Status
- Change of Name
- Transposition of Shares
- Sub-division of Shares
- Consolidation of Folios
- Shareholders requests for Dematerialization / Rematerialisation of shares

The Board has delegated the power of share transfer to registrar & share transfer agents, who process the transfers and the same is approved by the Board in their meeting as well as in the Stakeholders' Relationship Committee.

The Committee also looks after redressal of investor's grievances and performance of the registrar and share transfer agents of the Company.

At present there are no pending cases wherein adverse claims are made against the Company.

Corporate Social Responsibility Committee

Composition:

The Committee comprises of Mr. Sumant J. Patel as Chairman, Mr. Krishna S. Patel, Mr. Mahendra K. Chouhan and Mr. Jai S. Diwanji as members.

During the year the Committee met 2 times on 30.05.2016 and 08.02.2017. The attendance of each director at the meeting was as follows:

Sr. no.	Name of the Member	No. of meetings held during the year 2016-17	No. of Meetings Attended during the year 2016-17
a.	Mr. Sumant J. Patel	2	2
b.	Mr. Krishna S. Patel	2	2
c.	Mr. Mahendra K. Chouhan	2	2
d.	Mr. Jai S. Diwanji	2	2

Scope of Corporate Social Responsibility Committee:

The Committee administers the following activities:

1. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company
2. Recommend the amount of expenditure to be incurred on the activities referred to in Corporate Social Responsibility Policy; and
3. Monitor the Corporate Social Responsibility Policy of the Company from time to time.

Risk Management Committee

Your Company has constituted a Risk Management Committee to monitor and review the Risk Management Policy and plans of the Company.

Composition:

The Committee comprises of Mr. Jai S. Diwanji, Independent Director, Mr. Mahendra K. Chouhan, Independent Director, Mr. Krishna S Patel, Managing Director and Mr. Dipesh R. Singhania, Chief Financial Officer.

Scope of Risk Management Committee

Risk Management Committee aims to create a standard, structured and efficient approach to identify, assess and mitigate risks. Our Company meetings are structured to plan, assess and mitigate risks.

8. Independent Directors Meeting:

During the year under review, a meeting of the Independent Directors of the Company was held on 30 May 2016 in accordance with provisions of Schedule IV (Code of Independent Directors), without the attendance of non-independent directors and members of management inter-alia to discuss:

- To review the performance of non-independent directors and the Board as a whole.
- To review the performance of the Chairman of the Company, taking into account the views of executive directors and non-executive directors.
- To assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.
- All the Independent Directors were present in the meeting.

9. Subsidiary Company:

Nesco Hospitality Private Limited is a wholly owned subsidiary of Nesco Limited.

The audited Annual Financial Statements of Subsidiary Company are tabled at the Audit Committee and Board Meetings.

Copies of the Minutes of the Board Meetings of Subsidiary Company are also tabled at the subsequent Board Meetings.

10. Related Party Transactions:

All the transactions entered into with related parties as defined under the Companies Act, 2013 and Regulation 23 of the Listing Regulations during the financial year are set out in the Notes to Financial Statements forming part of this Annual Report.

There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosures as required by Accounting Standard (AS 18) have been made in the notes to the financial statements.

11. Compliance with Accounting Standard:

In the preparation of the financial statements, Company has adopted Indian Accounting Standard (Ind AS) notified by MCA and the relevant provision of the Companies Act, 2013 and the general circulars issued by the Ministry of Corporate Affairs from time to time. The significant accounting policies which are consistently applied have been set out in the notes to the Financial Statements.

12. Compliance Officer:

Ms. Jinal J. Shah, Company Secretary of the Company, is designated as Compliance Officer of the Company.

13. Details of complaints received and redressed during the year 2016-2017:

Sr. no.	Particulars	Pending as on 01.04.2016	Received	Redressed	Pending as on 31.03.2017
1	Non Receipt of Bonus share certificates	1	4	5	NIL
2	Non receipt of Annual Report	--	1	1	NIL
3	Non receipt of Dividend	--	--	--	NIL
4	Non Receipt of share certificate after transfer	--	1	1	NIL
5	Non receipt of share certificate after sub-division	--	2	2	NIL

The Company on an ongoing basis co-ordinates with Sharex Dynamic (India) Pvt. Ltd., the registrar and share transfer agent of the Company, and reviews periodically the outstanding complaints, if any.

14. Secretarial Audit:

Pursuant to Section 204 of the Companies Act, 2013 and Rules thereunder, the Board of Directors of the Company appointed ND & Associates, Practicing Company Secretaries, to conduct Secretarial Audit of records and documents of the Company. The Secretarial Audit Report confirms that the Company has complied with all the applicable provisions of the Companies Act, 2013, Depositories Act, 1996, Listing Regulations with the Stock Exchanges, and all the Regulations and Guidelines of the Securities and Exchange Board of India (SEBI), as applicable to the Company. Report on Secretarial Audit is annexed and forms part of Directors Report as "Annexure B".

15. Code of Practices and procedures for fair disclosures of unpublished price sensitive information:

As per the requirements of Regulation 8 (1) of Securities and Exchange of Board India (Prohibition of Insider Trading) Regulation, 2015, the Company has formulated Code of fair disclosures of unpublished price sensitive information and has uploaded the same on the official website of the Company. The Company's Code of Conduct to regulate, monitor and report trading by employees and other connected persons is already in place.

16. Disclosures:

There are no penalties or strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authorities for non compliance by the Company or on any other matter related to capital markets, during last three years.

17. CEO/CFO Certification:

The Managing Director and Chief Financial Officer have certified to the Board of Directors, compliance in respect of all matters pursuant to Regulation 17(8) of the Listing Regulation. The certificate is annexed and forms part of this Annual Report as "Annexure G."

18. Means of Communication:

The Company regularly intimates unaudited as well as audited financial results to the Stock Exchange as soon as these are taken on record / approved. These financial results are published in dailies having wide circulation. The results are also displayed on the website of the Company - www.nesco.in.

The Company has designated the following email-id exclusively for investors for all their queries: companysecretary@nesco.in

For and on behalf of the Board of Directors

Sumant J. Patel
Executive Chairman
DIN : 00186976

Mumbai, 29 May 2017

Managing Director and Chief Financial Officer Certification

To
The Board of Directors
Nesco Limited
Mumbai

Dear Members of the Board,

We, Krishna S. Patel, Managing Director and Dipesh R. Singhania, Chief Financial Officer of Nesco Limited, to the best of our knowledge and belief, state that;

- (a) (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
- (ii) These statements present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
 - (i) Significant changes, if any, in the internal control over financial reporting during the year.
 - (ii) Significant changes, if any, in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Mumbai
29 May 2017

Krishna S. Patel
Managing Director
DIN : 01519572

Dipesh R. Singhania
Chief Financial Officer

Auditors' Certificate regarding compliance of conditions of Corporate Governance

To
The Members of **Nesco Limited**

We have examined the compliance of conditions of Corporate Governance by NESCO Limited ("the Company"), for the year ended 31 March 2017 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015")

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of conditions of Corporate Governance. It is neither an audit nor an expression of opinion of financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Manubhai & Shah LLP
Chartered Accountants
FRN 106041W/W100136

Ashish Shah
Partner
Membership No: 103750

Mumbai, 29 May 2017

BUSINESS RESPONSIBILITY REPORT (BRR)

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) L17100MH1946PLC004886
 2. Name of the Company Nesco Limited
 3. Registered address Nesco Complex, Western Express Highway, Goregaon East, Mumbai – 400 063
 4. Website www.nesco.in
 5. E-mail id companysecretary@nesco.in
 6. Financial Year Reported 01 April 2016 to 31 March 2017
 7. Sector(s) that the Company is engaged in (industrial activity code-wise)

NPCS Product Code	Description
99531222	Exhibition halls
99531223	Office buildings
99611881	Machinery for metallurgy and parts thereof
99611889	Other special purpose machinery n.e.c.

8. Key Products and Services

Business	Products/Services
Manufacturing Machinery and Equipment	<ul style="list-style-type: none"> Shot blasting, Shot peening and other surface preparation equipment and systems. Spares and Abrasives for shot blasting, peening, etc
IT Park	<ul style="list-style-type: none"> Space and related infrastructure at Nesco IT Park
Exhibition and Convention Centre	<ul style="list-style-type: none"> Space and related infrastructure for exhibitions, conventions and conferences

9. Total number of locations where business activity is undertaken by the Company

Our business activity is spread across India. The locations of activity by business are:

Indabrator Division • Manufacturing Machinery and Equipment	1. Karamsad, Gujarat 2. Vishnoli, Gujarat
Facility Development and Management • IT Park • Exhibition and Convention Centre	1. Mumbai
Branch Offices	1. New Delhi 2. Kolkata 3. Chennai 4. Karamsad 5. Vishnoli 6. Mumbai

10. Markets Served by the Company

Business	Markets Served	Sectors
Indabrator Division	Domestic and International	Automotive Industry, Railway Workshops, Heavy Engineering, Forging Industry, Foundries and several other industries

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital (INR): 14.09 Crores
2. Total Turnover (INR): 357.22 Crores
3. Total profit after taxes (INR): 169.94 Crores
4. Total Spending on CSR (as % of PAT)(INR): 3.20 Crores (1.89% of PAT)
5. List of activities in which expenditure in 4 above has been incurred:

The core focus areas of our CSR Initiatives are Education and Health. The CSR activities in FY 2016-17 were focused on the two areas. They provided support to set up a new English Medium High School; expansion of existing English medium school; and expansion of a surgical ICU in a medical center.

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?

Nesco Hospitality Private Limited is a wholly owned subsidiary of Nesco Limited. It caters to the food requirement of visitors to exhibitions and the staff of Nesco IT Park.

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company?

The employees of Nesco Hospitality Private Limited are covered under all the BRR Initiatives of Nesco Limited.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with participate in the BR Initiatives of the Company? If yes, then indicate the percentage of such entity/entities?

We encourage our suppliers to follow our policies with respect to Environment, Health and Safety and Human Rights.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR policy/policies

DIN Number	Name	Designation
00186976	Mr. Sumant J. Patel	Executive Chairman
01519572	Mr. Krishna S. Patel	Managing Director
00187253	Mr. Mahendra K. Chouhan	Independent Director
00910410	Mr. Jai S. Diwanji	Independent Director

Details of the BR Head

Name : Mr. Dipesh R. Singhania
Designation : Chief Financial Officer and Head – Legal & Compliance
Telephone No : +91 022 66450123
E-mail Id : companysecretary@nesco.in

2. Principle-wise (as per NVGs) BR Policy/policies – National Voluntary Guidelines.

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policies for..	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has it been formulated in consultation with relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)*	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	Has the policy being approved by the Board? Is yes, is it signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the Company have a specified committee of the Board/ Director/ Official to oversee implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?**	Y	Y	Y	Y	Y	Y	Y	Y	Y
7.	Has the policy been formally communicated to all relevant internal & external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the Company have in-house structure to implement the policies	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

* The policies are as per the ISO Standards and Indian Green Building Council.

** We have internal as well as external policies related to business responsibility. The link of the external policies is available at <http://www.nesco.in/Policies.html>.

3. Governance Related to BR

a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company.

The Board of Directors, either directly or through its Committees, assesses various initiatives forming part of the BR performance of the Company annually.

b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

This is our first Business Responsibility Report. We will be publishing this report yearly as a part of the annual report. It will be available on the Company's website at www.nesco.in.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1 Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?

We have a Code of Conduct which governs the Directors and senior management of the Company in carrying out their responsibilities towards the Company and stakeholders. The Code has been formulated so as to promote the highest degree of personal and professional integrity, honesty and values. It is applicable to:

- Members of the Board of Directors.
- Senior management, Key Management Personnel and Functional Heads ("Manager").

The principles of ethics, bribery and corruption are covered in the Code of Conduct. All Directors and senior management members are required to confirm compliance with the Code of Conduct Annually.

We have guidelines for bribery, corruption and ethical business conduct which apply to the suppliers, vendors, contractors and implementing agencies.

2. Stakeholder complaints received in the past financial year and percentage satisfactorily resolved by the management?

We monitor stakeholder complaints through various formal and informal mechanisms. The complaints received and resolved are listed below:

Stakeholder Group	Complaints Received (Nos)	Complaints Resolved (Nos)	Complaints pending (as on 31 March 2017)
Investors	8	8	Nil
Suppliers	Nil	Nil	Nil
Local Communities	Nil	Nil	Nil
Customers	Nil	Nil	Nil

Principle 2 Provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. Products or services whose design has incorporated social or environmental concerns, risks and/or opportunities
 - a) Nesco IT building 3 in Nesco IT Park is a Platinum LEED Certified Green Building. Nesco IT building 4, which is under construction, is also designed to be a Platinum LEED Certified Green Building. The building has green activities that achieved outcomes of energy efficient design, water use reduction, sustainable site selection and development, responsible materials selection and waste management, and enhanced indoor environmental quality. Nesco IT Park 3 has led to a 20-30% reduction in the electricity and water requirement. The Green building also provides wellness of the occupants because of the enhanced indoor air quality and thermal comfort.
 - b) In FY 2016-17, two of the exhibition halls (Halls 2 and 7) were upgraded to improve energy efficiency. The metal scrap generated as waste was sent to the foundry at Karamsad where it was used as raw material in the furnace.
 - c) We have rain water harvesting at Nesco IT building 3 and will be making provision for rain water harvesting at Nesco IT building 4. The rain water collected is going to recharge the ground water and help in maintaining the Green Belt.
2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

Reduction during Use - Nesco IT Park building 3

There is substantial reduction in energy use and water use for the offices (over 20%) because of the Green Building features incorporated in the building design.

Reduction during Sourcing

More than 95% of materials for facilities management and for Indabator Division are sourced locally which helps reduce the emissions from inbound transportation of input materials.

3. Procedures for sustainable sourcing (including transportation)

We have a Procurement Policy for both our businesses. One of the criteria for selection of suppliers is distance from the site. It allows us to reduce the pollution and traffic from transportation.

4. Sourcing of goods and services from local producers

Indabrador Division

Materials from the top 5 suppliers in terms of volume were sourced from suppliers within a radius of 100 km from the manufacturing plants.

Facilities Management and Development – All food products for the exhibitions and IT Park are sourced locally.

5. Mechanism to recycle products and waste

Indabrador Division

- 100% of the metal sheet waste generated from fabrication activity is recycled to manufacture castings and abrasives in the foundry.
- 100% rejects from the foundry for making steel shots and castings are remelted into the foundry in a cyclical process.
- Metal scrap from Bombay Exhibition Centre (BEC) – The waste metal scrap generated from the upgradation of the exhibition halls is used as an input material in the foundry. In FY 2016-17, 162 MT of scrap from BEC upgradation was recycled in the Karamsad foundry. This constitutes approx. 20% of the total production in the foundry.

Facilities Management and Development

We are in the process of installing a Composting Pit to manage the food waste generated at the Food Court at Nesco IT Park and Nesco Hospitality Pvt Ltd.

Principle 3 Promote the wellbeing of all employees

- Total number of employees by category as on 31 March 2017
- Total number of permanent women employees
- Total number of employees hired on temporary/contractual/casual basis.

Category	Permanent			Retainer & others			Contract (Security, Housekeeping & others)
	Male	Female	Total	Male	Female	Total	
Facilities Development & Management	30	9	39	5	5	10	59
Karamsad Plant	5	0	5	3	0	3	48
Vishnoli Plant	83	4	87	44	0	44	228
Branch Offices	12	0	12	8	0	8	0
Total	130	13	143	60	5	65	335

4. Total number of permanent employees with disabilities

Nil

5. Employee Association recognized by Management:

As an organization, we allow freedom of association and collective bargaining to our employees. We have a recognized employee association at Vishnoli Plant. At our other locations, there are informal mechanisms for employees to raise any grievances and Complaints to the Management.

6. Percentage of permanent employees members of this recognized employee association.

17 permanent employees are part of the Union which is 19.5% of the employees.

7. Number of complaints relating to Child Labour, Forced Labour, Involuntary Labour, Sexual Harassment in the last financial year and pending as on the end of the financial year.

Sr. No.	Category	No of Complaints filed during the financial year	No of Complaints pending as on end of the financial year
1	Child Labour /Forced Labour /Involuntary Labour	Nil	Nil
2	Sexual Harassment	Nil	Nil
3	Discriminatory Employment	Nil	Nil

8. Percentage of employees given safety and skill upgradation training in FY 2016-17

Health, Safety, First Aid, Fire Safety			
Business	Location	Contractual	Permanent
Facilities Development and Management	Nesco IT Park	100%	100%
	Bombay Exhibition Hall	100%	100%
Manufacturing Plants - Indabratrator	Karamsad Plant	100%	100%
	Vishnoli Plant	100%	100%

Training by Topics			
IT Park and BEC	Permanent, Retainer and Others	Mock Drill on fire safety	Every six months
IT Park	Nesco IT Park office employees	Mock Drill on fire safety	Every six months
IT Park and BEC	Security Personnel	First Aid, Fire Safety	Every quarter
Karamsad and Vishnoli	Security Personnel	First Aid, Fire Safety	Every quarter
Karamsad and Vishnoli	Employees	Tool Box Talks	Daily

Quality, Management Systems and Skill Upgradation Training			
Business	Location	Contractual	Permanent
Facilities Development and Management	Nesco IT Park	100%	100%
	Bombay Exhibition Hall	100%	100%
Manufacturing Plants – Indabratrator	Karamsad Plant	100%	100%
	Vishnoli Plant	100%	100%

Principle 4 Be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. Internal and External Stakeholders

Internal	Employees
External	Customers, NGOs, Local Communities, Police Department, Law and Order, Municipal Authorities

2. Disadvantaged, vulnerable and marginalized stakeholders and special initiatives to engage with them.

Our CSR Activities like the upgradation of a surgical ICU, setting up of English medium schools and construction of water tanks in rural areas were aimed at providing access to health care and equal education opportunities. The beneficiaries are the people of the village who earlier had limited access to this infrastructure.

Principle 5 Respect and Promote Human Rights

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

We have a policy on Human Rights which covers the employees of Nesco and our subsidiary Company Nesco Hospitality Pvt. Ltd.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?

Stakeholder Complaints on Human Rights	No of Complaints filed (2016-17)	No of Complaints Pending as on 31 March 2017
Mumbai	Nil	Nil
Vishnoli	Nil	Nil
Karamsad	Nil	Nil

Principle 6 Respect, Protect, and make efforts to Restore the Environment

1. Policy related to Principle 6 cover for the Company and stakeholders (Group/Joint Ventures/Suppliers/Contractors/NGOs/others).

We have a Environmental Health and Safety Policy for Indibrator in Karamsad and Vishnoli and the Facilities Management Services at Nesco Centre in Mumbai. The policy also applies to the subsidiary Company.

2. Strategies/ initiatives to address global environmental issues such as climate change, global warming, etc

We are cognizant of the impacts of climate change on our business in the medium and long term.

Indibrator	Facilities Development and Management
We are constantly taking energy efficiency initiatives at our plants. We did a fuel switch from diesel to natural gas in our furnace in 2015-16.	The IT building 3 which is operational is a Platinum LEED Certified Green Building. Similarly the new IT building 4, which is under construction, is planned as a Platinum Certified Green Building.

3. Does the Company identify and assess potential environmental risks?

Environment and climate change related risks are part of the enterprise risk management framework and are considered under project risk, business operation risk, risk of business continuity, marketing risk and compliance risk.

At the operations level, environmental and health and safety risks are identified as a part of the ISO 14001 and OHSAS 18001 Certification.

4. Does the Company have any project related to Clean Development Mechanism?

No

-
5. Has the Company undertaken any other initiatives on clean technology, energy efficiency, renewable energy, etc

We have been taking various energy efficiency initiatives at Nesco IT Park and the manufacturing plants at Karamsad and Vishnoli on an ongoing basis. In FY 2016-17, the following initiatives were taken:

- At the Bombay Exhibition Centre, we installed power factor capacitor panels. This has led to almost 10% reduction in electricity consumption.
- At the Manufacturing Plant in Vishnoli, we have installed sub meters to track the electricity consumption from each process. This has helped us to identify the areas for improvement in energy efficiency
- We have started running the Foundry Plant in three shifts. It has enabled us to be energy efficient by reducing idling time by 15%.
- Various measures were taken for replacement and upgradation to more energy efficient machinery at the manufacturing plants for example fuel switch, change in the air pressure line etc.

6. Are the emissions/waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes. We strictly comply with the conditions laid down in the grant of consent to establish and operate by the Pollution Control Board and the Environmental Clearance.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

In FY 2016-17, there were no show cause notices or fines from CPCB or SPCB.

Principle 7 Engage in influencing public and regulatory policy in responsible manner

1. Is your Company a member of any trade and chamber or association? Name major ones that your business deals with:

As a policy, Nesco does not engage in public policy formulation and lobbying. However, the Company is a member of several leading Industry Associations, including

- National Association of Software and Services Companies (NASSCOM).
- Indian Convention Promotion Bureau (ICPB).
- Indian Exhibition Industry Association (IEIA).
- Indo German Chambers of Commerce (IGCC).

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good?

We do not lobby or influence public policy formulation.

Principle 8 Support Inclusive Growth and Equitable Development

1. Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

Our Community Initiatives and projects are governed by the CSR Policy of the Company. We lay emphasis on enhancing quality of life for the community in which we live and work. Our CSR vision is embedded in trust, fairness and care. The focus areas of our CSR Initiatives are education and health. The community development initiatives taken in the reporting year are:

Education

- In 2016-17 we supported the construction of an additional new building for Smt. C J Patel English Medium School (Karamsad) for Higher Secondary School Education (11 and 12 Standards). The school was constructed by Nesco in 1986 to provide education till 10 Standard and currently has 589 students from Karamsad and nearby villages.
- In addition, balance finishing work was carried out in Sumant Jethabhai Patel English Medium School in Tarapur Village, Gujarat.

Health

- We also supported the upgradation of surgical ICU at Charutar Arogya Mandal in Karamsad.
- 2. Are the programmes/projects undertaken through inhouse team/own foundation/external NGO/government structures/any other organization?

The CSR initiatives were undertaken through existing, recognized and approved institutions.

Initiative	Institutions
Construction of a New School Block at Smt. C J Patel English Medium School (Karamsad)	Karamsad Kelavani Mandal – Karamsad
Sumant Jethabhai Patel English Medium School in Tarapur	Tarapur Kelavani Mandal – Tarapur
Upgradation and expansion of Infrastructure facility for Surgical ICU at Charutar Arogya Mandal.	Charutar Arogya Mandal – Karamsad

3. Have you done any impact assessment of your initiative?

All the initiatives undertaken by Nesco were chosen with the objective of giving immediate benefits to the beneficiaries including access to latest infrastructure for education and healthcare.

4. Company's direct contribution to community development projects - amount in INR and the details of the projects undertaken:

Initiative	Amount Spent in 2016-17 (₹ in Lakhs)
Construction of a New School Block at Smt. C J Patel English Medium School (Karamsad)	107.19
Sumant Jethabhai Patel English Medium School in Tarapur	13.23
Surgical ICU at Charutar Arogya Mandal	200.00

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community?

The administration of all the CSR Initiatives is overseen by the CSR Committee of the Board and implemented through institutions who oversee the smooth functioning and long term impact of the infrastructure investments. The future needs are shared with us by these institutions. Depending on the needs of the institutions, the Company provides support in terms of upgradation, repair, etc.

Principle 9 Engage with and provide value to customers and consumers in a responsible manner

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

Owing to the nature of the products and services we provide, immediate resolution of customer complaints is essential for the business.

	Complaints Pending as on 31 March 2017	Comments
Exhibition Centre	Nil	Complaints received from exhibitors & organizers of exhibitions were related to AC temperature, bird droppings, WiFi, power tripping etc. All complaints were resolved during the event.
IT Park	Nil	We maintain excellent quality of infrastructure, security and housekeeping. All feedback received from the occupants is taken seriously and considered.
Indabrador	Nil	60 - 70% of the products manufactured are non standard products customized to customer requirements. Further we provide end to end solution which includes providing product, spares and maintenance of the machinery.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws?

Nesco IT Park and Bombay Exhibition Centre

We are not required to display any information on the product and services. However, where relevant, we share details of the key features of our service offerings for the exhibition halls and the IT Park.

Indabrador Division

For both standard and non standard products, we give all the product specific requirements and health and safety measures during installation and use of the product. Where relevant, Material Safety Data Sheets (MSDS) are shared.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

We follow fair trade practices. There have been no complaints relating to anti competitive behavior or unfair trade practices by any stakeholders.

	Complaints Received (since last 5 yrs)	Complaints Received (2016-17)	Complaints Pending as on 31 March 2017
Unfair Trade Practices	Nil	Nil	Nil
Irresponsible Advertising	Nil	Nil	Nil
Anti competitive behavior	Nil	Nil	Nil

4. Did your Company carry out any consumer survey/ consumer satisfaction trends?

We have CCTV coverage in the Nesco Premises with a robust system for security management to ensure security of the exhibition halls before, during and after the exhibition. The CCTV footage is generally stored for 30 days period.

We are in constant contact with our customers and keep receiving feedback on an ongoing basis. In FY 2016-17, we did not carry out any external Customer Satisfaction Survey. However, we were able to collect feedback from our key customers. We have a high number of repeat customers in both our businesses.

INDEPENDENT AUDITOR'S REPORT

To The Members of NESCO LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of NESCO LIMITED ('the Company'), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as 'Standalone Ind AS Financial Statements').

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner

so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS, of the financial position of the Company as at 31 March 2017 and its 'PROFIT' (including other comprehensive income) its cash flows and the changes in equity for the year ended on that date.

Other matters

The comparative financial information of the Company for the year ended 31 March 2016 and the transition date opening balance sheet as at 01 April 2015 included in these standalone Ind AS financial statements, are based on the statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by us whose report for the year ended 31 March 2016 and 31 March 2015 dated 30 May 2016 and 23 May 2015 respectively expressed an unmodified opinion on those standalone financial statements as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion on the standalone Ind AS financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the statement of changes in equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rule issued thereunder;
 - (e) On the basis of written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B' and,
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial Statements – Refer Note 25(b)(c) and (d) to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company; and

-
- iv. The Company has provided requisite disclosures in the standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 08 November 2016 to 30 December 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management. Refer Note 46 to the Standalone Ind AS Financial Statements.

For Manubhai & Shah LLP
Chartered Accountants
FRN. 106041W/W100136

Ashish Shah
Partner
Membership No: 103750
Mumbai, 29 May 2017

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements" Section of our report of even date)

- i. a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) The Company has regular programme of physical verification of its fixed assets by which all the assets are verified in a phased manner, over a period of 3 years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. We are informed that no material discrepancies were noticed in respect of the assets physically verified during the year.
 - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable properties are held in the name of company unless otherwise stated (refer note 10 of Fixed Asset)
 - ii. The physical verification of inventory has been conducted at reasonable intervals by the management during the year and the discrepancies noticed on physical verification of inventory as compared to book records were not material and have been appropriately dealt with in the books of account.
 - iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to Companies, firms, Limited Liability Partnerships (LLP) or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions stated in paragraph 3 (iii) (a) to (c) of the order are not applicable to the Company.
 - iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 with respect to the loans and Investments made and guarantees and security provided by it.
 - v. The Company has not accepted any deposits from public in accordance with the provisions of Section 73 to 76 of the Companies Act, 2013 and Rules framed there under to the extent notified.
 - vi. Pursuant to the Rules made by the Central Government of India, the Company is required to maintain cost records as specified under the provisions of sub-section (1) of Section 148 of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, the prescribed accounts and records have been made and maintained. We have not however made a detailed examination of the records with a view to determine whether they are accurate and complete
 - vii.a) According to the records of the Company and as per the information and explanations given to us the Company has been generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it.
- According to the information and explanation given to us, no undisputed amounts are payable in respect of Provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues which were applicable to it were in arrears, as at 31 March 2017 for a period of more than six months from the date they became payable.
- b) According to the information and explanation given to us, the following dues have not been deposited by the Company on account of disputes with appropriate authorities

Name of the Statute	Nature of the Dues	Financial Year	Amount (₹ in Lakhs)	Forum where dispute is pending
The Income Tax Act, 1961	Assessment Dues	2006-07	14.66	Dy. Commissioner of Income Tax
		2007-08	7.07	ITAT
		2009-10	38.63	ITO
		2010-11	113.09	ITO
		2011-12	13.15	ITO
		2012-13	0.18	ITO
		2013-14	26.48	ITO

- viii. The Company does not have any loans or borrowings from any financial institution, banks, government, dues to debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year, nor have been informed of any such case by the management.
- xi. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Sections 197 read with Schedule V of the Companies Act, 2013.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Hence, provisions of Section 192 of the Act are not applicable.
- xvi. In our opinion, the Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934.

For Manubhai & Shah LLP
Chartered Accountants
FRN. 106041W/W100136

Ashish Shah
Partner
Membership No: 103750
Mumbai, 29 May 2017

ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2(f) under "Report on Other Legal and Regulatory Requirements" Section of our report of even date)

Report on the Internal Financial Controls over Financial Reporting under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Nesco Limited ('the company') as on 31 March 2017, in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of fraud and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing issued by ICAI and deemed to be prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountant of India. Those Standards and the Guidance Note require that, we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects

Our audit involves performing procedure to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgments, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error.

We believe that audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide

reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statement

Inherent limitation of Internal Financials Controls over Financial Reporting,

Because of the inherent limitations of internal financial controls over financial reporting including the possibility of collusion or improper management override of control, material misstatement due to error or fraud may recur and not detected. Also projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as on 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Manubhai & Shah LLP
Chartered Accountants
FRN. 106041W/W100136

Ashish Shah
Partner
Membership No: 103750
Mumbai, 29 May 2017

BALANCE SHEET

(₹ in lakhs)

Particulars	Notes	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Assets				
Non-Current assets				
Property, plant and equipment	4	18,779.84	16,481.47	15,917.52
Capital work-in-progress	4a	26,234.83	14,342.83	9,978.49
Financial Assets				
Investments	5	41,011.56	32,383.09	28,148.95
Loans	6	275.02	223.46	96.07
Other non current assets	7	4,987.52	4,472.00	77.03
Total Non-Current Assets		91,288.77	67,902.85	54,218.06
Current assets				
Inventories	8	1,331.24	1,098.42	770.40
Financial assets				
Investments	9	7,193.00	11,861.59	12,047.24
Trade receivables	10	1,111.76	1,438.11	1,080.28
Cash and cash equivalents	11a	363.58	471.67	358.10
Other balances with banks	11b	112.74	149.38	83.14
Other financial assets	12	91.23	69.82	48.75
Assets for Current Tax (Net)	13	933.65	432.22	184.17
Other current assets	14	730.50	600.07	623.28
Total Current Assets		11,867.70	16,121.28	15,195.36
Total - Assets		103,156.47	84,024.13	69,413.42
Equity and Liabilities				
Equity				
Equity share capital	15	1,409.20	1,409.20	1,409.20
Other equity	16	83,651.75	66,723.76	54,834.57
Total Equity		85,060.95	68,132.96	56,243.77
Non-current liabilities				
Financial Liabilities				
Other financial liabilities	17	7,213.41	6,868.65	5,625.77
Provisions (Non current)	18	1,275.26	1,400.03	1,376.01
Deferred tax liabilities	19	2,725.45	1,629.53	854.18
Other non-current liabilities	20	767.78	1,081.67	996.66
Total Non-current Liabilities		11,981.90	10,979.88	8,852.62
Current liabilities				
Financial Liabilities				
Trade payables		2,205.71	906.53	509.44
Other financial liabilities	21	813.16	715.97	838.29
Other current liabilities	22	3,064.74	3,272.23	2,942.56
Provisions (current)	23	30.01	16.56	26.74
Total Current Liabilities		6,113.62	4,911.29	4,317.03
Total - Equity and Liabilities		103,156.47	84,024.13	69,413.42

Notes forming part of the financial statements
As per our report of even date

1 to 47
For and on behalf of the Board

For Manubhai & Shah LLP
Chartered Accountants
FRN. 106041W/W100136

Mr. Sumant J. Patel	Executive Chairman
Mr. Krishna S. Patel	Managing Director
Mr. Mahendra K. Chouhan	Director
Mrs. Sudha S. Patel	Director
Mr. Manu M. Parpia	Additional Director
Mr. Dipesh R. Singhania	Chief Financial Officer
Ms. Jinal J. Shah	Company Secretary and Compliance Officer

Ashish Shah
Partner
Membership No. 103750

Mr. Manu M. Parpia	Additional Director
Mr. Dipesh R. Singhania	Chief Financial Officer
Ms. Jinal J. Shah	Company Secretary and Compliance Officer

Mumbai, 29 May 2017

Mumbai, 29 May 2017

STATEMENT OF PROFIT AND LOSS

(₹ in lakhs)

Particulars	Note No.	Year Ended 31 March 2017	Year Ended 31 March 2016
Revenue from operations	24	30,856.24	26,417.53
Other income	25	4,298.21	3,290.02
Total Income		35,154.45	29,707.55
Expenses			
Cost of materials consumed	26	1,535.11	1,366.53
Changes in inventories of finished goods, work in progress and stock in trade	27	16.74 281.44	(168.66) 291.97
Excise duty			
Employee benefits expense	28	1,209.24	841.93
Finance costs	29	503.39	395.82
Depreciation and amortization expense		812.97	670.13
Manufacturing, administrative, selling and general expenses	30	6,423.25	5,237.07
Total expenses		10,782.14	8,634.79
Profit before tax		24,372.31	21,072.76
Tax expense			
Current tax		6,325.00	5,879.06
Deferred tax		1,105.13	780.06
Total tax expense		7,430.13	6,659.12
Profit after tax		16,942.18	14,413.64
Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss			
i) Net fair value gain /(Loss) on investments in equity instruments through OCI.		3.18	(2.22)
ii) Remeasurement of defined employee benefit plans		(26.57)	(13.61)
- Income tax expense on remeasurement of defined employee benefit plans		9.20	4.71
Total Other Comprehensive Income		(14.19)	(11.12)
Total Comprehensive Income for the year		16,927.99	14,402.52
Earning Per Equity Share (face value of ₹10 each)			
Profit attributable to shareholders		16,942.18	14,413.64
Basic & Diluted (In ₹)		120.23	102.28
Face value per equity share		10.00	10.00
Weighted average number of equity shares outstanding		14,091,992	14,091,992

Notes forming part of the financial statements
As per our report of even date

1 to 47
For and on behalf of the Board

For Manubhai & Shah LLP
Chartered Accountants
FRN. 106041W/W100136

Mr. Sumant J. Patel	Executive Chairman
Mr. Krishna S. Patel	Managing Director
Mr. Mahendra K. Chouhan	Director
Mrs. Sudha S. Patel	Director
Mr. Manu M. Parpia	Additional Director
Mr. Dipesh R. Singhania	Chief Financial Officer
Ms. Jinal J. Shah	Company Secretary and Compliance Officer

Ashish Shah
Partner
Membership No. 103750

Mumbai, 29 May 2017

STATEMENT OF CHANGES IN EQUITY

(₹ in lakhs)

Particulars	Equity Share Capital	Reserves and Surplus				Equity Instruments through OCI	Other items of Other comprehensive Income	Total Equity
		Retained Earnings *	Preference Shares Redemption Reserve	General Reserve	Revaluation Reserve			
Balance as at 01 April 2015	1,409.20	2,336.98	9.56	51,835.60	640.11	12.32	-	56,243.77
Changes in Equity for the year ended 31 March 2016								
Final Dividend for year 2014-15			(915.98)					(915.98)
Dividend Distribution Tax on Interim dividend			(155.67)					(155.67)
Interim Dividend for year 2015-16:								
Interim Dividend	-	(1,197.83)	-		-	-	-	(1,197.83)
Dividend Distribution Tax on Interim dividend	-	(243.85)	-		-	-	-	(243.85)
Profit for the year		14,413.64						14,413.64
Transfer to General Reserves		(11,849.14)	-	11,849.14		-	-	-
Other Comprehensive Income								
-Gain on remeasurement of employee benefits(net of tax)							(8.90)	(8.90)
-Fair value gain on Equity instruments						(2.22)		(2.22)
Balance as at 31 March 2016	1,409.20	2,388.16	9.56	63,684.74	640.11	10.10	(8.90)	68,132.96

Particulars	Equity Share Capital	Reserves and Surplus				Equity Instruments through OCI	Other items of Other comprehensive Income	Total Equity
		Retained Earnings *	Preference Shares Redemption Reserve	General Reserve	Revaluation Reserve			
Balance as at 01 April 2016	1,409.20	2,388.16	9.56	63,684.74	640.11	10.10	(8.90)	68,132.97
Changes in Equity for the year ended 31 March 2017:								
Profit for the year		16,942.19						16,942.19
Transfer to General Reserves		(19,280.33)		19,280.33				-
Other Comprehensive Income								
-Gain on remeasurement of employee benefits							(17.37)	(17.37)
-Fair value gain on Equity instruments						3.18		3.18
Balance as at 31 March 2017	1,409.20	50.00	9.56	82,965.07	640.11	13.28	(26.27)	85,060.95

* Retained earnings include cash subsidy received from Government of Gujarat amounting to Rs 25 Lakhs

As per our report of even date

For and on behalf of the Board

For Manubhai & Shah LLP
Chartered Accountants
FRN. 106041W/W100136

Mr. Sumant J. Patel
Mr. Krishna S. Patel
Mr. Mahendra K. Chouhan
Mrs. Sudha S. Patel
Mr. Manu M. Parpia
Mr. Dipesh R. Singhania
Ms. Jinal J. Shah

Executive Chairman
Managing Director
Director
Director
Additional Director
Chief Financial Officer
Company Secretary and Compliance Officer

Ashish Shah
Partner
Membership No. 103750

Mumbai, 29 May 2017

Mumbai, 29 May 2017

CASH FLOW STATEMENT

(₹ in lakhs)

Particulars	Year Ended 31 March 2017	Year Ended 31 March 2016
A) Cash Flow from operating activites		
Net Profit before income tax from continuing operations	24,372.31	21,072.76
Add / (Less):		
Depreciation	812.97	670.13
Interest income	(0.61)	(9.98)
Dividend income	(296.35)	(298.88)
Finance cost	8.48	12.95
Loss on sale of fixed assets (net)	-	9.83
Gain on sale of investments (net)	(839.86)	(1,051.21)
Changes in fair value of financial assets at fair value through profit or loss	(3,042.46)	(1,682.53)
Unwinding of interest on security deposits	494.91	382.87
Lease rental income	(497.83)	(394.44)
Bad debts / sundry balance written off	54.73	227.25
Sundry creditors/liabilities written back (net)	(5.98)	(170.75)
Operating profit before change in operating assets and liabilities	<u>21,060.31</u>	<u>18,768.02</u>
Add / (Less):		
(Increase)/Decrease in Inventory	(232.82)	(328.01)
(Increase)/Decrease in Trade & other receivable	271.62	(585.08)
(Increase)/Decrease in other operating assets	(167.21)	(182.95)
Increase/(Decrease) in Trade payables	1,400.17	175.42
Increase in provisions of Employee benefits	13.45	13.83
Increase/(Decrease) in other operating liabilities	(322.62)	962.60
	<u>22,022.91</u>	<u>1,923.43</u>
		<u>19,784.65</u>
Cash generated from operations		
Add / (Less):		
Income Tax paid	(6,826.43)	(6,826.43)
Net Cash from operating activities - [A]	<u>(6,826.43)</u>	<u>(6,127.10)</u>
	<u>15,196.48</u>	<u>13,657.55</u>
B) Cash Flow from investing activites		
Payments for purchase of fixed assets	(15,003.04)	(5,608.87)
Payments for capital advance - fixed assets	(515.52)	(4,394.97)
Payments for purchase of investments	(15,275.53)	(18,208.12)
Payments for investments in deposits	(0.43)	(8.53)
Proceeds from sale of fixed assets	-	0.64
Proceeds from sale of investments	15,201.47	16,893.31
Interest income	0.61	9.98
Dividend income	296.35	(15,296.09)
Net Cash (used in)/from investing activities - [B]	<u>(15,296.09)</u>	<u>298.88</u>
		<u>(11,017.69)</u>
C) Net Cash Flow used in financing activities		
Finance cost	(8.48)	(12.95)
Dividend paid to shareholders Final dividend 14-15	-	(915.98)
Tax paid on dividend 14-15	-	(155.67)
Dividend paid to shareholders Interim dividend 15-16	-	(1,197.83)
Tax paid on dividend 15-16	-	(243.86)
Net Cash Flow used in financing activities - [C]	<u>(8.48)</u>	<u>(2,526.29)</u>
Net Increase / (Decrease in Cash / Cash Equivalents (A+B+C)	<u>(108.09)</u>	<u>113.57</u>
Cash/Cash Equivalent at the beginning of the year	<u>471.67</u>	<u>358.10</u>
Cash/Cash Equivalent at the end of the year	<u>363.58</u>	<u>471.67</u>

As per our report of even date

For and on behalf of the Board

For Manubhai & Shah LLP
Chartered Accountants
FRN. 106041W/W100136

Mr. Sumant J. Patel	Executive Chairman
Mr. Krishna S. Patel	Managing Director
Mr. Mahendra K. Chouhan	Director
Mrs. Sudha S. Patel	Director
Mr. Manu M. Parpia	Additional Director
Mr. Dipesh R. Singhania	Chief Financial Officer
Ms. Jinal J. Shah	Company Secretary and Compliance Officer

Ashish Shah
Partner
Membership No. 103750

Mumbai, 29 May 2017

Mumbai, 29 May 2017

Ind AS conversion

Background

Nesco Limited ("Nesco" or "the Company") was incorporated on April 15, 1946, under the Indian Companies Act VII of 1913. The Company is domiciled in India having registered office at Nesco Complex, Western Express Highway, Goregaon (East), Mumbai 400063 and listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

The Company is mainly engaged in the following.

- i) Licencing premises in IT park building and providing related services.
- ii) Licencing premises in its exhibition and convention incubation centre and providing related services to the clients.
- iii) Manufacturing of machines and capital equipment.

Note 1 - Basis of Preparation of Financial Statements:

a) Compliance with Ind AS

These financial statements have been prepared in compliance with Indian Accounting Standards (Ind-AS) notified under section 133 of the Companies Act 2013 (the Act), read together with The Companies (Indian Accounting Standards) Rules, 2015]

For all periods up to and including the year ended 31 March 2016, the Company has prepared its Financial Statements in accordance with Accounting Standards notified under the Section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP). Detailed explanation of how the transition from Previous GAAP to Ind-AS has affected the Company's Balance Sheet, financial performance and cash flows is given under Note 31.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of the accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

b) Current / Non-Current Classification

Any asset or liability is classified as current if it satisfies any of the following conditions:-

- i) The asset / liability is expected to be realised / settled in the Company's normal operating cycle;
- ii) The asset is intended for sale or consumption;
- iii) The asset/liability is held primarily for the purpose of trading;
- iv) The asset/liability is expected to be realised / settled within twelve months after the reporting period;
- v) The asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting cycle;
- vi) In the case of a liability, the Company does not have an unconditional right to defer settlement of a liability for at least twelve months after the reporting cycle;

All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing their realisation in cash and cash equivalents.

c) Functional and Presentation Currency

The Financial Statements are presented in Indian rupees which is the functional currency for the Company. Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss. Foreign exchange gains and losses are presented in the statement of profit and loss on a net basis.

d) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of schedule III, unless otherwise stated.

e) Use of Estimates

The preparation of Financial Statements in accordance with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the Balance Sheet and Statement of Profit and Loss. The actual amounts realised may differ from these estimates. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognised in the period in which the results are known / materialised and, if material, their effects are disclosed in the notes to the Financial Statements.

Note 2- Significant accounting policies

a) Property, plant and Equipment:

Freehold land is carried at historical cost. All other items of property, plant and equipment are carried at the historical cost, less accumulated depreciation and accumulated impairment losses if any. The cost of Property, Plant and Equipment comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use.

Subsequent recognition is done in assets carrying amount or as a separate asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. Profit or Loss on disposal of Property, Plant and Equipment is recognised in the Statement of Profit and Loss. All other repairs and maintenance expenses are charged to profit or loss during the reporting period in which they are incurred.

Expenses incurred on property, plant and equipment, net of income earned during the under development stage prior to its intended use, are disclosed under Capital Work-in-progress.

Transition to Ind AS:

On transition to Ind AS, the Company has elected to continue with carrying value of all of its property, plant and equipment recognised as at 01 April 2015 measured as per previous GAAP (Indian GAAP) and use that carrying value as the deemed cost of property, plant and equipment.

Depreciation methods, estimated useful lives and residual value:

Depreciation on Property, Plant and Equipment is provided using the Straight Line Method based on the useful life of the assets as estimated by the management and is charged to the Statement of Profit and Loss as per the requirement of Schedule II of the Companies Act, 2013. The estimate of the useful life of the assets has been assessed based on technical advice which considered the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc. The estimated useful

life of Property, Plant and Equipment is mentioned below:

Asset Class	Years
Factory Buildings	30
Buildings (other than Factory Buildings)	60
Plant and Equipment	15
Electrical Installations	10
Patterns and Mouldings	8
Furniture and Fixtures and Office equipment	
-Office furniture	10
-Computers	3
-Office equipment	5
Vehicles	10

The Property, plant and equipment acquired under finance leases is depreciated over the asset's useful life.

b) Non-Current Assets held for sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and the fair value less cost to sell. Non-current assets are not depreciated or amortised.

c) Intangible assets:

Intangible Assets are stated at cost of acquisition less accumulated amortization and accumulated impairment, if any. Amortization is done over their estimated useful life on straight line basis from the date that they are available for intended use, subjected to impairment test. Purchase cost and consultancy fees for major software are amortized over the useful life of the software. Software, which is not an integral part of the related hardware is classified as an intangible asset and is amortized over the useful life of 3 to 5 years.

Transition to Ind AS:

On transition to Ind AS, the Company has elected to continue with the carrying value of its intangible assets recognised as at 01 April 2015 measured as per previous GAAP and use that carrying value as the deemed cost of intangible assets.

d) Impairment of Assets:

At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets with finite life may be impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. If any such impairment exists, the recoverable amount of an asset is estimated to determine the extent of impairment, if any

e) Inventories

Raw materials, work in progress, stores and spares and finished goods are valued at the lower of cost or net realizable value. However, materials and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item-by item basis.

Cost of raw materials and stores and spares comprises cost of purchases. Cost is determined on weighted average basis.

Cost of work in progress and finished goods comprises direct materials, direct labour, and an appropriate share of manufacturing overheads.

Cost of Inventories comprises of costs of purchase, cost of conversion, duties and taxes (other than those refundable), inward freight and all other costs incurred in bringing them to their respective present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

f) Financial Instruments:-

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

1) Investments and other Financial Assets:

(i) Classification:

The Company classifies its financial assets in following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost

The classification depends on entity's business model for managing financial assets and the contractual terms of cash flow.

(ii) Initial recognition and measurement:

At initial recognition, the Company measures a financial asset at fair value plus, in case of a financial asset not at fair value through profit and loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit and loss are expensed in profit or loss.

(iii) Financial Assets measured at amortised cost:

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. A gain or loss on such an instrument is recognised in profit or loss. Interest income from these financial assets is included in other income using effective interest method. The losses arising from impairment are recognised in the Statement of Profit and Loss.

(iv) Financial Assets measured at fair value through other comprehensive income (FVTOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where represent solely payments of principal and interest, are measured at fair value initially as well as at each reporting date through other comprehensive income. Fair value movements

in the carrying amount are recognized in the other comprehensive income, except for the recognition of impairment of gains and losses, interest revenue and foreign exchange gain or loss which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains / (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

(v) Financial Assets measured at fair value through profit or loss (FVTPL):

Assets that do not meet the criteria for amortised cost or FVTOCI are measured initially as well as at each reporting date at fair value through profit or loss as other income. Income from these financial assets is included in other income.

(vi) Investment in Subsidiary and Associates:

Investment in equity instruments of Subsidiaries and Associates are measured at cost.

(vii) Investment in Equity Instruments:

Equity instruments which are held for trading are classified as at FVTPL. All other equity instruments are classified as FVTOCI.

Fair value changes in case of the equity instruments classified as FVTOCI are recognised in the Other Comprehensive Income. There is no subsequent reclassification of gains and losses from other comprehensive income to profit or loss.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gains / (losses) in the statement of profit and loss.

Dividends from such investments are recognised in profit and loss as other income when the Company's right to receive payments is established.

Impairment loss (and reversal of impairment loss) on equity instruments measured at FVTOCI are not accounted separately from other changes in fair value.

(viii) Investment in Debt Instruments: A debt instrument is measured at amortised cost or at FVTPL. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

(ix) Impairment of Financial Assets: The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

(x) De-recognition of financial assets

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

A financial assets is derecognised only when the Company –

- has transferred the right to receive cash flows from the financial asset or
- retains contractual rights to receive the cash flows of the financial asset, but assumes contractual obligation to pay the cash flows to one or more recipients or
- does not retain the control of the financial asset or

- does not have continuing involvement in the financial asset.

When the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of financial assets. In such cases, financial asset is derecognised. When the entity has not transferred substantially all risks and rewards of ownership of financial asset, the financial asset is not derecognised.

(xi) Income recognition

Interest income from debt instruments is recognised using effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When computing effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instruments.

Dividends are recognised in profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of dividend can be measured reliably.

2) Financial Liabilities:

i) Classification:

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss.

ii) Initial recognition and measurement: All financial liabilities that are classified as to be subsequently measured not at Fair value through Profit and Loss (FVTPL), are recognised initially at fair value, being transaction price net of directly attributable transaction costs. Financial liabilities include trade and other payables, security deposits etc.

iii) Subsequent measurement: All Financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. The EIR amortisation is included as finance costs in the statement of profit and loss.

iv) De-recognition of Financial Liabilities: A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

3) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

g) Provisions

A provision is recognised, if as a result of a past event the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are measured at the present value of the management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is the pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are not recognised but disclosed in the Financial Statements when economic inflow is probable.

h) Segment Reporting

Operating segments have been identified on the basis of the nature of business activities from which the Company earns revenues or incurs expenses and for which discrete financial information is available. The Chief Operating Decision Maker monitors the operating results of its business segments for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial

statements. The Operating segments have been identified on the basis of the nature of products / services.

1. Segment revenue includes sales and other income directly identifiable with/ allocable to the segment including inter-segment revenue.
2. Expenses that are directly identifiable with/ or allocable to segments are considered for determining the segment result. Expenses which relate the Company as a whole and not allocable to segments are included in un-allocable expenditure.
3. Income which relates to the Company as a whole and not allocable to segments is included in un-allocable income.
4. Segment assets and liabilities include those directly identifiable with the respective segments. Un-allocable assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker.

i) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below.

Recognition of revenue from major business activities:-

- i. Revenue from Industrial Capital Goods Division operations includes sale of manufactured machines and capital equipment, engineering fees, services and other charges. Revenue from sale of goods is recognized when all the significant risks and rewards of ownership are transferred to the buyer as per the terms of the contracts and no significant uncertainty exists regarding the amount of consideration that will be derived from the sale of goods. It also includes excise duty and price variations based on the contractual agreements and excludes value added tax/ sales tax. It is measured at fair value of consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.
- ii. Revenue from Bombay Exhibition Centre operations includes renting of its halls for exhibitions, functions and providing services to the organisers. Revenue from such renting activities and the related services is recognised in the accounting period in which the event occurs.
- iii. Revenue from IT Park operations includes leasing of its IT park premises and providing services to IT and IT enabled services companies. Revenue from IT Park is recognised as operating leases income on straight line basis over the lease term.

j) Income tax

Income tax expense comprises current tax and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

i) Current tax

Current tax comprises of the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of the previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- has a legally enforceable right to set off the recognised amounts; and
- Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii) **Deferred tax**

Deferred tax is recognized for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date, using the tax rates and laws that are enacted or substantively enacted as on reporting date. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses and credits can be utilised. Deferred tax relating to items recognised in other comprehensive income and directly in equity is recognised in correlation to the underlying transaction.

Deferred tax assets and liabilities are offset only if:

- Entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- Deferred tax assets and the deferred tax liabilities relate to the income taxes levied by the same taxation authority.

k) **Cash and cash equivalents**

Cash and cash equivalents include cash on hand, Balances with Banks, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

I) **Trade Receivables**

Trade receivables are non-interest bearing and receivable in normal operating cycle. Trade receivables are recognised initially at fair value (that is transaction price on initial recognition) and subsequently measured at amortised cost using effective interest method, less provision for impairment.

m) **Leases**

• **As a lessee**

Leases of property, plant and equipment where the Company has substantially all the risks and rewards of ownership are classified as finance leases.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

• **As a lessor**

Lease income from operating leases where the Company is a lessor is recognised in income on a straight line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

Leases of assets where the Company transfers substantially all the risks and rewards of ownership are classified as finance leases.

n) **Earnings per share**

Basic Earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year

o) **Employee Benefits**

i. Short term obligations:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

ii. Other long term employee obligations

Entitlements to annual leave are recognized when they accrue to employees. Annual leave can either be availed or encashed at the time of separation or retirement subject to a restriction on the maximum number of 42 days of accumulation of leave. The Company determines the liability for such accumulated leaves using the Projected Accrued Benefit method with actuarial valuations being carried out at each Balance Sheet date.

iii. Post-employment obligations

The Company operates the following post-employment schemes.

1. Defined benefit plans (gratuity)

The Company has unfunded defined benefit gratuity plan for employees.

Recognition and measurement of Defined Benefit plans:

The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability / (asset) are recognized in the Statement of Profit and Loss. Re-measurements of the net defined benefit liability / (asset) comprising actuarial gains and losses are recognized in Other Comprehensive Income. Such re-measurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

The Company presents the above liability/(asset) as current and non-current in the Balance Sheet as per actuarial valuation by the independent actuary.

2. Defined contribution plans such as provident fund

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expenses when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

p) Proposed Dividend:

The final dividend recommended by the Board of Directors is accounted in the financial year in which it is approved by the shareholders in the Annual General Meeting.

q) Recent Accounting pronouncements

Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7 'Statement of cash flows'. This amendment is in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows'. The amendment is applicable to the Company from 01 April 2017.

Amendments to Ind AS 7

The amendments to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company is evaluating the requirements of the amendments and the effect on the financial statements is being evaluated.

Note 3- Key accounting estimates and judgements

The preparation of the Company's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

This note provides an overview of the areas that involved a higher degree of judgement or complexity and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

a. Income taxes

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions

b. Property, Plant and Equipment

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

c. Defined Benefit Obligation

The costs of providing other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates.

d. Fair value measurement of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

Note 4

Property, plant and equipment

(₹ in Lakhs)

Changes in carrying value of Property, plant and equipment for the year ended 31 March 2017

Tangible Assets	Freehold land	Freehold building	Plant and machinery	Electrical Installations	Furniture, fixture & office equipment	Vehicles	Total
Opening gross carrying amount	601.37	12,299.36	2,326.06	1,246.07	386.59	270.31	17,129.76
Additions	36.86	928.56	1,358.60	530.09	91.58	165.65	3,111.34
Deductions / Adjustments	-					(60.22)	(60.22)
Closing gross carrying amount	638.23	13,227.92	3,684.66	1,776.16	478.17	375.74	20,180.88
Accumulated depreciation and impairment							
Opening accumulated depreciation	-	183.95	256.20	127.84	51.97	28.33	648.29
Depreciation during the year	-	249.94	290.48	170.09	69.85	32.61	812.97
Deductions / Adjustments	-	-	-	-	-	(60.22)	(60.22)
Closing accumulated depreciation and impairment	-	433.89	546.68	297.94	121.81	0.72	1,401.04
Net carrying amount	638.23	12,794.03	3,137.98	1,478.22	356.36	375.00	18,779.84

Changes in carrying value of Property, plant and equipment for the year ended 31 March 2016

Tangible Assets	Freehold land	Freehold building	Plant and machinery	Electrical Installations	Furniture, fixture & office equipment	Vehicles	Total
Gross carrying amount							
Deemed cost 1 April 2015	601.37	12,003.19	2,182.02	715.76	206.85	208.33	15,917.52
Additions	-	328.50	144.04	530.31	179.74	61.98	1,244.57
Deductions / Adjustments	-	(32.33)	-	-	-	-	(32.33)
Closing Gross carrying amount	601.37	12,299.36	2,326.06	1,246.07	386.59	270.31	17,129.76
Accumulated depreciation							
Depreciation charge during the year	-	205.81	256.20	127.84	51.97	28.33	670.13
Deductions / Adjustments	-	(21.85)	-	-	-	-	(21.85)
Closing accumulated depreciation	-	183.95	256.20	127.84	51.97	28.33	648.29
Net carrying amount	601.37	12,115.41	2,069.86	1,118.23	334.62	241.98	16,481.47

Intangibles	Technical Knowhow	Total
Year ended 31 March 2016	-	-
Gross carrying amount Deemed cost 01 April 2015		
Closing gross carrying amount	-	-
Accumulated amortisation	-	
Closing accumulated amortisation	-	
Net carrying amount	-	-

Buildings include Karamsad factory which is situated on land taken on rent from Mr Sumant J Patel, Executive Chairman.

Note 5

(₹ in Lakhs)

Non- Current Investment

Investment Particulars	As at 31 March 2017		As at 31 March 2016		As at 01 April 2015	
	No	Carrying Value	No	Carrying Value	No	Carrying Value
Non Current Investments:-						
Unquoted						
a) Investments in subsidiary carried at cost						
Nesco Hospitality Pvt Ltd.	249,900	24.99	249,900	24.99	249,900	24.99
NSE Housing & Investment Pvt Ltd	-	-	2,250	2.25	2,250	2.25
Total		24.99		27.24		27.24
b) Investments carried at amortised cost						
5 1/2 years Kisan Vikas Patra	10	1.00	10	1.00	10	1.00
Total		1.00		1.00		1.00
c) Investments in equity instruments carried at FVTOCI						
Charotar Gas Sahakari Mandali	5	0.03	5	0.03	5	0.03
Total		0.03		0.03		0.03
Quoted						
Investments in equity instruments carried at FVTOCI						
Larsen & Toubro Limited	369	6.25	369	4.82	369	6.81
Ultra Tech Cement Ltd	79	3.15	79	2.55	79	2.27
Greaves Cotton Ltd	2,250	3.93	2,250	2.78	2,250	3.28
Total		13.33		10.14		12.36
Investments in Mutual Funds carried at FVTPL						
Fixed Maturity Plans						
Birla Sun Life Fixed Term Plan - Series JP 1175 Days - Direct - Growth	-	-	-	-	1,037,688	115.98
DHFL Pramerica (DWS) Fixed Maturity Plan Series 49 - Direct Plan - Growth	-	-	-	-	1,500,000	166.15
DHFL Pramerica (DWS) Fixed Maturity Plan Series 49 - Regular Plan - Growth	-	-	-	-	1,500,000	165.69
DHFL Pramerica (DWS) Fixed Maturity Plan Series 57 - Direct Plan - Growth	-	-	-	-	1,500,000	164.65
DSP BlackRock FMP - Series 155 - 12 M - Direct - Growth	-	-	-	-	3,091,748	338.22
DSP BlackRock FTP - Series 36 - 15 M - Direct - Growth	-	-	-	-	1,500,000	166.75
HDFC FMP 478D January 2014 (1) Series 29 - Direct - Growth	-	-	-	-	1,000,000	111.39
ICICI Prudential FMP Series 74 - 369 Days Plan F - Direct Growth	-	-	-	-	2,000,000	217.30
Kotak FMP Series 142 Direct - Growth	-	-	-	-	1,003,316	111.00
Kotak FMP Series 189 - Growth	2,000,000	226.25	-	-	-	-
Reliance Fixed Horizon Fund - XXV Series 22 - Direct Plan Growth	-	-	-	-	2,000,000	222.06

Investment Particulars	As at 31 March 2017		As at 31 March 2016		As at 01 April 2015	
	No	Carrying Value	No	Carrying Value	No	Carrying Value
Reliance Fixed Horizon Fund - XXVI Series 13 - Direct Plan Growth	-	-	-	-	1,026,354	111.75
Religare Invesco FMP - Series 22 - Plan F (15 Months) - Direct Plan Growth	-	-	-	-	1,000,000	111.20
Religare Invesco FMP - Series 22 - Plan L (14 Months) - Direct Plan Growth	-	-	-	-	1,030,442	114.13
SBI Debt Fund Series - 16 Months - 1 - Direct Plan - Growth	-	-	-	-	500,000	55.92
SBI Debt Fund Series - A1 - 15 Months - Direct Plan - Growth	-	-	-	-	750,000	83.55
SBI Debt Fund Series - A11 - 385 Days - Direct Plan - Growth	-	-	-	-	771,954	84.77
SBI Debt Fund Series - A14 - 380 Days - Direct Plan - Growth	-	-	-	-	2,500,000	273.30
SBI Debt Fund Series - A18 - 366 Days - Direct Plan - Growth	-	-	-	-	1,335,551	145.15
SBI Debt Fund Series - A2 - 15 Months - Direct Plan - Growth	-	-	-	-	1,400,000	155.50
SBI Debt Fund Series - A5 - 411 Days - Direct Plan - Growth	-	-	-	-	5,000,000	553.60
UTI Fixed Maturity Plan - Yearly FMP Series - MAR 2014:YFMP(03/14) - Growth Plan	-	-	-	-	6,245,245	679.87
UTI Fixed Term Income Fund Series XVII - VII (465 Days) Growth Plan	-	-	-	-	1,000,000	111.04
UTI Fixed Term Income Fund Series XVII - XIV (423 Days) - Direct Growth Plan	-	-	-	-	3,000,000	332.32
Total		226.25				4,591.29
Debt Funds - income funds						
Axis Income Fund - Direct Plan - Growth	1,477,541	243.01	1,477,541	218.18	1,477,541	202.13
Axis Income Fund - Growth	2,255,385	355.12	2,255,385	320.85	2,255,385	300.54
Axis Fixed Income OpportunitiesFund - Direct Growth	5,093,539	671.94	4,059,789	484.95	-	-
Axis Fixed Income OpportunitiesFund - Growth	922,135	118.23	922,135	108.45	-	-
BNP Paribas Flexi Debt Fund - Growth- Folio-328670	2,876,153	817.49	2,876,153	736.44	2,075,050	501.22
BNP Paribas Flexi Debt Fund - Direct Plan - Growth- Folio-328670	412,298	120.11	412,298	107.37	412,298	100.51
BNP Paribas Medium Term Income Fund - Growth- Folio-328670	13,451,739	2,286.13	13,451,739	1,619.28	-	-
BOI AXA Corporate Credit Spectrum Fund - Direct Plan	4,367,681	536.79	2,902,217	320.00	-	-
Canara Robeco Dynamic Bond Fund - Direct Growth	3,918,706	1,005.78	-	-	1,255,934	201.10
Canara Robeco Dynamic Bond Fund - Regular Growth	-	-	-	-	1,895,507	300.98
Canara Robeco Medium Term Opportunities Fund - Regular Growth	15,803,010	2,088.76	15,803,010	1,919.80	12,337,098	1,399.48
DSP BlackRock Strategic Bond Fund - Inst.Plan - Growth	-	-	-	-	30,016	501.47

Investment Particulars	As at 31 March 2017		As at 31 March 2016		As at 01 April 2015	
	No	Carrying Value	No	Carrying Value	No	Carrying Value
DHFL Pramerica (DWS) Medium Term Income Fund - Direct Plan - Growth	1,828,116	258.63	1,828,116	232.02	1,828,116	213.28
DHFL Pramerica Credit Opportunities Fund - Regular - Growth	3,178,545	408.62	-	-	-	-
HDFC High Interest Fund - Dynamic Plan - Growth	-	-	-	-	625,691	301.69
HDFC Medium Term Opportunities Fund - Direct Plan - Growth	1,319,340	239.82	1,319,340	218.18	1,319,340	200.85
HDFC Charity Fund for Cancer Cure - Debt Plan - Direct Option - 100% Dividend Donation	100,000	10.03	-	-	-	-
ICICI Prudential Income Regular Plan - Growth	341,960	119.60	-	-	690,926	303.26
ICICI Prudential Dynamic Bond Fund - Regular Plan - Growth	-	-	-	-	668,518	104.59
ICICI Prudential Dynamic Bond Fund - Direct Plan - Growth	2,709,545	522.62	2,709,545	467.14	2,709,545	429.62
ICICI Prudential Regular Savings Fund - Growth	3,913,480	679.75	3,913,480	617.93	-	-
ICICI Prudential Regular Savings Fund - Direct Plan - Growth	1,331,957	240.38	1,331,957	216.57	-	-
ICICI Prudential Regular Income Fund - Growth		-	729,812	109.28	-	-
ICICI Prudential Corporate Bond Fund - Growth	6,893,545	1,748.78	4,413,118	1,018.45	-	-
IDFC Dynamic Bond Fund - Growth - Direct Plan	-	-	-	-	2,895,221	501.14
Kotak Bond Scheme Plan A - Growth	-	-	-	-	4,408,624	1,760.07
Kotak Medium Term Fund Direct Plan - Growth	3,501,711	488.25	3,501,711	438.19	-	-
L&T Triple Ace Bond Fund - Growth	-	-	-	-	1,403,734	512.89
L&T Income Opportunities Fund - Growth	10,477,105	1,955.71	3,439,740	582.53	-	-
L&T Income Opportunities Fund Direct Plan - Growth	599,086	113.81	599,086	102.65	-	-
L&T Resurgent India Corporate Bond Fund - Growth	15,616,070	1,912.92	11,747,442	1,302.49	-	-
Religare Invesco Active Income Fund - Growth	-	-	-	-	22,870	375.19
SBI Magnum Income Fund - Regular Plan - Growth	-	-	444,883	159.34	444,883	150.52
SBI Magnum Income Fund - Direct Plan - Growth	-	-	1,175,288	426.15	1,175,288	400.53
SBI Dynamic Bond Fund - Regular Plan - Growth	-	-	876,532	158.90	876,532	150.52
SBI Dynamic Bond Fund - Direct Plan - Growth	-	-	2,296,712	424.93	2,296,712	400.04
SBI Corporate Bond Fund - Regular Plan - Growth	4,856,287	1,272.76	4,293,052	1,023.18	-	-
Sundaram Bond Saver - Regular Growth	-	-	-	-	753,048	301.16
TATA Dynamic Bond Fund Plan A - Growth	-	-	-	-	3,563,000	772.37
UTI Bond Fund - Growth	-	-	-	-	480,094	201.23
UTI Income (Credit) Opportunities Fund - Growth	7,189,015	1,068.64	9,468,270	1,277.85	5,705,796	709.60
UTI Dynamic Bond Fund - Growth	7,859,298	1,508.08	7,859,298	1,317.23	7,859,298	1,240.46
UTI Medium Term Fund - Growth Plan	1,726,683	206.42	-	-	-	-
Total		20,998.21		15,928.34		12,536.47

Investment Particulars	As at 31 March 2017		As at 31 March 2016		As at 01 April 2015	
	No	Carrying Value	No	Carrying Value	No	Carrying Value
Debt funds - short term funds						
Axis Short Term Fund - Direct Plan - Growth	1,934,778	356.02	1,934,778	324.70	-	-
Axis Short Term Fund - Growth	655,252	116.51	655,252	106.99	-	-
Birla Sun Life Medium Term Plan - Growth - Direct Plan	2,223,390	465.48	1,442,993	273.91	-	-
Birla Sun Life Short Term Opportunities Fund - Growth - Regular Plan	2,567,588	696.68	2,567,588	636.64	-	-
Birla Sun Life Short Term Opportunities Fund - Growth-Direct Plan	738,476	205.09	-	-	2,467,089	570.64
BNP Paribas Short Term Income Fund - Growth	944,537	176.26	944,537	162.42	944,537	150.67
DSP BlackRock Short Term Fund - Direct Plan - Growth	824,967	236.23	824,967	216.48	-	-
DSP BlackRock Short Term Fund - Regular Plan - Growth	3,202,734	891.56	3,202,734	824.89	2,785,292	664.46
DSP BlackRock Banking & PSU Debt Fund - Direct - Growth	1,886,045	264.30	797,728	101.79	-	-
DSP BlackRock Banking & PSU Debt Fund - Regular - Growth	2,573,316	356.14	2,573,316	325.45	1,295,829	151.73
DHFL Pramerica (DWS) Short Maturity Fund - Direct Plan - Growth	4,497,007	1,388.78	4,497,007	1,254.64	1,810,861	462.30
Templeton(Franklin) India Short Term Income Retail Plan - Growth	-	-	-	-	24,580	706.40
HDFC Short Term Plan - Growth	742,366	240.60	742,365.70	219.67	742,366	200.83
HDFC Short Term Plan - Direct Plan - Growth	3,194,335	1,052.25	3,194,335	955.08	-	-
HDFC Short Term Opportunities Fund - Direct - Growth	8,612,979	1,558.99	8,612,979	1,429.61	8,612,979	1,316.15
HSBC Income Fund - Short Term Plan - Direct Plan - Growth	845,276	236.07	845,276	215.99	-	-
ICICI Prudential Short Term - Regular Plan - Growth	3,599,275	1,228.15	3,599,275	1,114.11	3,599,275	1,030.45
ICICI Prudential Short Term - Direct Plan - Growth	341,960	119.79	341,960	107.86	-	-
ICICI Prudential Banking & PSU Debt Fund - Regular Plan - Growth	-	-	-	-	2,695,935	418.98
IDFC SSIF- Medium Term Plan - Growth - Regular Plan	439,646	121.90	439,646	111.40	439,646	103.57
L&T Short Term Opportunities Fund - Growth	2,857,223	447.15	1,543,460	222.98	1,543,460	206.80
L&T Short Term Opportunities Fund - Direct Plan - Growth	11,457,408	1,825.92	11,457,408	1,677.17	9,982,798	1,348.54
Peerless Short Term Fund - Growth Plan	-	-	-	-	1,442,546	224.00
Religare Invesco Short Term Fund - Growth	-	-	-	-	33,936	632.83
SBI Short Term Debt Fund - Regular Plan - Growth	2,496,939	471.94	2,496,939	432.58	1,252,717	200.81
Sundaram Select Debt Short Term Asset Plan - Regular Growth	2,890,372	812.50	2,890,372	749.57	830,006	200.74
TATA Short Term Bond Fund Plan A - Growth	840,148	256.82	1,622,180	456.82	782,032	204.14
TATA Short Term Bond Fund Plan A - Direct Plan - Growth	1,331,859	419.33	329,607	102.70	-	-

Investment Particulars	As at 31 March 2017		As at 31 March 2016		As at 01 April 2015	
	No	Carrying Value	No	Carrying Value	No	Carrying Value
UTI Short Term Income Fund - Institutional - Growth	8,953,429	1,785.18	8,953,429	1,626.54	8,360,865	1,406.61
Total		15,729.64		13,650.01		10,200.66
Debt funds - floating rate funds						
L & T Floating Rate Fund Direct Plan - Growth	4,663,292	755.29	4,663,292	690.61	-	-
Canara Robeco Floating Rate (Saving Plus Fund) - Direct Growth	-	-	-	929.00	3,026,180	660.77
Total		755.29		1,619.61		660.77
Balance Funds						
HDFC Prudence Fund Div. - Folio-2147186/18	372,011	115.71	372,010	100.93	372,010.90	119.13
Total		115.71		100.93		119.13
Equity Funds						
BNP Paribas Dividend Yield Fund - Dividend	2,012,639	330.13	-	-	-	-
BNP Paribas Dividend Yield Fund - Growth	1,582,371	650.91	-	-	-	-
ICICI Prudential Balanced Advantage Fund - Monthly Dividend	-	-	1,471,690	193.38	-	-
ICICI Prudential Balanced Advantage Fund - Direct Plan - Growth	-	-	382,630	101.51	-	-
JM Balanced Fund - Direct - Quarterly Dividend	357,222	70.64	-	-	-	-
Kotak Equity Arbitrage Fund Direct Plan - Bimonthly Dividend	988,302	199.29	496,268	100.03	-	-
UTI - Wealth Builder Fund - Growth Plan	2,274,873	703.65	-	-	-	-
UTI - Long Term Advantage Fund - Series III - Regular Plan - Dividend Payout	4,500,000	561.71	4,500,000	450.93	-	-
UTI - Spread Fund - Dividend Payout	3,980,000	630.79	1,275,421	199.94	-	-
Total		3,147.12		1,045.79		-
Total Non Current Investments		41,011.56		32,383.09		28,148.95

Note 9

Current Investments

Investment Particulars	As at 31 March, 2017		As at 31 March, 2016		As at 01 April, 2015	
	No	Carrying Value	No	Carrying Value	No	Carrying Value
Debt funds - ultra short term bond funds						
Birla Sun Life Treasury Optimizer Plan - Growth - Direct Plan	345,324	726.36	-	-	-	-
DSP BlackRock Ultra Short Term Fund - Direct Plan - Growth	3,405,966	405.57	-	-	-	-
Invesco India Credit Opportunities Fund - Direct Plan - DDR	35,799	358.10	-	-	-	-
Sundaram Income Plus Regular Weekly Dividend - Reinvestment	3,605,735	397.16	-	-	-	-
UTI Floating Rate Fund - STP - Regular Plan - DDR	-	-	105,385	1,134.87	-	-
UTI Treasury Advantage Fund - Institutional Plan - DDR	-	-	16,128	161.65	-	-
UTI Treasury Advantage Fund - Institutional Plan - Direct Plan - Growth	5,755	129.81	10,369	215.04	-	-
Sundaram Ultra Short Term Fund - Regular DDR	-	-	29,983,609	3,009.45	22,557,181	2,264.06

Birla Sun Life Treasury Optimizer Plan - Growth - Direct Plan	-	-	-	-	1,777,001	3,100.16
Religare Invesco Ultra Short Term Fund - Direct Plan Bonus	-	-	-	-	20,137	217.19
Total		2,017.00		4,521.02		5,581.41
Fixed Maturity Plans						
Axis Fixed Term Plan - Series 47 (483 Days) Direct Growth	-	-	-	-	1,000,000	111.62
Axis Fixed Term Plan - Series 57 (397 Days) Direct Growth	-	-	-	-	4,103,584	450.39
Axis Fixed Term Plan - Series 62 (383 Days) Direct Growth	-	-	-	-	2,000,000	219.38
Birla Sun Life Fixed Term Plan - Series HM 1099 Days - Direct - Growth	-	-	800,000	102.06	800,000	93.99
Birla Sun Life Fixed Term Plan - Series JP 1175 Days - Direct - Growth	-	-	1,037,688	126.09	-	-
Birla Sun Life Fixed Term Plan - Series KW 1477 Days - Direct - Growth	-	-	-	-	2,500,000	273.37
Birla Sun Life Interval Income Fund Annual Plan - Series X - Direct - Growth	-	-	1,200,000	151.41	1,200,000	140.07
BOI AXA Fixed Maturity Plan - Series 13 (380 Days) - Direct Plan - Growth	-	-	-	-	1,500,000	164.65
DHFL Pramerica (DWS) Fixed Maturity Plan Series 49 - Direct Plan - Growth	1,500,000	195.15	1,500,000.00	180.11	-	-
DHFL Pramerica (DWS) Fixed Maturity Plan Series 49 - Regular Plan - Growth	1,500,000	194.33	1,500,000	179.48	-	-
DHFL Pramerica (DWS) Fixed Maturity Plan Series 54 - Direct Plan - Growth	-	-	-	-	1,500,000	164.96
DHFL Pramerica (DWS) Fixed Maturity Plan Series 57 - Direct Plan - Growth	1,500,000	193.20	1,500,000.00	178.52	-	-
DSP BlackRock FMP - Series 155 - 12 M - Direct - Growth	3,091,748	395.78	3,091,748	367.43	-	-
DSP BlackRock FTP - Series 36 - 15 M - Direct - Growth	1,500,000	194.87	1,500,000	180.73	-	-
HDFC FMP 370D August 2013 (3) Series 27 - Direct - Growth	-	-	2,000,000	254.86	2,000,000	234.81
HDFC FMP 371D June 2014 (2) Series 31 - Direct - Growth	-	-	-	-	1,070,000	114.64
HDFC FMP 447D February 2014 (1) Series 29 - Direct - Growth	-	-	-	-	1,700,000	188.79
HDFC FMP 478D January 2014 (1) Series 29 - Direct - Growth	1,000,000	130.68	1,000,000	120.97	-	-
ICICI Prudential FMP Series 69 - 366 Days Plan G - Direct Growth	-	-	2,000,000	254.73	2,000,000	235.17
ICICI Prudential FMP Series 74 - 369 Days Plan F - Direct Growth	2,000,000	255.50	2,000,000	236.53	-	-
IDFC Fixed Term Plan Series 88 Direct Plan - Growth (372 Days)	-	-	-	-	2,000,000	218.65
Kotak FMP Series 142 Direct - Growth	1,003,316	129.73	1,003,316	120.28	-	-
Kotak FMP Series 189 - Growth	-	-	2,000,000	203.12	-	-
L&T FMP Series 10 - Plan M - Direct Growth	-	-	-	-	2,000,000	220.98
L&T FMP Series 10 - Plan R - Direct Growth	-	-	-	-	2,000,000	219.37
L&T FMP Series 8 - Plan F - Direct Growth	-	-	2,000,000	254.29	2,000,000	234.28
Principal Pnb FMP - Series B15-377 Days - Direct Plan - Growth	-	-	-	-	1,000,000	109.60

Reliance Fixed Horizon Fund - XXV Series 22 - Direct Plan Growth	2,000,000	260.24	2,000,000	241.02	-	-
Reliance Fixed Horizon Fund - XXVI Series 13 - Direct Plan Growth	1,026,354	130.92	1,026,354	121.28	-	-
Religare Invesco FMP - Series 22 - Plan F (15 Months) - Direct Plan Growth	1,000,000	129.87	1,000,000.00	120.43	-	-
Religare Invesco FMP - Series 22 - Plan L (14 Months) - Direct Plan Growth	1,030,442	133.67	1,030,442.00	123.82	-	-
SBI Debt Fund Series - 16 Months - 1 - Direct Plan - Growth	-	-	500,000	60.70	-	-
SBI Debt Fund Series - 366 Days - 37 - Direct Plan - Growth	-	-	2,000,000	253.64	2,000,000	234.20
SBI Debt Fund Series - 366 Days - 39 - Direct Plan - Growth	-	-	1,000,000	126.93	1,000,000	116.62
SBI Debt Fund Series - A 32 - 367 Days - Direct Plan - Growth	-	-	-	-	2,000,000	213.90
SBI Debt Fund Series - A1 - 15 Months - Direct Plan - Growth	750,000	97.68	750,000	90.54	-	-
SBI Debt Fund Series - A11 - 385 Days - Direct Plan - Growth	771,954	99.35	771,954	91.88	-	-
SBI Debt Fund Series - A14 - 380 Days - Direct Plan - Growth	2,500,000	320.36	2,500,000	296.18	-	-
SBI Debt Fund Series - A18 - 366 Days - Direct Plan - Growth	1,335,551	169.74	1,335,551	157.18	-	-
SBI Debt Fund Series - A2 - 15 Months - Direct Plan - Growth	1,400,000	182.40	1,400,000	168.88	-	-
SBI Debt Fund Series - A5 - 411 Days - Direct Plan - Growth	5,000,000	648.51	5,000,000	600.09	-	-
Sundaram Fixed Term Plan - DS - 367 Days - Direct Growth	-	-	2,000,000	252.90	2,000,000	233.04
Sundaram Fixed Term Plan - EU - 446 Days - Direct Growth	-	-	-	-	750,000	83.48
Sundaram Fixed Term Plan - FA - 406 Days - Regular Growth	-	-	-	-	5,000,000	549.56
Sundaram Fixed Term Plan - FD - 397 Days - Direct Growth	-	-	-	-	2,267,582	250.12
Sundaram Fixed Term Plan - FI - 383 Days - Regular Growth	-	-	-	-	2,000,000	219.16
TATA FMP Series 43 Scheme - C - Direct Plan - Growth	-	-	2,000,000	255.76	2,000,000	235.98
TATA FMP Series 47 Scheme - C - Direct Plan - Growth	-	-	-	-	2,000,000	218.60
TATA FMP Series 47 Scheme - F - Direct Plan - Growth	-	-	-	-	2,126,842	231.59
TATA FMP Series 47 Scheme - H - Direct Plan - Growth	-	-	-	-	2,300,000	249.81
UTI Fixed Maturity Plan - Yearly FMP Series - MAR 2014:YFMP(03/14) - Growth Plan	6,245,245	795.31	6,245,245	734.60	-	-
UTI Fixed Term Income Fund Series XVI - I (366 Days) Growth Plan	-	-	2,000,000	254.57	2,000,000	235.04
UTI Fixed Term Income Fund Series XVII - VII (465 Days) Growth Plan	1,000,000	129.76	1,000,000	120.05	-	-
UTI Fixed Term Income Fund Series XVII - XIV (423 Days) - Direct Growth Plan	3,000,000	388.93	3,000,000	359.53	-	-
Total		5,176.00		7,340.57		6,465.82
Total Current Investments		7,193.00		11,861.59		12,047.24

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in lakhs)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Note 4a Capital work-in-progress			
IT Park Building	25,665.17	14,255.14	9,978.49
Plant & Machinery	-	84.00	-
Central Kitchen	224.15	3.69	-
Exhibition Centre Facility	345.51	-	-
	26,234.83	14,342.83	9,978.49
Note 6 Loans			
Advances and deposit with public bodies	275.02	223.46	96.07
	275.02	223.46	96.07
Note 7 Other non current assets			
Capital Advances	4,987.52	4,472.00	77.03
	4,987.52	4,472.00	77.03
Note 8 Inventories			
Raw Materials	649.17	418.84	284.84
Work in progress	624.48	641.22	472.56
Stores and spares	57.59	38.36	13.00
	1,331.24	1,098.42	770.40
Note 10 Trade Receivables (unsecured, considered good)			
Unsecured, considered good	1,111.76	1,438.11	1,080.28
Considered good	-	-	-
Considered doubtful	1,111.76	1,438.11	1,080.28
Note 11 Cash and Bank Balances			
a) Cash and cash equivalents			
Balances with banks in Current Accounts	363.58	471.66	358.08
Cash on hand	-	0.01	0.02
	363.58	471.67	358.10
b) Other balances with banks			
Unclaimed dividend	112.74	149.38	83.14
	476.32	621.05	441.24
Note 12 Other financial assets			
Deposits with more than 12 months maturity	42.88	43.31	34.78
Other Deposits	48.35	26.51	13.97
	91.23	69.82	48.75
Note 13 Assets for Current Tax (Net)			
Advance Tax, net of provisions	933.65	432.22	184.17
	933.65	432.22	184.17
Note 14 Other current assets			
Balance with Central Excise	37.01	11.24	14.98
Sales tax and Service tax receivable	429.40	360.35	282.21
<u>Other Loans and Advances</u>			
Advances to Suppliers	202.07	190.23	283.10
Advance to staff	12.95	11.71	12.17
Other receivables	49.07	26.55	30.82
	730.50	600.07	623.28

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
Note 15

(₹ in lakhs)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Share Capital			
Authorise			
14,750,000 (Previous year 14,750,000)	1,475.00	1,475.00	1,475.00
Equity Shares of Rs. 10 each			
Total	1,475.00	1,475.00	1,475.00
Issued, Subscribed and Paid up			
14,091,992 (Previous year 14,091,992)	1,409.20	1,409.20	1,409.20
Equity Shares of Rs. 10 each, fully paid up			
Total	1,409.20	1,409.20	1,409.20

Of the above :

7,045,996 equity shares were issued as bonus shares,
by capitalisation of reserves of Rs. 70,459,960/- .

Reconciliation of shares outstanding at the
beginning and at the end of the year

Particulars	As at 31 March 2017		As at 31 March 2016		As at 1 April 2015	
	Equity Shares Number	Rs.	Equity Shares Number	Rs.	Equity Shares Number	Rs.
At the beginning of the year	14,091,992	140,919,920	14,091,992	140,919,920	14,091,992	140,919,920
Add: Issued during the year	-	-	-	-	-	-
At the end of the year	14,091,992	140,919,920	14,091,992	140,919,920	14,091,992	140,919,920

Terms / Rights Attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees.

The Board of Directors at its meeting held on 29 May 2017 have recommended a payment of final dividend of ₹ 11 (Rupees Eleven) per equity share of the face value of ₹ 10/- each for the financial year ended 31 March 2017 subject to the approval of shareholders at the Annual General Meeting. If approved, the dividend would result in cash outflow of ₹ 1,865.69 Lakhs inclusive of dividend tax of ₹ 315.57 Lakhs

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of Shareholders holding more than 5% Equity Shares	As at 31 March 2017		As at 31 March 2016		As at 01 April 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Chandler & Price India Pvt.Ltd.	3,886,112	27.58	3,886,112	27.58	3,886,112	27.58
Mr. Suman J. Patel	1,801,467	12.78	1,801,467	12.78	1,801,467	12.78
Patel Consultancy Services Pvt. Ltd.	1,051,600	7.46	1,051,600	7.46	1,051,600	7.46
Mr. Sudha S. Patel	914,944	6.49	914,944	6.49	914,944	6.49
Engineering Global Pte Limited	894,400	6.35	894,400	6.35	750,000	5.32

STATEMENT OF OTHER EQUITY

Note 16

Other Equity

(₹ in lakhs)

Particulars	Reserves and Surplus				Equity Instruments through OCI	Other items of Other Comprehensive Income	Total Other Equity
	Retained Earnings *	Preference Shares Redemp-tion Reserve	General Reserve	Revaluation Reserve			
Balance as at 01 April 2015	2,336.98	9.56	51,835.60	640.11	12.32	-	54,834.57
Changes in Equity for the year ended 31 March 2016							
Final Dividend for year 2014-15							
Final Dividend	(915.98)						(915.98)
Dividend Distribution Tax on Interim dividend	(155.67)						(155.67)
Interim Dividend for year 2015-16:							
Interim Dividend	(1,197.83)	-		-	-	-	(1,197.83)
Dividend Distribution Tax on Interim dividend	(243.85)	-		-	-	-	(243.85)
Profit for the year	14,413.64						14,413.64
Transfer to General Reserves	(11,849.14)	-	11,849.14		-	-	-
Other Comprehensive Income							
-Gain on remeasurement of employee benefits(net of tax)						(8.90)	(8.90)
-Fair value gain on Equity instruments					(2.22)		(2.22)
Balance as at 31 March 2016	2,388.15	9.56	63,684.74	640.11	10.10	(8.90)	66,723.76

Particulars	Reserves and Surplus				Equity Instruments through OCI	Other items of Other Comprehensive Income	Total Other Equity
	Retained Earnings *	Preference Shares Redemp-tion Reserve	General Reserve	Revaluation Reserve			
Balance as at 01 April 2016	2,388.15	9.56	63,684.74	640.11	10.10	(8.90)	66,723.76
Changes in Equity for the year ended 31 March 2017:							
Profit for the year	16,942.18						16,942.19
Transfer to General Reserves	(19,280.33)		19,280.33				-
Other Comprehensive Income							
-Gain on remeasurement of employee benefits						(17.37)	(17.37)
-Fair value gain on Equity instruments					3.18		3.18
Balance as at 31 March 2017	50.00	9.56	82,965.07	640.11	13.28	(26.27)	83,651.75

* Retained earnings include cash subsidy received from Government of Gujarat amounting to ₹ 25 Lakhs

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in lakhs)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Note 17 Other financial liabilities			
Security deposit from IT Park licencees and others	7,213.41	6,868.65	5,625.77
	<u>7,213.41</u>	<u>6,868.65</u>	<u>5,625.77</u>
Note 18 Provisions (Non current)			
Compensation payable	1,081.36	1,245.03	1,245.03
Provision for gratuity	155.78	130.16	112.81
Provision for leave encashment	38.10	24.84	18.17
	<u>1,275.26</u>	<u>1,400.03</u>	<u>1,376.01</u>
Note 19 Deferred tax liabilities (Net)			
A. Deferred tax liabilities			
Opening Balance	1,629.53	854.18	210.79
Add: Fair valuation of non current mutual fund	(38.36)	392.39	464.94
Add: Fair valuation of current mutual fund	1,091.35	190.70	139.04
Add: Security deposits carried at amortised cost	1.01	4.00	16.24
Add: Revaluation of Building and Plant and Machinery	-	0.00	14.15
Add: Difference between written down value of fixed assets as per the Companies Act, 2013 and Income tax Act,1961	69.24	252.34	11.25
Expenses claimed for tax purpose on payment basis	-	-	1.02
	<u>2,752.77</u>	<u>1,693.61</u>	<u>857.43</u>
B. Deferred tax Asset			
Expenses allowable for tax purpose on payment basis and others	18.12	59.37	3.25
Employee benefits remeasurements	9.20	4.71	
A - B	<u>2,725.45</u>	<u>1,629.53</u>	<u>854.18</u>
Refer note no 45 "Income Taxes" for further details			
Note 20 Other non-current liabilities			
Advance Lease Rentals	767.78	1,081.67	996.66
	<u>767.78</u>	<u>1,081.67</u>	<u>996.66</u>
Note 21 Other financial liabilities			
Unclaimed dividend	112.74	149.38	83.79
Salary/wages payable	28.43	65.08	24.27
Other Payables	307.07	218.22	601.67
Security deposit from exhibition organizers	346.91	265.07	109.88
Security deposit from others	18.01	18.22	18.68
	<u>813.16</u>	<u>715.97</u>	<u>838.29</u>
Note 22 Other current liabilities			
Statutory dues	275.93	276.79	286.24
Advance from customers	2,788.81	2,995.44	2,652.81
Other payables	-	-	3.51
	<u>3,064.74</u>	<u>3,272.23</u>	<u>2,942.56</u>
Note 23 Provisions (current)			
Provision for gratuity	25.58	15.42	24.89
Provision for leave encashment	4.43	1.14	1.85
	<u>30.01</u>	<u>16.56</u>	<u>26.74</u>

(₹ in lakhs)

Particulars	Year Ended 31 March 2017	Year Ended 31 March 2016
Note 24 Revenue from Operations		
Industrial Capital Goods:-		
Sales of Machines and Spares (Including Excise)	2,725.44	2,661.57
Engineering fees, services and other charges	663.08	131.87
Bombay Exhibition Centre (Rental and Services)	13,276.56	11,183.36
Nesco IT Park (Rental and Services)	14,191.14	12,440.73
	<u>30,856.24</u>	<u>26,417.53</u>

Note 25 Other income

Interest	0.61	9.98
Dividend from mutual fund investments	296.35	298.88
Sundry Creditors/liabilities written back (net)	5.98	170.75
Other non operating income	109.77	58.96
Fair value gain on financial instrument through profit and loss account	3,885.50	2,751.01
Profit on sale of assets	-	0.44
	<u>4,298.21</u>	<u>3,290.02</u>

Note 26 Cost of Materials Consumed

Opening Stock	418.84	284.84
Add : Purchases and Expenses	1,765.44	1,500.53
Less: Closing Stock	2,184.28	1,785.36
	649.17	418.84
	<u>1,535.11</u>	<u>1,366.53</u>

Note 27 Changes in Inventories of finished goods and work in progress

Opening Stock of work-in-progress	641.22	472.56
Less: Closing Stock of work in progress	(624.48)	(641.22)
	<u>16.74</u>	<u>(168.66)</u>

Note 28 Employee Benefits expenses

Salary, Wages and Allowances	1,074.63	719.75
Contribution to Provident and other funds	54.32	42.53
Gratuity	26.06	31.48
Staff welfare expenses	54.23	48.17
	<u>1,209.24</u>	<u>841.93</u>

Note 29 Finance Cost

Interest on financial liabilities at amortised cost	494.91	382.87
Interest on borrowings	-	0.16
Bank charges & guarantee commission	8.04	7.75
Interest to others	0.44	5.04
	<u>503.39</u>	<u>395.82</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in lakhs)

Particulars	Year Ended 31 March 2017	Year Ended 31 March 2016
Note 30		
Manufacturing , administrative, selling and general expenses		
Consumption of stores and spares	137.35	94.68
Power, Fuel & Electricity	1,198.94	1,011.42
Erection & fabrication charges	392.98	306.10
Printing, Stationery, Postage, Telephones	88.85	81.42
Rent	59.96	32.36
Hire Charges	250.73	-
Rates and Taxes	707.72	554.78
Advertisement and Sales Promotion	24.65	53.67
Membership and Subscription	8.96	10.20
Insurance	15.83	27.48
Repairs and maintenance of :		
- Buildings & Property	1,066.24	687.26
- Plant & Machinery	144.93	97.99
- Other Assets	67.86	1,279.03
		101.94
		887.19
Loss on Redemption of Mutual Fund	-	15.31
Loss on Sale/Disposal of Assets	-	10.28
Exchange loss on foreign exchange transactions	3.85	0.48
Travelling, conveyance and vehicle expenses	184.57	175.47
Auditor's Remuneration:		0.00
- Audit Fees	12.00	10.00
- Certification work	2.50	1.50
		11.50
Legal & professional fees	968.08	826.53
CSR Expenses	320.42	260.34
Managerial remuneration	620.85	550.71
Security charges	58.49	64.59
Bad debts/sundry balance written off	54.73	227.25
Miscellaneous expenses	32.76	35.32
	6,423.25	5,237.07

NOTES TO STANDALONE FINANCIAL STATEMENTS

Note no 31

31.1:-First-time adoption of Ind AS:

The Company had prepared its financial statements up to the year ended 31 March 2016, in accordance with the Accounting Standards notified under Section 133 of Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP').

The Standalone financial statements of the Company for the year ended 31 March 2017 have been prepared in accordance with Ind AS. For the purpose of transition to Ind AS, the Company has followed the guidance prescribed in Ind AS 101 – 'First time adoption of Indian Accounting Standard', with 01 April 2015 as transition date and IGAAP as previous GAAP.

The transition to Ind AS has resulted in changes in the presentation of the Financial Statements, disclosures in notes thereto, accounting policies and principles. The accounting policies set out in Note 2 have been applied in preparing the standalone financial statements for the year 31 March 2017 and the comparative information. Exemptions on first time adoption of Ind AS availed in accordance with Ind AS 101 and an explanation of how the transition from previous GAAP to Ind AS has affected the Company's Balance Sheet, Statement of Profit and Loss are given below.

31.2:- Exemptions availed on first time adoption of Ind AS 101:

Ind AS 101 allows first time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has accordingly applied following exemptions:

- The Company has elected to continue with the previous GAAP carrying value of its property, plant and equipment recognised as of 01 April 2015 measured as per previous GAAP and use that carrying value as its deemed cost as at the date of transition.
- The Company has elected to continue with the previous GAAP carrying value of its investment in Subsidiary as its deemed cost as at the date of transition.
- Designation of previously recognised financial instruments:

Under Ind AS 109 Financial Instruments, at initial recognition of financial asset, an entity may make an irrevocable election to present subsequent changes in fair value of investment in an equity instrument in other comprehensive income. Ind AS 101 allows such designation of previously recognised financial asset, as 'fair value through other comprehensive income' on the basis of facts and circumstances that existed at the date of transition to Ind AS.

Accordingly, the Company has designated its investments in equity instruments at fair value through other comprehensive income on the basis of the facts and circumstances that existed at the date of transition to Ind AS.

31.3:- Reconciliations:

The following reconciliation provides the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101 on First time Adoption of Indian Accounting Standards:

1. Balance sheet as at 01 April 2015 and 31 March 2016
2. Profit and Loss account for the year ended 31 March 2016

Reconciliation of Balance sheet as previously reported under IGAAP to Ind AS:

(₹ in Lakhs)

Particulars	Note	Opening Balance Sheet as at 01 April 2015			Note	Balance Sheet as at 31 March 2016		
		IGAAP	Effects of transition to Ind AS	Ind AS		IGAAP	Effects of transition to Ind AS	Ind AS
ASSETS								
Non-current assets								
Property, Plant and Equipment		15,917.52	-	15,917.52		16,481.47	-	16,481.47
Capital work-in-progress		9,978.49	-	9,978.49		14,342.83	-	14,342.83
Financial Assets								
Investments	A	27,091.16	1,057.79	28,148.95	A	30,193.77	2,189.32	32,383.09
loans and advances		96.07	-	96.07		223.46	-	223.46
Other loans and advances		77.03	-	77.03		4,472.00	-	4,472.00
Total Non Current assets		53,161.24	1,057.79	54,219.03		65,713.53	2,189.32	67,902.85
Current assets								
Inventories		770.40	-	770.40		1,098.42	-	1,098.42
Financial Assets								
Investments	A	11,315.77	731.47	12,047.24	A	10,579.13	1,282.46	11,861.59
Trade receivables		1,080.28	-	1,080.28		1,438.11	-	1,438.11
Cash and cash equivalents		358.10	-	358.10		471.67	-	471.67
Other Balances with Banks		83.14		83.14		149.38	-	149.38
Other financial assets		48.75	-	48.75		69.82	-	69.82
Assets for Current Tax (Net)		184.17	-	184.17		432.22	-	432.22
Other current assets		623.28	-	623.28		600.07	-	600.07
Total Current assets		14,463.89	731.47	15,195.36		14,838.82	1,282.46	16,121.28
TOTAL ASSETS		67,624.16	1,789.26	69,413.42		80,552.35	3,471.78	84,024.13
EQUITY AND LIABILITIES								
EQUITY								
Equity Share capital		1,409.20		1,409.20		1,409.20	-	1,409.20
Other Equity	E	52,560.27	2,274.30	54,834.57	E	64,408.40	2,314.36	66,722.76
		53,969.47	2,274.30	56,243.77		65,817.60	2,314.36	68,131.96
LIABILITIES								
Non-current liabilities								
Financial Liabilities								
Other financial liabilities	B	6,670.20	-1,044.43	5,625.77	B	8,009.65	-1,141.00	6,868.65
Provision		1,376.01	-	1,376.01		1,400.03	-	1,400.03
Deferred tax liabilities (Net)	C	219.81	634.37	854.18	C	412.78	1,216.75	1,629.53
Other non-current liabilities	B	-	996.66	996.66	B	-	1,081.67	1,081.67
		8,266.02	586.60	8,852.62		9,822.46	1,157.42	10,979.88
Current liabilities								
Financial Liabilities								
Trade payables		509.44		509.44		907.52	-	907.52
Other financial liabilities		838.29		838.29		715.97	-	715.97
Other current liabilities		2,942.56		2,942.56		3,272.23	-	3,272.23
Provisions	D	1,098.38	-1,071.64	26.74		16.56	-	16.56
		5,388.67	(1,071.64)	4,317.03		4,912.28	-	4,912.28
TOTAL EQUITY AND LIABILITIES		67,624.16	1,789.26	69,413.42		80,552.34	3,471.78	84,024.13

Reconciliation of Statement of Profit and loss as previously reported under IGAAP to Ind AS:

(₹ in Lakhs)

Particulars	Note	Year ended 31 March 2016		
		IGAAP	Effects of Transition to Ind AS	Ind AS
Revenue from operations	B.4, G	25,731.12	686.41	26,417.53
Other income	A	1,605.27	1,684.75	3,290.02
Total Revenue		27,336.39	2,371.16	29,707.55
Expenses				
Cost of Materials consumed		1,366.53		1,366.53
Changes in inventories of finished goods, work-in-progress and stock-in-trade		(168.66)		(168.66)
Excise duty	G	-	291.97	291.97
Employee benefits expense	F	855.54	(13.61)	842.93
Finance costs	B.2	12.95	382.87	395.82
Depreciation and amortization expense		670.13	-	670.13
Manufacturing, Administrative, Selling and General Expenses		5,237.07	-	5,237.07
Total expenses		7,973.56	661.23	8,634.79
Profit before tax		19,362.83	1,709.93	21,072.76
Income Tax expense				
Current tax		5,879.06	-0.00	5,879.06
Deferred tax	C	192.97	587.09	780.06
Total tax expense		6,072.03	587.09	6,659.12
Profit for the year		13,290.80	1,122.84	14,413.64
Other Comprehensive Income				
Items that will not be reclassified to profit or loss				
i) Net fair value gain /(Loss) on investments in equity instruments through OCI.	A	-	(2.22)	(2.22)
ii) Remeasurement of defined employee benefit plans Income Tax relating these OCI items	C,F	-	(13.61)	(13.61)
- Income tax expense on remeasurement of defined employee benefit plans		-	4.71	4.71
Total Other Comprehensive Income		-	(11.12)	(11.12)
Total Comprehensive Income for the year		13,290.80	1,111.72	14,402.52

Explanation for the above reconciliation as previously reported under IGAAP to Ind AS:

A. Non-current and Current Investments:

Non-current Investments:

In the financial statements prepared under Previous GAAP, Non-current investments were measured at cost less provision for diminution (other than temporary). Under Ind AS, investments are recognised as follows:

Particulars of Investments	Recognition as per Ind AS
Equity instruments of Subsidiaries and associate companies	At cost
Quoted / unquoted Equity instruments	At Fair Value through Other Comprehensive Income through an irrevocable option.
Govt. securities	At amortised cost
Mutual funds	At Fair Value through Profit and Loss.

Current Investments:

In the financial statements prepared under Previous GAAP, Current investments were measured at cost or fair value, whichever is lower. Under Ind AS, such investments are recognised as follows:

Particulars of Investments	Valuation as per Ind AS
Mutual funds	At Fair Value through Profit and Loss.

On the date of transition to Ind AS, the difference between the fair value of Non-current and Current investments as per Ind AS and their corresponding carrying as per financial statements prepared under previous GAAP, has resulted in net increase in carrying amount of Investments, which has been recognised in retained earnings (Equity). Deferred Tax liability has been recognised on fair value gain (net) on mutual funds valued through profit and loss (Refer note C.1 and E.1). Fair value gain on quoted equity instruments valued through OCI, classified under Non-current investments has been recognised in OCI, which has been recognised in retained earnings (Equity) (Refer note E.2).

As at 31 March 2016, the difference between the fair value of Non-current and Current investments as per Ind AS and their corresponding carrying as per financial statements prepared under previous GAAP, has resulted in increase in carrying amount of Investments. Fair value gain (net) on mutual funds valued through profit and loss has been recognised in the Statement of profit and loss under the head Other income. Deferred tax expense on such gain has been recognised in Statement of Profit and Loss (Refer note C.1 and E.1). Fair value loss on quoted equity instruments valued through OCI, classified under Non-current Investments has been recognised in OCI (Refer note E.2).

B. Interest Free Security deposits classified under Other Financial Liabilities (Non - Current) and Rentals received in advance classified under Other non-current liabilities:

The Company obtains interest free security deposits from its IT Park clients, which are repayable at the end of lease period. These leases are non-cancellable in nature. These security deposits were recognised at their contracted amount under previous GAAP. Ind AS requires such security deposits, being financial instruments, to be valued at an amortised cost. In view of this, following Ind AS adjustments have been carried out.

Sr. No.	Particulars
B.1	Interest free security deposits classified under non-current financial liabilities are valued at amortised cost.
B.2	On transition date, the difference between amortised cost as on inception date and amortised cost on transition date, which is finance cost, is recognised in retained earnings (Equity). Deferred tax benefit is recognised on such expense. After transition date, such expense is recognised in Statement of Profit and Loss and Deferred tax benefit thereon is recognised in Statement of Profit and Loss (Refer note E.4 and C.2).
B.3	On inception date of these deposits, the difference between contracted value and amortised cost of these security deposits is recognised as Advance Lease rentals.

B.4	Advance Lease rentals are recognised as Additional lease rental income on straight line basis over lease term. The additional lease rental income till the date of transition is recognised in retained earnings (Equity). Deferred tax liability is recognised on the same. After transition date, such income is recognised in Statement of Profit and Loss under Revenue from operations and Deferred tax expense thereon is recognised in Statement of Profit and Loss (Refer note E.3 and C.2).
-----	--

C. Deferred Tax Liabilities classified under Non-current Liabilities:

In the Financial statements prepared under previous GAAP, deferred tax was accounted as per the income statement approach which required creation of deferred tax asset / liability on timing differences between taxable profit and accounting profit. Under Ind AS, deferred tax is accounted as per Balance Sheet approach, which requires creation of deferred tax asset / liability on temporary differences between the carrying amount of Assets in Balance sheet and its corresponding tax base.

The application of Ind AS has resulted in recognition of deferred tax on new temporary difference, which was not required to be recognised under previous GAAP. In addition, transitional Ind AS adjustments have also led to temporary differences and creation of deferred tax thereon (Refer C.1, C.2, C.3 and C.4).

The details are as follows:

Deferred Tax adjustments are as follows:

(₹ in lakhs)

Sr. No.	Particulars	As on transition date 31 March 2015	For year 2015-16	As on 31 March 2016
C.1	Deferred Tax expenses recognised on gain on fair valuation of mutual fund investments through Profit and Loss.	603.98	583.09	1187.07
C.2	Net Deferred Tax expenses recognised on - i) Additional lease rentals and ii) finance cost, arising out of accounting Security deposits at amortised cost as on Ind AS transition date/ previous year Balance-Sheet date.	16.24	4.00	20.24
C.3	Deferred tax liability recognised on revaluation amount of Building and Plant & Machinery, as such revaluation amount is part of Ind AS PPE deemed cost as on date of transition.	14.15	-	14.15
C.4	Deferred tax expense recognised on actuarial gains / losses relating to defined benefit plans is recognised in OCI.	-	(4.71)	(4.71)
	Total	634.37	582.38	1216.75

D. Accounting of Dividend:

Under Indian GAAP, proposed dividend including dividend distribution tax (DDT), are recognised as liability in the period to which they relate, irrespective of when they are declared. Under Ind AS, proposed dividend is recognised as liability in the period in which it is declared and approved. Accordingly, under Ind AS, final dividend of year 2014-15, amounting to ₹ 915.98 lakhs and Tax on dividend amounting to ₹ 155.67 lakhs, totalling to ₹ 1071.65 lakhs is accounted in year 2015-16, in which it is declared.

E. Equity :

Changes in Equity are on account of following Ind AS adjustments:

Equity Reconciliation :

(₹ in lakhs)

Sr. no	Particulars	As on transition date -31 March2015	For year 2015-16	As on 31 March 2016
E.1	Fair value gain on Non-current and Current investments in mutual funds classified as fair value through Profit and Loss till transition date/ for year (net of Tax)	1,172.96	1,101.66	2,274.62
E.2	Fair value gain / (loss) on investments in equity instruments classified as fair value through OCI till transition date/ for year.	12.31	(2.22)	10.09
E.3	Additional lease rentals due to accounting Security lease deposits at amortised cost, till transition date/ and accounting Additional Lease rental income for year (net of Tax)	493.23	(55.59)	437.64
E.4	Finance cost on amortised cost of Security deposits, till transition date/ for year (net of Tax)	(461.70)	63.15	(398.55)
E.5	Dividend (including corporate dividend tax), which is accounted in period / year, in which, it is declared and approved.	1,071.65	(1,071.65)	-
E.6	Deferred tax liability recognised on revaluation amount of Building and Plant & Machinery, as such revaluation amount is part of Ind AS PPE deemed cost as on date of transition.	(14.15)	-	(14.15)
E.7	Deferred Tax expenses recognised on actuarial gains relating to defined benefit plans is recognised in OCI.	-	4.71	4.71
	Total	2,274.30	40.06	2,314.36

F. Re-measurement benefit of Defined Benefit Plans:

In financial statements prepared under previous GAAP, re-measurement benefit of defined Plans (Gratuity), arising primarily due to change in actuarial assumption was recognised as employee benefit expense in the Statement of Profit and Loss. Under Ind AS, such re-measurement benefits relating to defined benefit plans is recognised in OCI as per the requirements of Ind AS 19 – Employee Benefits. Consequently, the related tax effect of the same has also been recognised in OCI (Refer note C.4 and E.7).

G. Excise Duty:

Excise duty on account of sale of goods has been included in Revenue, being liability of manufacturer which forms part of cost of production, irrespective of whether goods are sold or not.

31.4: There are no major Ind AS adjustments in Cash flow statement

Note 32

Financial instruments by category

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy

The carrying value of financial instruments by categories as of 31 March 2017 is as follows

₹ in Lakhs

Financial Assets/ Liabilities	Amortised cost	Fair Value through profit or loss	Fair Value through other comprehensive income	Total carrying value
Financial Assets				
Investments in Equity Instruments	-	-	13.36	13.36
Investments in Mutual Funds	-	48,165.22	-	48,165.22
Investments in Government Securities	1.00	-	-	1.00
Trade Receivables	1,111.76	-	-	1,111.76
Cash and cash equivalents	363.58	-	-	363.58
Other balances with Banks	112.74	-	-	112.74
Loans	275.02	-	-	275.02
Other financial assets	91.23	-	-	91.23
Total Financial Assets	1,955.33	48,165.22	13.36	50,133.91
Financial Liabilities				
Trade Payables	2,205.71	-	-	2,205.71
Other financial liabilities	8,026.57	-	-	8,026.57
Total Financial Liabilities	10,232.28		-	10,232.28

The carrying value of financial instruments by categories as of 31 March 2016 is as follows

₹ in Lakhs

Financial Assets/ Liabilities	Amortised cost	Fair Value through profit or loss	Fair Value through other comprehensive income	Total carrying value
Financial Assets				
Investments in Equity Instruments	-	-	10.17	10.17
Investments in Mutual Funds	-	44,206.27	-	44,206.27
Investments in Government Securities	1.00	-	-	1.00
Trade Receivables	1,438.11	-	-	1,438.11
Cash and cash equivalents	471.67	-	-	471.67
Other balances with Banks	149.38	-	-	149.38
Loans	223.46	-	-	223.46
Other financial assets	69.82	-	-	69.82
Total Financial Assets	2,353.44	44,206.27	10.17	46,569.88
Financial Liabilities				
Trade Payables	906.53	-	-	906.53
Other financial liabilities	7,584.62	-	-	7,584.62
Total Financial Liabilities	8,491.15		-	8,491.15

The carrying value of financial instruments by categories as of 01 April 2015 is as follows

₹ in Lakhs

Financial Assets/ Liabilities	Amortised cost	Fair Value through profit or loss	Fair Value through other comprehensive income	Total carrying value
Financial Assets				
Investments in Equity Instruments	-	-	12.39	12.39
Investments in Mutual Funds	-	40,155.56	-	40,157.81
Investments in Government Securities	1.00	-	-	1.00
Trade Receivables	1,080.28	-	-	1,080.28
Cash and cash equivalents	358.10	-	-	358.10
Other balances with Banks	83.14	-	-	83.14
Loans	96.07	-	-	96.07
Other financial assets	48.75	-	-	48.75
Total Financial Assets	1,667.34	40,155.56	12.39	41,835.29
Financial Liabilities				
Trade Payables	509.44	-	-	509.44
Other financial liabilities	6,464.06	-	-	6,464.06
Total Financial Liabilities	6,973.50	-	-	6,973.50

Fair value hierarchy

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
- Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).
If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 31 March 2017, 31 March 2016 and 31 March 2015

Particulars	As of 31 March 2017	Fair value measurement at the end of the reporting period/year using		
		Level 1	Level 2	Level 3
Investments in Equity Instruments	13.36	13.33	-	0.03
Investments in Mutual Funds	48,165.22	48,165.22	-	-
Particulars	As of 31 March 2016	Fair value measurement at the end of the reporting period/year using		
		Level 1	Level 2	Level 3
Investments in Equity Instruments	10.17	10.14	-	0.03
Investments in Mutual Funds	44,208.52	44,208.52	-	-
Particulars	As of 1 April 2015	Fair value measurement at the end of the reporting period/year using		
		Level 1	Level 2	Level 3
Investments in Equity Instruments	12.39	12.36	-	0.03
Investments in Mutual Funds	40,157.81	40,157.81	-	-

33) Financial Risk Management:

Financial Risk Factors:

The Company's activities are exposed to Market risk, credit risk and liquidity risk. The Company has set up Risk Management Committee in order to minimise any adverse effects of the risk exposure on the financial performance of the Company.

Market Risk:

Market risk comprises of three types of risk: Currency Risk, Interest rate Risk and Other Price Risk. Other Price risk is the risk that fair value or future cash flows of financial instrument will fluctuate because of change in market prices.

The Company invests in units of mutual funds including Fixed Maturity Plans, various debt Funds and Equity funds, and hence exposed to Other Price risk. Company's Treasury dept. manages investments portfolio diversification in order to minimise risk and ongoing monitoring of market prices of investments.

Credit Risk:

Credit risk refers to the risk of default on its obligation by the counterparty resulting in financial loss. Trade receivables are typically unsecured and are derived from customers from three operations NEsco IT Park lease, Bombay Exhibition Centre (BEC) revenue and sale of Industrial Capital Goods.

The maximum exposure to credit risk on account of trade receivables, at the reporting date is ₹1,111.76 Lakhs and ₹1,438.11 Lakhs as on 31 March 2017 and 31 March 2016 respectively.

The Company minimises credit risk relating to IT Park lease and BEC business as follows:

- The Company obtains security deposits from IT Park lessees and entitled to terminate lease agreement in case lessee makes defaults in payment of lease for a period of two consecutive months.
- BEC customers are required to pay advance and place refundable security deposit with the Company.

Whereas, in case of trade receivables from Industrial Capital Goods division for sale of machineries, credit risk is managed through credit approvals, establishing credit limits and continuously monitored by creditworthiness of customers to whom, credit terms are granted in normal course of business.

The Company takes into account available credit risk factors as Company's historical experience for customers, customers' standing for credit defaults in market.

The allowance for lifetime expected credit loss on customer balances as on 31 March 2017 was Nil and reversal of lifetime expected credit loss on customer balances for the year ended 31 March 2016 was Nil.

(₹ in Lakhs)

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Balance at the beginning	--	--
Impairment loss recognised / reversed	--	--
Amount written off	54.73	227.25
Balance at the end	--	--

Credit risk of financial assets other than Trade receivables:

- Investments in mutual fund schemes are marked to market on ongoing basis, which is major part of total Non-current and current investments.
- Long term loans and advances include deposits with local authorities, electricity Board, electricity companies etc.
- Cash and Cash equivalents are balances with Public and Private Banks.
- Other current assets include deposits with more than 12 months maturities with Public and Private Banks and Earnest Money deposits with Govt. customer.

Liquidity Risk:

The Company's principal sources of liquidity are cash and cash equivalents, Balances and cash flows that are generated from business. The Company does not have any borrowings.

The Company had working capital of ₹5,754.08 Lakhs and ₹11,209.99 Lakhs, as on 31 March 2017 and 31 March 2016 respectively. The working capital includes cash and cash equivalents of ₹363.58 Lakhs and ₹471.67 Lakhs as on 31 March 2017 and 31 March 2016 respectively.

Details regarding contractual maturities of significant financial liabilities as on 31 March 2017 (₹In Lakhs):

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
Other financial liabilities (non-current)				
• Security deposit from IT Park licensees and others	--	7,213.41	--	7,213.41
Other financial liabilities (current)				
• Unclaimed dividend	112.74	--	--	112.74
• Salary / wages payable	28.43	--	--	28.43
• Other payables	307.47	--	--	307.47
• Security deposit from exhibition organizers	346.91	--	--	346.91
• Security deposits from others	18.01	--	--	18.01
• Trade payables	2,205.71	--	--	2,205.71

Details regarding contractual maturities of significant financial liabilities as on 31 March 2016 (₹In Lakhs):

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
Other financial liabilities (non-current)				
• Security deposit from IT Park licensees and others	-	6,868.65	-	6,868.65
Other financial liabilities (current)				
• Unclaimed dividend	149.38	-	-	149.38
• Salary / wages payable	65.08	-	-	65.08
• Other payables	218.22	-	-	218.22
• Security deposit from exhibition organizers	265.07	-	-	265.07
• Security deposits from others	1.22	-	-	1.22
• Trade payables	906.53	-	-	906.53

Details regarding contractual maturities of significant financial liabilities as on 31 March 2015 (₹In Lakhs):

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
Other financial liabilities (non-current)	-		-	
• Security deposit from IT Park licensees and others	-	5,625.77	-	5,625.77
Other financial liabilities (current)	-	-	-	
• Unclaimed dividend	83.79	-	-	83.79
• Salary / wages payable	24.27	-	-	24.27
• Other payables	601.67	-	-	601.67
• Security deposit from exhibition organizers	109.88	-	-	109.88
• Security deposits from others	18.68	-	-	18.68
• Trade payables	509.44	-	-	509.44

34) Contingent Liabilities and Commitments

- a. Estimated amount of contracts remaining to be executed on capital account and not provided for is ₹ 28,661.67 Lakhs (previous year - ₹21,964.94 Lakhs) against which an advance of ₹ 4,987.52 Lakhs (previous year – ₹ 4472.00 Lakhs) has been paid.
 - b. Claims against the Company contested at various courts amounting to ₹ 1,445.24 lakhs (previous year ₹ 1,631.48 lakhs) against which the Company has provided ₹ 1,081.36 lakhs (previous year ₹ 1,245.03 lakhs) as ascertained by management and as advised by advocates and counsels.
 - c. Income-tax demand disputed by the Company ₹ 213.26 lakhs (previous year ₹ 148.15 lakhs)
 - d. Counter guarantees given by the company to banks in respect of:
 - Indian Bank Guarantees given by bank on Company's behalf ₹ 639.99 Lakhs (Previous year – ₹ 545.57 Lakhs)
 - Foreign Bank Guarantees given by bank on Company's behalf US \$2,387 (Previous year – US \$44,271)
- 35) The Company is in process of identifying enterprises covered under the Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amount payable to such micro, small and medium enterprises as on 31 March 2017 has not been given in the financial statements. However, in the opinion of the management, the impact of interest if any, that may be payable in accordance with the provisions of the act is not expected to be material.

36) Particulars in respect of Sales and Material Consumed: Industrial Capital Goods Division

(₹ in lakhs)

Sr. No.	Particular	2016-2017	2015-2016
A	Details of major consumption		
	items:		
	Steel	372.98	355.02
	Casting	382.34	173.78
	Electric Motors	75.51	60.86
	Bearings	67.14	38.99
	Miscellaneous	637.14	737.88
		1535.11	1366.53
B	Details of consumption of imported and indigenous items:		
	Raw Material & Components		
	Imported	0.86%	13.14
	Indigenous	99.14%	1521.97
		100.00%	1535.11
	Stores, Spares & Tools		
	Imported	100.00%	-
	Indigenous	--	137.35
		100.00%	137.35
		100.00%	94.68

37) Income tax assessments are completed up to the assessment year 2015-2016

38) Sales tax assessments for Gujarat are completed up to the financial year 2012-2013. The Company does not expect any additional liability for the pending assessments.

39) Particulars in respect of Foreign currency transactions:

(₹ in lakhs)

Sr. No.	Particular	2016-2017	2015-2016
A	Earning in Foreign exchange		
i)	F.O.B. value of exports	256.56	36.72
ii)	Rent and service charges towards Exhibition	273.97	223.48
B	Value of Imports on CIF BASIS		
i)	Raw Materials (including Components)	31.5	-
ii)	Capital Goods/Services	558.24	-
C	Remittances or expenditure in foreign Currency		
i)	Travelling	2.36	-
ii)	Membership & subscription	-	0.87
iii)	Others	-	5.28

- 40) A) Gross amount required to be spent by the Company during the year 2016-17 - ₹313.53 Lakhs (Previous year ₹ 260.23 Lakhs) towards CSR activities prescribed under Schedule VII of the Companies Act, 2013.
 B) Amounts spent during the year on:

Nature of activities	Year 2016-17			Year 2015-16		
	In Cash	Yet to be paid in cash	Total	In Cash	Yet to be paid in cash	Total
i) Construction / Acquisition of any assets	-	-	-	-	-	-
ii) Purpose other than i) above	320.43	-	320.43	260.34	-	260.34
Total	320.43	-	320.43	260.34	-	260.34
C) Related party transactions in relation to Corporate Social Responsibility	-	-	-	-	-	-

- 41) Leases: Pursuant to Ind AS 17 – Leases following information is disclosed:

Company as Lessor:

The Company has entered into operating leases on its following Property, Plant and Equipment:

- It has given its land located at Byculla (Mumbai) on long term lease, without transferring risks and rewards incidental to legal ownership. It is classified as operating lease as per para 10 of Ind AS 17.
- It has given its premises at IT Park on operating leases. These leases have terms up-to 5 years. Some of the Lease arrangements have price escalation clauses.

Future minimum rentals receivable under these non-cancellable operating leases are, as follows:

(₹In lakhs)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Within one year	11,361.44	11,480.80	9,261.62
After one year but not more than five years	9,911.63	20,839.80	20,248.00
More than 5 years	73.34	74.87	76.40

There is no contingent rent receivable from lessees under the lease agreements.

Company as Lessee:

- It has taken its factory land at Karamsad, Gujarat, under non-cancellable operating lease. Lease is for three years starting from 9 May 2015. Lease payments recognised as an expense in the year 2016-17 is ₹20 Lakhs (Previous Year ₹20 Lakhs).
- It has taken its corporate office at Mahalaxmi, Mumbai, under non-cancellable operating lease. Lease is for three years starting from 1 January 2016 to 31 December 2018. Lease payments recognised as an expense in the year 2016-17 is ₹18 Lakhs (Previous Year ₹4.50 Lakhs).

Future minimum rentals payable under non-cancellable operating leases are, as follows:

Particulars	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Within one year	38.00	38.00	2.14
After one year but not more than five years	15.64	53.70	--
More than 5 years	--	--	--

There is no contingent rent payable to lessors under the lease agreements.

42) Earnings per share:

Particulars	2016-17	2015-16
Profit after tax (₹ in Lakhs)	16,942.18	14,413.64
Weighted average Number of equity shares outstanding	14,091,992	14,091,992
Face value of each equity share (₹)	10.00	10.00
Basic and diluted earnings per share (₹)	120.23	102.28

43) Related party disclosures:
(a) List of related parties and relationships

Subsidiary	(i) Nesco Hospitality Private Limited
Associate	(i) Chandler and Price India Private Limited (ii) K S Patel Finance & Investment Company Pvt Ltd
Entities in which Key Managerial Personnel have significant influence	(i) Patel Consultancy Private Limited (ii) J V Patel Investment and Trading Co.Pvt.Ltd. (iii) Engineering Global Pte Limited
Key management personnel	(i) Mr. Suman J. Patel – Chairman (ii) Mr. Krishna S. Patel – Managing Director (iii) Mr. Dipes R. Singhania – Chief Financial Officer (iv) Ms. Jinal J. Shah – Company Secretary and Compliance Officer
Relative of Key Management Personnel	(i) Mrs. Sudha S. Patel - Director

(b) Related party transactions:

(₹ in lakhs)

Particulars	2016-2017	2015-2016
INCOME		
Rent		
- Chandler and Price India Private Limited	--	0.60
Brokerage		
-K S Patel Finance & Investment Company Pvt Ltd	13.89	10.57
- Chandler and Price India Private Limited	51.24	24.05
EXPENSE		
Rent		
- Mr. Suman J Patel	20.00	20.00
Remuneration, perquisites, commission		
- Mr. Suman J Patel	410.00	388.73
- Mr. Krishna S Patel	205.00	155.88
- Mr. Dipes R Singhania	74.75	54.85
Director sitting fees		
- Mrs. Sudha S Patel	1.40	1.50
- Other Directors	4.45	5.70
	As at 31 March 2017	As at 31 March 2016
AMOUNTS PAYABLE		
Mr. Suman J Patel	222.22	192.31
Mr. Krishna S Patel	70.05	5.17
AMOUNTS RECEIVABLE		
Nesco Hospitality Private Limited	--	2.46

Employee benefits for Key Management Personnel is as follows:-

(₹ in lakhs)

Particulars	2016-17	2015-16
Short-term employee benefits	285.60	211.94
Post-employment benefits	54.42	29.84
Other long-term benefits	13.99	6.85
Termination benefits	-	-
Share-based payment	-	-

- 44) The following tables set out the status of gratuity plans and amounts recognized in the Company's financial statements as at 31 March 2017 and 31 March 2016.

Gratuity Disclosure Statement as Per Indian Accounting Standard 19 (Ind AS 19) For the Period 2016-2017

Particulars	Current Period	Previous Period
Type of Benefit	Gratuity	Gratuity
Country	India	India
Reporting Currency	INR	INR
Reporting Standard	Indian Accounting Standard 19 (Ind AS 19)	Indian Accounting Standard 19 (Ind AS 19)
Funding Status	Unfunded	Unfunded
Starting Period	01-Apr-16	01-Apr-15
Date of Reporting	31-Mar-17	31-Mar-16
Period of Reporting	12 Months	12 Months

Assumptions (Previous Period)

Expected Return on Plan Assets	N.A.	N.A.
Rate of Discounting	8.00%	8.00%
Rate of Salary Increase	6.00%	6.00%
Rate of Employee Turnover	1.00%	1.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Mortality Rate After Employment	N.A.	N.A.

Assumptions (Current Period)

Expected Return on Plan Assets	N.A.	N.A.
Rate of Discounting	7.29%	8.00%
Rate of Salary Increase	6.00%	6.00%
Rate of Employee Turnover	1.00%	1.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Mortality Rate After Employment	N.A.	N.A.

Table Showing Change in the Present Value of Projected Benefit Obligation

Present Value of Benefit Obligation at the Beginning of the Period	145.58	137.70
Interest Cost	11.65	11.02
Current Service Cost	14.41	9.90
Past Service Cost	-	-
Liability Transferred In/ Acquisitions	-	-
(Liability Transferred Out/ Divestments)	-	-
(Gains)/ Losses on Curtailment	-	-
(Liabilities Extinguished on Settlement)	-	-
(Benefit Paid Directly by the Employer)	(16.85)	(23.60)
(Benefit Paid From the Fund)	-	-
The Effect Of Changes in Foreign Exchange Rates	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	10.87	-
Actuarial (Gains)/Losses on Obligations - Due to Experience	15.70	10.56
Present Value of Benefit Obligation at the End of the Period	181.35	145.58

Amount Recognized in the Balance Sheet

(Present Value of Benefit Obligation at the end of the Period)	(181.35)	(145.58)
Fair Value of Plan Assets at the end of the Period	-	-
Funded Status (Surplus/ (Deficit))	(181.35)	(145.58)
Net (Liability)/Asset Recognized in the Balance Sheet	(181.35)	(145.58)

Net Interest Cost for Current Period

Present Value of Benefit Obligation at the Beginning of the Period	145.58	137.70
(Fair Value of Plan Assets at the Beginning of the Period)	-	-
Net Liability/(Asset) at the Beginning	145.58	137.70
Interest Cost	11.65	11.02
(Interest Income)	-	-
Net Interest Cost for Current Period	11.65	11.02

Expenses Recognized in the Statement of Profit or Loss for Current Period

Current Service Cost	14.41	9.90
Net Interest Cost	11.65	11.02
Past Service Cost	-	-
(Expected Contributions by the Employees)	-	-
(Gains)/Losses on Curtailments And Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
Expenses Recognized	26.06	20.92

Net Interest Cost for Current Period

Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period		
Actuarial (Gains)/Losses on Obligation For the Period	26.57	10.56
Return on Plan Assets, Excluding Interest Income	-	-
Change in Asset Ceiling	-	-
Net (Income)/Expense For the Period Recognized in OCI	26.57	10.56

Balance Sheet Reconciliation

Opening Net Liability	145.58	137.70
Expenses Recognized in Statement of Profit or Loss	26.06	20.92
Expenses Recognized in OCI	26.57	10.56
Net Liability/(Asset) Transfer In	-	-
Net (Liability)/Asset Transfer Out	-	-
(Benefit Paid Directly by the Employer)	(16.85)	(23.60)
(Employer's Contribution)	-	-
Net Liability/(Asset) Recognized in the Balance Sheet	181.35	145.58

Other Details

No of Active Members	144	157
Per Month Salary For Active Members	35.99	33.21
Weighted Average Duration of the Projected Benefit Obligation	10.59	9.19
Average Expected Future Service	15.47	15.51
Projected Benefit Obligation (PBO)	181.35	145.58
Prescribed Contribution For Next Year (12 Months)		

Net Interest Cost for Next Year

Present Value of Benefit Obligation at the End of the Period	181.35	145.58
(Fair Value of Plan Assets at the End of the Period)	-	-
Net Liability/(Asset) at the End of the Period	181.35	145.58
Interest Cost	13.22	11.65
(Interest Income)	-	-
Net Interest Cost for Next Year	13.22	11.65

Expenses Recognized in the Statement of Profit or Loss for Next Year

Current Service Cost	16.38	14.41
Net Interest Cost	13.22	11.65
(Expected Contributions by the Employees)	-	-
Expenses Recognized	29.60	26.06

**Maturity Analysis of Projected Benefit Obligation: From the Employer
Projected Benefits Payable in Future Years From the Date of Reporting**

1st Following Year	25.59	15.42
2nd Following Year	19.24	9.33
3rd Following Year	14.34	32.75
4th Following Year	18.27	13.24
5th Following Year	8.85	19.66
Sum of Years 6 To 10	32.53	26.77

Sensitivity Analysis

Projected Benefit Obligation on Current Assumptions	181.35	145.58
Delta Effect of +0.5% Change in Rate of Discounting	(7.78)	(5.31)
Delta Effect of -0.5% Change in Rate of Discounting	8.46	5.74
Delta Effect of +0.5% Change in Rate of Salary Increase	8.52	5.83
Delta Effect of -0.5% Change in Rate of Salary Increase	(7.91)	(5.43)
Delta Effect of +0.5% Change in Rate of Employee Turnover	0.87	1.05
Delta Effect of -0.5% Change in Rate of Employee Turnover	(0.93)	(1.12)

Additional Details

Methodology Adopted for ALM -	Projected Unit Credit Method
Usefulness and Methodology adopted for Sensitivity analysis -	Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.
Stress Testing of Assets -	N.A. - as benefit is unfunded
Investment Strategy -	N.A. - as benefit is unfunded
Comment on Quality of Assets -	N.A. - as benefit is unfunded
Management Perspective of Future Contributions -	N.A. - as benefit is unfunded

45) Income Taxes:

Income tax expenses in the Statement of Profit and Loss comprise:

(₹ in lakhs)

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Current Taxes	6,325.00	5,879.06
Deferred Taxes	1,105.13	780.06
Income Tax Expenses	7,430.13	6,659.12

Current tax expenses for the year ended 31 March 2017 and 31 March 2016 include reversals (net provision) pertaining to prior periods, amounting to ₹ Nil and ₹130.94 lakhs respectively.

A reconciliation of the income tax provisions to the amount computed by applying the statutory income tax rate to the income before taxes is summarised below:

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Profit before tax	24,372.31	21,072.76
Enacted Tax rate in India	34.608%	34.608%
Computed enacted tax expenses	8,434.76	7,292.86
Add / (Less): Expenses not allowable for tax purposes	177.98	233.80
Add / (Less): Income not considered for tax purpose	(1,155.49)	(827.76)
Add / (Less): Effect of expenses, computed differently in tax	-24.12	34.36
Add / (Less): Effect of expenses, which are allowed on payment basis	8.99	4.79
Add / (Less): Effect of income, considered under other head of income	(1,137.03)	(729.48)
Total of reconciliation items	(2,129.67)	(1,284.29)
Tax payable	6,305.09	6,008.57
Tax provision in books	6,325.00	6,010.00
Excess / (short) provision of earlier years	-	(130.94)
Income Tax Expenses	6,325.00	5,879.06

The Applicable Statutory tax rate for financial year ended 31 March 2017 and 31 March 2016 is 34.608%.

- Income considered under other head of income, mainly comprises of IT Park rental income considered under 'Income from House property' as per the provisions of Income Tax Act, 1961.
- Income not considered for tax purpose mainly consists of other income on account of fair valuation of Investments in Mutual funds and dividend income from Investments in mutual funds.

Details of income tax assets and liabilities as of 31 March 2017, 31 March 2016 and 01 April 2015 are as follows:

Particulars	As at 31 March 2017	As At 31 March 2016	As at 01 April 2015
Income tax Assets	961.46	460.03	368.70
Current Income Tax Liabilities	(27.81)	(27.81)	(184.53)
Net current income tax Assets / (Liabilities)	933.65	432.22	184.17

Details of deferred tax assets and liabilities as of 31 March 2017, 31 March 2016 and 01 April 2015 are as follows:

Particulars	As at 31 March 2017	As At 31 March 2016	As at 01 April 2015
Deferred tax Liabilities	2,752.77	1,693.61	857.43
Deferred Tax Assets	(27.31)	(64.08)	(3.25)
Net deferred tax Assets / (Liabilities)	(2,725.45)	(1,629.53)	(854.18)

The gross movement in the Current Tax assets / (liabilities) for the year ended 31 March 2017 and 31 March 2016 is as follows:

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Net current tax assets / (liabilities) at the beginning of the year	432.22	184.17
Income tax paid		
Advance tax and TDS	6,771.23	6,028.52
Self-Assessment Tax paid/Previous year adjustments	55.20	98.59
Current income tax expenses	(6,325.00)	(5,879.06)
Net current tax assets / (liabilities) at the beginning of the year	933.65	432.22

The gross movement in deferred income Tax account for the year ended 31 March 2017 and 31 March 2016 is as follows:

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Net deferred tax assets / (liabilities) at the beginning	(1,629.53)	(854.18)
(Credit) / charge related to temporary differences	(1,105.11)	(780.06)
Temporary differences on other comprehensive income	9.20	4.71
Net deferred tax assets / (liabilities) at the end	(2,725.44)	(1,629.53)

The credits relating to temporary differences during the year ended 31 March 2017 and March 31, 2016 are primarily on account of - Other income due to fair valuation of investments on mutual funds.

46) Details of Specified Bank Notes (SBN) held and transacted during the period from 8 November 2016 to 30 December 2016.

(₹ in Lakhs)

Particulars	SBNs	Other Denomination notes	Total
Closing Cash in Hand as on 08.11.2016	-	1.02	1.02
(+) Permitted Receipts	-	1.50	1.50
(-) Permitted Payments	-	2.01	2.01
(-) Amount deposited in Banks	-	-	-
Closing Cash in Hand as on 30.12.2016	-	0.51	0.51

47) Segment Reporting:-

(₹ in Lakhs)

Particulars	2016-17	2015-16
Revenue by Segment		
IT Park	14,191.14	12,440.45
Exhibition Centre	13,276.56	11,183.36
Industrial Capital Goods Division	3,388.55	2,793.44
Investment Income	4,298.20	3,290.29
Total	35,154.45	29,707.54
Segment profit after tax		
IT Park	12,534.04	10,596.44
Exhibition Centre	10,288.68	9,538.08
Industrial Capital Goods Division	34.14	23.87
Unallocable Expenses net of Unallocable Income	1,515.45	914.37
Total Operating profit before tax	24,372.31	21,072.76
Capital Employed:-		
Segment Assets:-		
IT Park	44,255.52	32,124.51
Exhibition Centre	5,676.01	2,509.32
Industrial Capital Goods Division	3,737.36	2,988.21
Unallocable Assets	49,487.58	46,402.09
Total	103,156.47	84,024.13
Segment Liabilities:-		
IT Park	8,537.27	7,181.89
Exhibition Centre	3,677.27	3,017.74
Industrial Capital Goods Division	725.82	799.43
Unallocable Liabilities	5,155.16	4,892.11
Total	18,095.52	15,891.17
Capital Employed:-		
IT Park	35,718.25	24,942.62
Exhibition Centre	1,998.74	(508.42)
Industrial Capital Goods Division	3,011.54	2,188.78
Unallocable Assets net of Unallocable Liabilities	44,332.42	41,509.98
Total	85,060.95	68,132.96
Capital Expenditure		
IT Park	11,467.10	5,104.79
Exhibition Centre	3,092.09	464.20
Industrial Capital Goods Division	444.14	39.88
Total	15,003.33	5,608.87

INDEPENDENT AUDITOR'S REPORT

To The Members of NESCO LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of NESCO LIMITED (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and the subsidiary together referred to as "the Group"), comprising the Consolidated Balance sheet as at 31 March 2017, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "consolidated Ind AS Financial Statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Ind AS Financial Statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Ind AS financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and other auditors in terms of their report referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements of the subsidiary referred to below in Other Matters paragraph, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2017, and their consolidated profit, consolidated total comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Other Matters

(a) We did not audit the financial statements of one subsidiary, included in the consolidated Ind AS financial statements, whose financial statements reflect total assets of ` 202.01 lakhs as at 31 March 2017, total revenues of ` 568.30 lakhs and net cash inflows amounting to ` 64.70 lakhs for the year ended on that date, as considered in consolidated Ind AS financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditors.

(b) The comparative financial information of the Group for the year ended 31 March 2016 and the transition date opening balance sheet as at 01 April 2015 included in these consolidated Ind AS financial statements, are based on the previously issued consolidated financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by us whose report for the year ended 31 March 2016 and period ended 31 March 2015 dated 30 May 2016 and 23 May 2015 respectively expressed an unmodified opinion on those consolidated financial statements and have been restated to comply with Ind AS. Adjustments made to the said consolidated financial information prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS have been audited by us.

Our opinion on the consolidated Ind AS financial statements above, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of other auditors on separate financial statements of subsidiary company incorporated in India, referred in the Other Matters paragraph above we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of the subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2017, from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in Annexure 'A', which is based on the auditors' reports of the Holding company and subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of, the Holding Company's / subsidiary company's incorporated in India, internal financial controls over financial reporting.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.

ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.

iv. The Holding Company has provided requisite disclosures in the consolidated Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 08 November 2016 to 30 December 2016 of the Group entities as applicable. Based on audit procedures performed and the representations provided to us by the management, we report that the disclosures are in accordance with the relevant books of accounts maintained by those entities for the purpose of preparation of the consolidated Ind AS financial statements and as produced to us and other auditors by the Management of the respective Group entities. Refer Note 46 to the consolidated Ind AS financial statements.

For Manubhai & Shah LLP
Chartered Accountants
FRN. 106041W/W100136

Ashish Shah
Partner
Membership No: 103750
Mumbai, 29 May 2017

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph (f) under "Report on Other Legal and Regulatory Requirements" Section of our report of even date)

Report on the Internal Financial Controls over Financial Reporting under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS Financial Statements of the Company for the year ended 31 March 2017, we have audited the internal financial controls over financial reporting of NESCO LIMITED ("the Company" or "the Holding Company") and its subsidiary company which are incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding company and its subsidiary company, which is incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting (criteria established by the Company) considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business including adherence to respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedure to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgments, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary company incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to

the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent limitation of Internal Financials Controls over Financial Reporting,

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of control, material misstatements due to error or fraud may recur and not be detected. Also projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary company incorporated in India, have, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one subsidiary company, Incorporated in India, is based on the corresponding report of the auditors of such company incorporated in India.

For Manubhai & Shah LLP
Chartered Accountants
FRN. 106041W/W100136

Ashish Shah
Partner
Membership No: 103750
Mumbai, 29 May 2017

CONSOLIDATED BALANCE SHEET

(₹ in lakhs)

Particulars	Notes	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Assets				
Non-Current assets				
Property, plant and equipment	4	18,779.84	16,481.47	15,917.52
Capital work-in-progress	4a	26,234.83	14,342.83	9,978.49
Financial Assets				
Investments	5	40,986.57	32,358.10	28,123.96
Loans	6	275.02	223.46	96.07
Other non current assets	7	4,987.52	4,472.00	77.03
Total Non-Current Assets		91,263.78	67,877.86	54,193.07
Current assets				
Inventories	8	1,339.32	1,103.47	772.69
Financial assets				
Investments	9	7,193.00	11,861.59	12,047.24
Trade Receivables	10	1,211.60	1,463.65	1,086.38
Cash and cash equivalents	11a	453.98	497.41	377.20
Other balances with banks	11b	112.74	149.38	83.14
Other financial assets	12	91.23	69.82	48.75
Assets for current tax (Net)	13	923.83	432.22	184.17
Other current assets	14	734.13	600.98	623.28
Total Current Assets		12,059.83	16,178.52	15,222.85
Total - Assets		103,323.61	84,056.38	69,415.92
Equity and Liabilities				
Equity				
Equity share capital	15	1,409.20	1,409.20	1,409.20
Other equity	16	83,692.64	66,711.90	54,821.55
Equity attributable to owners of the company		85,101.84	68,121.10	56,230.75
Non-Controlling Interests		0.03	0.01	0.01
Total		85,101.87	68,121.11	56,230.76
Non-current liabilities				
Financial Liabilities				
Other financial liabilities	17	7,213.41	6,868.65	5,625.77
Provisions (Non current)	18	1,275.26	1,400.03	1,376.01
Deferred tax liabilities	19	2,725.45	1,629.53	854.18
Other non-current liabilities	20	767.78	1,081.67	996.66
Total Non-current Liabilities		11,981.90	10,979.88	8,852.62
Current liabilities				
Financial Liabilities				
Trade Payables		2,289.68	935.51	520.29
Other financial liabilities	21	844.85	724.45	842.95
Other current liabilities	22	3,075.30	3,278.87	2,942.56
Provisions (current)	23	30.01	16.56	26.74
Total Current Liabilities		6,239.84	4,955.39	4,332.54
Total - Equity and Liabilities		103,323.61	84,056.38	69,415.92

Notes forming part of the financial statements
As per our report of even date

1 to 48
For and on behalf of the Board

For Manubhai & Shah LLP
Chartered Accountants
FRN. 106041W/W100136

Mr. Suman J. Patel
Mr. Krishna S. Patel
Mr. Mahendra K. Chouhan
Mrs. Sudha S. Patel
Mr. Manu M. Parpia
Mr. Dipesh R. Singhania
Ms. Jinal J. Shah

Executive Chairman
Managing Director
Director
Director
Additional Director
Chief Financial Officer
Company Secretary and Compliance Officer

Ashish Shah
Partner
Membership No. 103750

Mumbai, 29 May 2017

Mumbai, 29 May 2017

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(₹ in lakhs)

Particulars Note	No.	Year Ended 31 March 2017	Year Ended 31 March 2016
Revenue from operations	24	31,424.55	26,640.29
Other income	25	4,298.21	3,290.00
Total Income		35,722.76	29,930.57
Expenses			
Cost of materials consumed	26	1,787.88	1,462.51
Changes in inventories of finished goods, work-in-progress and stock-in-trade	27	16.74	(168.66)
Excise duty		281.44	291.97
Employee benefits expense	28	1,360.70	926.40
Finance costs	29	504.84	395.88
Depreciation and amortization expense		812.97	670.13
Manufacturing, Administrative, Selling and General Expenses	30	6,514.37	5,278.14
Total expenses		11,278.94	8,856.37
Profit before tax		24,443.82	21,073.92
Tax expense			
Current tax		6,343.74	5,879.06
Deferred tax		1,105.13	780.06
Total tax expense		7,448.87	6,659.12
Profit after tax		16,994.95	14,414.80
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
(i) Net fair value gain /(Loss) on investments in equity instruments through OCI."		3.18	(2.22)
(ii) Remeasurement of defined employee benefit plans		(26.57)	(13.61)
- Income tax expense on remeasurement of defined employee benefit plans"		9.20	4.71
Total Other Comprehensive Income		(14.19)	(11.12)
Total Comprehensive Income for the year		16,980.76	14,403.68
Profit for the year attributable to			
- Owners of the company		16,994.93	14,415.08
- Non Controlling interest		0.02	0.00
		16,994.95	14,414.80
Other Comprehensive for the year attributable to			
- Owners of the company		(14.19)	(11.12)
- Non Controlling interest		-	-
		(14.19)	(11.12)
Total Comprehensive for the year attributable to			
- Owners of the company		16,980.74	14,403.68
- Non Controlling interest		0.02	0.00
		16,980.76	14,403.68
Earning Per Equity Share (face value of Rs 10 each)			
Profit attributable to shareholders		16,994.93	14,414.80
Basic & Diluted (In ₹.)		120.60	102.29

Notes forming part of the consolidated financial statements 1 to 48

As per our report of even date

For and on behalf of the Board

For Manubhai & Shah LLP Chartered Accountants FRN. 106041W/W100136	Mr. Sumant J. Patel Mr. Krishna S. Patel Mr. Mahendra K. Chouhan Mrs. Sudha S. Patel	Executive Chairman Managing Director Director Director
Ashish Shah Partner Membership No. 103750	Mr. Manu M. Parpia Mr. Dipesh R. Singhania Ms. Jinal J. Shah	Additional Director Chief Financial Officer Company Secretary and Compliance Officer
Mumbai, 29 May 2017	Mumbai, 29 May 2017	

STATEMENT OF CHANGES IN EQUITY

(₹ in lakhs)

Particulars	Equity Share Capital	Reserves and Surplus				Equity instruments through OCI	Other items of Other Comprehensive Income	Total attributable to owners of the company	Non Controlling interest	Total Equity
		*Retained Earnings	Preference Shares Redemption Reserve	General Reserve	Revaluation Reserve					
Balance as at 01 April 2015	1,409.20	2,323.97	9.56	51,835.60	640.11	12.32	-	56,230.75	0.01	56,230.76
Changes in Equity for the year ended 31 March 2016										
Final Dividend for year 2014-15										
Final Dividend		(915.98)						(915.98)		(915.98)
Dividend Distribution Tax on Interim dividend		(155.67)						(155.67)		(155.67)
Interim Dividend for year 2015-16: -										
Interim Dividend	-	(1,197.83)	-		-	-	-	(1,197.83)		(1,197.83)
Dividend Distribution Tax on Interim dividend	-	(243.85)	-		-	-	-	(243.85)		(243.85)
Profit for the year		14,415.08						14,415.08	0.00	14,415.08
Transfer to General Reserves		(11,849.14)	-	11,849.14		-	-	-		-
Other Comprehensive Income										
-Gain on remeasurement of employee benefits (net of tax)							(8.90)	(8.90)		(8.90)
-Fair value gain on Equity instruments						(2.22)		(2.22)		(2.22)
Balance as at 31 March 2016	1,409.20	2,376.58	9.56	63,684.74	640.11	10.10	(8.90)	68,121.10	0.01	68,121.11

(₹ in lakhs)

Particulars	Equity Share Capital	Reserves and Surplus				Equity instruments through OCI	Other items of Other Comprehensive Income	Total attributable to owners of the company	Non Controlling interest	Total Equity
		*Retained Earnings	Preference Shares Redemption Reserve	General Reserve	Revaluation Reserve					
Balance as at 1 April 2016	1,409.20	2,376.58	9.56	63,684.74	640.11	10.10	(8.90)	68,121.10	0.01	68,121.11
Changes in Equity for the year ended 31 March 2017:										
Profit for the year		16,994.95						16,994.93	0.02	16,994.95
Transfer to General Reserves		(15,115.08)		15,115.08						-
Other Comprehensive Income -										
-Gain on remeasurement of employee benefits							(17.37)	(17.37)	-	(17.37)
-Fair value gain on Equity instruments						3.18		3.18	-	3.18
Balance as at 31 March 2017	1,409.20	4,256.45	9.56	78,799.82	640.11	13.28	(26.27)	85,101.84	0.03	85,101.87

* Retained earnings include cash subsidy received from Government of Gujarat amounting to ₹25 Lakhs

As per our report of even date

For Manubhai & Shah LLP
Chartered Accountants
FRN. 106041W/W100136

Ashish Shah
Partner
Membership No. 103750

Mumbai, 29 May 2017

For and on behalf of the Board

Mr. Sumant J. Patel	Executive Chairman
Mr. Krishna S. Patel	Managing Director
Mr. Mahendra K. Chouhan	Director
Mrs. Sudha S. Patel	Director
Mr. Manu M. Parpia	Additional Director
Mr. Dipesh R. Singhania	Chief Financial Officer
Ms. Jinal J. Shah	Company Secretary and Compliance Officer

Mumbai, 29 May 2017

CONSOLIDATED CASH FLOW STATEMENT

(₹ in lakhs)

Particulars	Year Ended 31 March 2017	Year Ended 31 March 2016
A) Cash Flow from operating activites		
Net Profit before income tax from continuing operations	24,443.82	21,073.92
Add / (Less):		
Depreciation	812.97	670.13
Interest income	(0.61)	(9.98)
Dividend income	(296.35)	(298.88)
Finance cost	9.93	13.01
Loss on sale of fixed assets (net)	-	9.83
Gain on sale of investments (net)	(839.86)	(1,051.21)
Changes in fair value of financial assets at fair value through profit or loss	(3,042.46)	(1,682.53)
Exchange loss on foreign currency transactions	-	-
Unwinding of interest on security deposits	494.91	382.87
Lease rental income	(497.83)	(394.44)
Bad debts/sundry balance written off	57.27	227.25
Sundry Creditors/liabilities written back (net)	(5.98)	(170.75)
Operating profit before change in operating assets and liabilities	<u>21,135.81</u>	<u>(2,304.68)</u>
		<u>18,769.24</u>
Add / (Less):		
(Increase)/Decrease in Inventory	(235.85)	(330.77)
(Increase)/Decrease in Trade & other receivable	193.78	(603.55)
(Increase)/Decrease in other operating assets	(169.92)	(183.87)
Increase/(Decrease) in Trade payables	1,361.68	192.24
Increase in provisions of Employee benefits	13.45	13.83
Increase/(Decrease) in other operating liabilities	(200.73)	962.42
Cash generated from operations	<u>22,098.24</u>	<u>19,791.29</u>
Add / (Less):		
Income Tax paid	(6,835.35)	(6,127.11)
Net Cash from operating activities - [A]	<u>15,262.69</u>	<u>13,664.18</u>
B) Cash Flow from investing activites		
Payments for purchase of fixed assets	(15,003.33)	(5,608.87)
Payments for Capital advance - fixed assets	(515.52)	(4,394.97)
Payments for purchase of investments	(15,275.53)	(18,208.12)
Payments for investments in deposits	(0.43)	(8.53)
Proceeds from sale of fixed assets	-	0.64
Proceeds from sale of investments	15,201.47	16,893.31
Interest income	0.61	9.98
Dividend income	296.35	(15,296.38)
Net Cash (used in)/from investing activities - [B]	<u>(15,296.38)</u>	<u>(11,017.69)</u>
C) Net Cash Flow used in financing activities		
Finance cost	(9.93)	(13.01)
Dividend paid to shareholders Final dividend 14-15	-	(915.98)
Tax paid on dividend 14-15	-	(155.67)
Dividend paid to shareholders Interim dividend 15-16	-	(1,197.83)
Tax paid on dividend 15-16	-	(243.85)
Net Cash Flow used in financing activities - [C]	<u>(9.93)</u>	<u>(2,526.28)</u>
Net Increase / (Decrease in Cash / Cash Equivalents (A+B+C)	<u>(43.43)</u>	<u>120.21</u>
Cash/Cash Equivalent at the beginning of the year	497.41	377.20
Cash/Cash Equivalent at the end of the year	453.98	497.41

As per our report of even date

For and on behalf of the Board

For Manubhai & Shah LLP
Chartered Accountants
FRN. 106041W/W100136

Mr. Suman J. Patel	Executive Chairman
Mr. Krishna S. Patel	Managing Director
Mr. Mahendra K. Chouhan	Director
Mrs. Sudha S. Patel	Director
Mr. Manu M. Parpia	Additional Director
Mr. Dipesh R. Singhania	Chief Financial Officer
Ms. Jinal J. Shah	Company Secretary and Compliance Officer

Ashish Shah
Partner
Membership No. 103750

Mumbai, 29 May 2017

Mumbai, 29 May 2017

Ind AS conversion

Background

Nesco Limited ("Nesco" or "the Group") was incorporated on 15 April 1946, under the Indian Companies Act VII of 1913. The Company is domiciled in India having registered office at Nesco Complex, Western Express Highway, Goregaon (East), Mumbai 400063 and listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

The Group along with its subsidiaries is herein after referred to as the Group.

The Group is mainly engaged in the following.

- ii) Licencing premises in IT park building and providing related services.
- ii) Licencing premises in its exhibition and convention incubation centre and providing related services to the clients.
- iii) Manufacturing of machines and capital equipment.
- iv) Hospitality and catering services

Note 1

a) Compliance with Ind AS

These financial statements have been prepared in compliance with Indian Accounting Standards (Ind-AS) notified under section 133 of the Companies Act 2013 (The Act), read together with The Companies (Indian Accounting Standards) Rules, 2015]

For all periods up to and including the year ended 31 March 2016, the Company has prepared its Financial Statements in accordance with Accounting Standards notified under the Section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP). Detailed explanation of how the transition from Previous GAAP to Ind-AS has affected the Company's Balance Sheet, financial performance and cash flows is given under Note 31.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of the accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

b) Current/Non-Current Classification

Any asset or liability is classified as current if it satisfies any of the following conditions:-

- i) The asset/liability is expected to be realised/settled in the Company's normal operating cycle;
- ii) The asset is intended for sale or consumption;
- iii) The asset/liability is held primarily for the purpose of trading;
- iv) The asset/liability is expected to be realised/settled within twelve months after the reporting period;
- v) The asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting cycle;
- vi) In the case of a liability, the Company does not have an unconditional right to defer settlement of a liability for at least twelve months after the reporting cycle;

All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing their realisation in cash and cash equivalents.

c) Basis of Consolidation:

The consolidated financial statements relate to the Nesco Limited and its subsidiary companies. The consolidated financial statements have been prepared on the following basis:

The consolidated financial statements of the Group and its subsidiaries are combined on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Ind - AS 110 "Consolidated Financial Statements".

- Subsidiaries are the entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the Consolidated Financial Statements from the date on which control commences until the date on which control ceases.
- Non-controlling interests (NCI): Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively. NCI are measured at their proportionate share of the acquirer's identifiable net assets.
- Transactions eliminated on consolidation: Intra-group balances and transactions and any unrealised income and expenses arising from intra-group transactions, net of deferred taxes, are eliminated. Unrealised gains and losses are eliminated unless the transaction provides evidence of impairment of the transferred asset.
- The Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.
- Associates are all entities over which the Group has significant influence but no control or joint control. This is generally the case where the Group holds between 20% to 50% of the voting rights. Investments in associates are accounted for under the equity method as per Ind - AS 28 - "Investments in Associates and Joint Ventures".

d) Functional and Presentation Currency

The Financial Statements are presented in Indian rupees which is the functional currency for the Group. Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss. Foreign exchange gains and losses are presented in the statement of profit and loss on a net basis.

e) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs of rupees as per the requirement of schedule III, unless otherwise stated.

f) Use of Estimates

The preparation of Financial Statements in accordance with Ind - AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the Balance Sheet and Statement of Profit and Loss. The actual amounts realised may differ from these estimates. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management

becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognised in the period in which the results are known / materialised and, if material, their effects are disclosed in the notes to the Financial Statements.

Note 2- Significant accounting policies

a) Property, Plant and Equipment:

Freehold land is carried at historical cost. All other items of property, plant and equipment are carried at the historical cost, less accumulated depreciation and accumulated impairment losses if any. The cost of Property, Plant and Equipment comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use.

Subsequent recognition is done in assets carrying amount or as a separate asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. Profit or Loss on disposal of Property, Plant and Equipment is recognised in the Statement of Profit and Loss. All other repairs and maintenance expenses are charged to profit or loss during the reporting period in which they are incurred.

Expenses incurred on property, plant and equipment, net of income earned during the under development stage prior to its intended use, are disclosed under Capital Work-in-progress.

Transition to Ind AS:

On transition to Ind AS, the Group has elected to continue with carrying value of all of its property, plant and equipment recognised as at 01 April 2015 measured as per previous GAAP (Indian GAAP) and use that carrying value as the deemed cost of property, plant and equipment.

Depreciation methods, estimated useful lives and residual value:

Depreciation on Property, Plant and Equipment is provided using the Straight Line Method based on the useful life of the assets as estimated by the management and is charged to the Statement of Profit and Loss as per the requirement of Schedule II of the Companies Act, 2013. The estimate of the useful life of the assets has been assessed based on technical advice which considered the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc. The estimated useful life of Property, Plant and Equipment is mentioned below:

Asset Class	Years
Factory Buildings	30
Buildings (other than Factory Buildings)	60
Plant and Equipment	15
Electrical Installations	10
Patterns and Mouldings	8
Furniture and Fixtures and Office equipment	
-Office furniture	10
-Computers	3
-Office equipment	5
Vehicles	10

The Property, plant and equipment acquired under finance leases is depreciated over the asset's useful life.

b) Non-Current Assets held for sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and the fair value less cost to sell. Non-current assets are not depreciated or amortised.

c) Intangible assets:

Intangible Assets are stated at cost of acquisition less accumulated amortization and accumulated impairment, if any. Amortization is done over their estimated useful life on straight line basis from the date that they are available for intended use, subjected to impairment test. Purchase cost and consultancy fees for major software are amortized over the useful life of the software. Software, which is not an integral part of the related hardware is classified as an intangible asset and is amortized over the useful life of 3 to 5 years.

Transition to Ind AS:

On transition to Ind AS, the Group has elected to continue with the carrying value of its Intangible assets recognised as at 01 April 2015 measured as per previous GAAP and use that carrying value as the deemed cost of intangible assets.

d) Impairment of PPE and Intangible Assets:

At each balance sheet date, the Group assesses whether there is any indication that any property, plant and equipment and intangible assets with finite life may be impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. If any such impairment exists, the recoverable amount of an asset is estimated to determine the extent of impairment, if any

e) Inventories

Raw materials, work in progress, stores and spares and finished goods are valued at the lower of cost or net realizable value. However, materials and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item-by item basis.

Cost of raw materials and stores and spares comprises cost of purchases. Cost is determined on weighted average basis.

Cost of work in progress and finished goods comprises direct materials, direct labour, and an appropriate share of manufacturing overheads.

Cost of Inventories comprises of costs of purchase, cost of conversion, duties and taxes (other than those refundable), inward freight and all other costs incurred in bringing them to their respective present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

f) Financial Instrument:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

1) Investments and other Financial Assets:

(i) Classification:

The Group classifies its financial assets in following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost

The classification depends on entity's business model for managing financial assets and the contractual terms of cash flow.

(ii) Initial recognition and measurement:

At initial recognition, the Group measures a financial asset at fair value plus, in case of a financial asset not at fair value through profit and loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit and loss are expensed in profit or loss.

(iii) Financial Assets measured at amortised cost:

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. A gain or loss on such an instrument is recognised in profit or loss. Interest income from these financial assets is included in other income using effective interest method. The losses arising from impairment are recognised in the Statement of Profit and Loss.

(iv) Financial Assets measured at fair value through other comprehensive income (FVTOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where represent solely payments of principal and interest, are measured at fair value initially as well as at each reporting date through other comprehensive income. Fair value movements in the carrying amount are recognized in the other comprehensive income, except for the recognition of impairment of gains and losses, interest revenue and foreign exchange gain or loss which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains / (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

(v) Financial Assets measured at fair value through profit or loss (FVTPL):

Assets that do not meet the criteria for amortised cost or FVTOCI are measured initially as well as at each reporting date at fair value through profit or loss as other income. Income from these financial assets is included in other income.

(vi) Investment in Subsidiary and Associates:

Investment in equity instruments of Subsidiaries and Associates are measured at cost.

(vii) Investment in Equity Instruments:

Equity instruments which are held for trading are classified as at FVTPL. All other equity instruments are classified as FVTOCI.

Fair value changes in case of the equity instruments classified as FVTOCI are recognised in the Other Comprehensive Income. There is no subsequent reclassification of gains and losses from other comprehensive income to profit or loss.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gains / (losses) in the statement of profit and loss.

Dividends from such investments are recognised in profit and loss as other income when the Group's right to receive payments is established.

Impairment loss (and reversal of impairment loss) on equity instruments measured at FVTOCI are not accounted separately from other changes in fair value.

(viii) Investment in Debt Instruments: A debt instrument is measured at amortised cost or at FVTPL. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

(ix) Impairment of Financial Assets: The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

(x) De-recognition of financial assets

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

A financial assets is derecognised only when the Group –

- has transferred the right to receive cash flows from the financial asset or
- retains contractual rights to receive the cash flows of the financial asset, but assumes contractual obligation to pay the cash flows to one or more recipients or
- does not retain the control of the financial asset or
- does not have continuing involvement in the financial asset.

When the Group has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of financial assets. In such cases, financial asset is derecognised. When the entity has not transferred substantially all risks and rewards of ownership of financial asset, the financial asset is not derecognised.

(xi) Income recognition

Interest income from debt instruments is recognised using effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When computing effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instruments.

Dividends are recognised in profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of dividend can be measured reliably.

2) Financial Liabilities:

i) Classification:

The Group classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss.

ii) Initial recognition and measurement: All financial liabilities that are classified as to be subsequently measured not at Fair value through Profit and Loss (FVTPL), are recognised initially at fair value, being transaction price net of directly attributable transaction costs. Financial liabilities include trade and other payables, security deposits etc.

iii) Subsequent measurement: All Financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. The EIR amortisation is included as finance costs in the statement of profit and loss.

iv) De-recognition of Financial Liabilities: A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

3) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

g. Provisions

A provision is recognised, if as a result of a past event the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are measured at the present value of the management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is the pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are not recognised but disclosed in the Financial Statements when economic inflow is probable.

h. Segment Reporting

Operating segments have been identified on the basis of the nature of business activities from which the Group earns revenues or incurs expenses and for which discrete financial information is available. The Chief Operating Decision Maker monitors the operating results of its business segments for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. The Operating segments have been identified on the basis of the nature of products/services.

1. Segment revenue includes sales and other income directly identifiable with/ allocable to the segment including inter-segment revenue.
2. Expenses that are directly identifiable with/or allocable to segments are considered for determining the segment result. Expenses which relate the Group as a whole and not allocable to segments are included in un-allocable expenditure.
3. Income which relates to the Group as a whole and not allocable to segments is included in un-allocable income.
4. Segment assets and liabilities include those directly identifiable with the respective segments. Un-allocable assets and liabilities represent the assets and liabilities that relate to the Group as a whole and not allocable to any segment.

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker.

i. Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below.

Recognition of revenue from major business activities:-

- i. Revenue from Industrial Capital Goods Division operations includes sale of manufactured machines and capital equipments, engineering fees, services and other charges. Revenue from sale of goods is recognized when all the significant risks and rewards of ownership are transferred to the buyer as per the terms of the contracts and no significant uncertainty exists regarding the amount of consideration that will be derived from the sale of goods. It also includes excise duty and price variations based on the contractual agreements and excludes value added tax/ sales tax. It is measured at fair value of consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.
- ii. Revenue from Bombay Exhibition Centre operations includes renting of its halls for exhibitions, functions and providing services to the organisers. Revenue from such renting activities and the related services is recognised in the accounting period in which the event occurs.
- iii. Revenue from IT Park operations includes leasing of its IT park premises and providing services to IT and IT enabled services companies. Revenue from IT Park is recognised as operating leases income on straight line basis over the lease term.
- iv. Revenue from Hospitality services is recognized only when reliably measured and it is reasonable to expect ultimate collection.

j. Income tax

Income tax expense comprises current tax and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

i) Current tax

Current tax comprises of the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of the previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Group:

- has a legally enforceable right to set off the recognised amounts; and
- Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii) Deferred tax

Deferred tax is recognized for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date, using the tax rates and laws that are enacted or substantively enacted as on reporting date. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses and credits can be utilised. Deferred tax relating to items recognised in other comprehensive income and directly in equity is recognised in correlation to the underlying transaction.

Deferred tax assets and liabilities are offset only if:

- Entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- Deferred tax assets and the deferred tax liabilities relate to the income taxes levied by the same taxation authority.

k. Cash and cash equivalents

Cash and cash equivalents include cash on hand, Balances with Banks, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

I. Trade Receivables

Trade receivables are non- interest bearing and receivable in normal operating cycle. Trade receivables are recognised initially at fair value (that is transaction price on initial recognition) and subsequently measured at amortised cost using effective interest method, less provision for impairment.

m. Leases

- As a lessee

Leases of property, plant and equipment where the Group has substantially transferred all the risks and rewards of ownership are classified as finance leases.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

- As a lessor

Lease income from operating leases where the Group is a lessor is recognised in income on a straight line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

Leases of assets where the Group transfers substantially transferred all the risks and rewards of ownership are classified as finance leases.

n. Earnings per share

Basic Earnings per share is calculated by dividing:

- the profit attributable to owners of the Group
- by the weighted average number of equity shares outstanding during the financial year

o. Employee Benefits

i. Short term obligations:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Group recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

ii. Other long term employee obligations

Entitlements to annual leave are recognized when they accrue to employees. Annual leave can either be availed or encashed at the time of separation or retirement subject to a restriction on the maximum number of 42 days of accumulation of leave. The Group determines the liability for such accumulated leaves using the Projected Accrued Benefit method with actuarial valuations being carried out at each Balance Sheet date.

iii. Post employment obligations

The Group operates the following post employment schemes.

1. Defined benefit plans (gratuity)

The Group has unfunded defined benefit gratuity plan for employees.

Recognition and measurement of Defined Benefit plans:

The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability/(asset) are recognized in the Statement of Profit and Loss. Re-measurements of the net defined benefit liability/(asset) comprising actuarial gains and losses are recognized in Other Comprehensive Income. Such re-measurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

The Group presents the above liability/(asset) as current and non-current in the Balance Sheet as per actuarial valuation by the independent actuary.

2. Defined contribution plans such as provident fund

The Group pays provident fund contributions to publicly administered provident funds as per local regulations. The group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expenses when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

p. Proposed Dividend:

The final dividend recommended by the Board of Directors is accounted in the financial year in which it is approved by the shareholders in the Annual General Meeting.

q. Recent Accounting pronouncements

Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7 'Statement of cash flows'. This amendment is in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows'. The amendment is applicable to the Company from 01 April 2017.

Amendments to Ind AS 7

The amendments to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company is evaluating the requirements of the amendments and the effect on the financial statements is being evaluated.

Note 3- Key accounting estimates and judgements

The preparation of the Company's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

This note provides an overview of the areas that involved a higher degree of judgement or complexity and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

a. **Income taxes**

The tax jurisdiction of NESCO and its subsidiary is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions

b. **Property, Plant and Equipment**

Property, Plant and Equipment represent a significant proportion of the asset base of the NESCO. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of NESCO's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

c. **Defined Benefit Obligation**

The costs of providing other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates.

d. **Fair value measurement of Financial Instruments**

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

Note 4

Property, plant and equipment

(₹ in Lakhs)

Changes in carrying value of Property, plant and equipment for the year ended 31 March 2017

Tangible Assets	Freehold land	Freehold building	Plant and machinery	Electrical Installations	Furniture, fixture & office equipment	Vehicles	Total
Opening gross carrying amount	601.37	12,299.36	2,326.06	1,246.07	386.59	270.31	17,129.76
Additions	36.86	928.56	1,358.60	530.09	91.58	165.65	3,111.34
Deductions / Adjustments	-					(60.22)	(60.22)
Closing gross carrying amount	638.23	13,227.92	3,684.66	1,776.16	478.17	375.74	20,180.88
Accumulated depreciation and impairment							
Opening accumulated depreciation	-	183.95	256.20	127.84	51.97	28.33	648.29
Depreciation during the year	-	249.94	290.48	170.09	69.85	32.61	812.97
Deductions / Adjustments	-	-	-	-	-	(60.22)	(60.22)
Closing accumulated depreciation and impairment	-	433.89	546.68	297.94	121.81	0.72	1,401.04
Net carrying amount	638.23	12,794.03	3,137.98	1,478.22	356.36	375.02	18,779.84

Changes in carrying value of Property, plant and equipment for the year ended 31 March 2016

Tangible Assets	Freehold land	Freehold building	Plant and machinery	Electrical Installations	Furniture, fixture & office equipment	Vehicles	Total
Gross carrying amount							
Deemed cost 01 April 2015	601.37	12,003.19	2,182.02	715.76	206.85	208.33	15,917.52
Additions	-	328.50	144.04	530.31	179.74	61.98	1,244.57
Deductions / Adjustments	-	(32.33)	-	-	-	-	(32.33)
Closing Gross carrying amount	601.37	12,299.36	2,326.06	1,246.07	386.59	270.31	17,129.76
Accumulated depreciation							
Depreciation charge during the year	-	205.81	256.20	127.84	51.97	28.33	670.13
Deductions / Adjustments	-	(21.85)	-	-	-	-	(21.85)
Closing accumulated depreciation	-	183.95	256.20	127.84	51.97	28.33	648.29
Net carrying amount	601.37	12,115.41	2,069.86	1,118.23	334.62	241.98	16,481.47

Intangibles	Technical Knowhow	Total
Year ended 31 March 2016	-	-
Gross carrying amount Deemed cost 01 April 2015		
Closing gross carrying amount	-	-
Accumulated amortisation	-	
Closing accumulated amortisation	-	
Net carrying amount	-	-

Buildings include Karamsad factory which is situated on land taken on rent from Mr Sumant J Patel, Executive Chairman.

Note 5

(₹ in Lakhs)

Non-current Investment

Investment Particulars	As at 31 March 2017		As at 31 March 2016		As at 01 April 2015	
	No	Carrying Value	No	Carrying Value	No	Carrying Value
Non Current Investments:-						
Unquoted						
a) Investments in subsidiary carried at cost						
NSE Housing & Investment Pvt Ltd	-	-	2,250	2.25	2,250	2.25
Total		-		2.25		2.25
b) Investments carried at amortised cost						
5 1/2 years Kisan Vikas Patra	10	1.00	10	1.00	10	1.00
Total		1.00		1.00		1.00
c) Investments in equity instruments carried at FVTOCI						
Charotar Gas Sahakari Mandali	5	0.03	5	0.03	5	0.03
Total		0.03		0.03		0.03
Quoted						
Investments in equity instruments carried at FVTOCI						
Larsen & Toubro Limited	369	6.25	369	4.82	369	6.81
Ultra Tech Cement Ltd	79	3.15	79	2.55	79	2.27
Greaves Cotton Ltd	2,250	3.93	2,250	2.78	2,250	3.28
Total		13.33		10.14		12.36
Investments in Mutual Funds carried at FVTPL						
Fixed Maturity Plans						
Birla Sun Life Fixed Term Plan - Series JP 1175 Days - Direct - Growth	-	-	-	-	1,037,688	115.98
DHFL Pramerica (DWS) Fixed Maturity Plan Series 49 - Direct Plan	-	-	-	-	1,500,000	166.15
DHFL Pramerica (DWS) Fixed Maturity Plan Series 49 - Regular Plan	-	-	-	-	1,500,000	165.69
DHFL Pramerica (DWS) Fixed Maturity Plan Series 57 - Direct Plan	-	-	-	-	1,500,000	164.65
DSP BlackRock FMP - Series 155 - 12 M - Direct - Growth	-	-	-	-	3,091,748	338.22
DSP BlackRock FTP - Series 36 - 15 M - Direct - Growth	-	-	-	-	1,500,000	166.75
HDFC FMP 478D January 2014 (1) Series 29 - Direct - Growth	-	-	-	-	1,000,000	111.39
ICICI Prudential FMP Series 74 - 369 Days Plan F - Direct Growth	-	-	-	-	2,000,000	217.30
Kotak FMP Series 142 Direct - Growth	-	-	-	-	1,003,316	111.00
Kotak FMP Series 189 - Growth	2,000,000	226.25	-	-	-	-
Reliance Fixed Horizon Fund - XXV Series 22 - Direct Plan Growth	-	-	-	-	2,000,000	222.06
Reliance Fixed Horizon Fund - XXVI Series 13 - Direct Plan Growth	-	-	-	-	1,026,354	111.75
Religare Invesco FMP - Series 22 - Plan F (15 Months) - Direct Plan	-	-	-	-	1,000,000	111.20
Religare Invesco FMP - Series 22 - Plan L (14 Months) - Direct Plan	-	-	-	-	1,030,442	114.13

SBI Debt Fund Series - 16 Months - 1 - Direct Plan - Growth	-	-	-	-	500,000	55.92
SBI Debt Fund Series - A1 - 15 Months - Direct Plan - Growth	-	-	-	-	750,000	83.55
SBI Debt Fund Series - A11 - 385 Days - Direct Plan - Growth	-	-	-	-	771,954	84.77
SBI Debt Fund Series - A14 - 380 Days - Direct Plan - Growth	-	-	-	-	2,500,000	273.30
SBI Debt Fund Series - A18 - 366 Days - Direct Plan - Growth	-	-	-	-	1,335,551	145.15
SBI Debt Fund Series - A2 - 15 Months - Direct Plan - Growth	-	-	-	-	1,400,000	155.50
SBI Debt Fund Series - A5 - 411 Days - Direct Plan - Growth	-	-	-	-	5,000,000	553.60
UTI Fixed Maturity Plan - Yearly FMP Series - MAR 2014:YFMP(03/14)	-	-	-	-	6,245,245	679.87
UTI Fixed Term Income Fund Series XVII - VII (465 Days) Growth Plan	-	-	-	-	1,000,000	111.04
UTI Fixed Term Income Fund Series XVII - XIV (423 Days)	-	-	-	-	3,000,000	332.32
Total		226.25			-	4,591.29
Debt Funds - income funds						
Axis Income Fund - Direct Plan - Growth	1,477,541	243.01	1,477,541	218.18	1,477,541	202.13
Axis Income Fund - Growth	2,255,385	355.12	2,255,385	320.85	2,255,385	300.54
Axis Fixed Income OpportunitiesFund - Direct Growth	5,093,539	671.94	4,059,789	484.95	-	-
Axis Fixed Income OpportunitiesFund - Growth	922,135	118.23	922,135	108.45	-	-
BNP Paribas Flexi Debt Fund - Growth- Folio-328670	2,876,153	817.49	2,876,153	736.44	2,075,050	501.22
BNP Paribas Flexi Debt Fund - Direct Plan - Growth- Folio-328670	412,298	120.11	412,298	107.37	412,298	100.51
BNP Paribas Medium Term Income Fund - Growth- Folio-328670	13,451,739	2,286.13	13,451,739	1,619.28	-	-
BOI AXA Corporate Credit Spectrum Fund - Direct Plan	4,367,681	536.79	2,902,217	320.00	-	-
Canara Robeco Dynamic Bond Fund - Direct Growth	3,918,706	1,005.78	-	-	1,255,934	201.10
Canara Robeco Dynamic Bond Fund - Regular Growth	-	-	-	-	1,895,507	300.98
Canara Robeco Medium Term Opportunities Fund - Regular Growth	15,803,010	2,088.76	15,803,010	1,919.80	12,337,098	1,399.48
DSP BlackRock Strategic Bond Fund - Inst.Plan - Growth	-	-	-	-	30,016	501.47
DHFL Pramerica (DWS) Medium Term Income Fund - Direct Plan	1,828,116	258.63	1,828,116	232.02	1,828,116	213.28
DHFL Pramerica Credit Opportunities Fund - Regular - Growth	3,178,545	408.62	-	-	-	-
HDFC High Interest Fund - Dynamic Plan - Growth	-	-	-	-	625,691	301.69
HDFC Medium Term Opportunities Fund - Direct Plan - Growth	1,319,340	239.82	1,319,340	218.18	1,319,340	200.85
HDFC Charity Fund for Cancer Cure - Debt Plan - Direct Option	100,000	10.03	-	-	-	-
ICICI Prudential Income Regular Plan - Growth	341,960	119.60	-	-	690,926	303.26
ICICI Prudential Dynamic Bond Fund - Regular Plan - Growth	-	-	-	-	668,518	104.59
ICICI Prudential Dynamic Bond Fund - Direct Plan - Growth	2,709,545	522.62	2,709,545	467.14	2,709,545	429.62
ICICI Prudential Regular Savings Fund - Growth	3,913,480	679.75	3,913,480	617.93	-	-

ICICI Prudential Regular Savings Fund - Direct Plan - Growth	1,331,957	240.38	1,331,957	216.57	-	-
ICICI Prudential Regular Income Fund - Growth		-	729,812	109.28	-	-
ICICI Prudential Corporate Bond Fund - Growth	6,893,545	1,748.78	4,413,118	1,018.45	-	-
IDFC Dynamic Bond Fund - Growth - Direct Plan	-	-	-	-	2,895,221	501.14
Kotak Bond Scheme Plan A - Growth	-	-	-	-	4,408,624	1,760.07
Kotak Medium Term Fund Direct Plan - Growth	3,501,711	488.25	3,501,711	438.19	-	-
L&T Triple Ace Bond Fund - Growth	-	-	-	-	1,403,734	512.89
L&T Income Opportunities Fund - Growth	10,477,105	1,955.71	3,439,740	582.53	-	-
L&T Income Opportunities Fund Direct Plan - Growth	599,086	113.81	599,086	102.65	-	-
L&T Resurgent India Corporate Bond Fund - Growth	15,616,070	1,912.92	11,747,442	1,302.49	-	-
Religare Invesco Active Income Fund - Growth	-	-	-	-	22,870	375.19
SBI Magnum Income Fund - Regular Plan - Growth	-	-	444,883	159.34	444,883	150.52
SBI Magnum Income Fund - Direct Plan - Growth	-	-	1,175,288	426.15	1,175,288	400.53
SBI Dynamic Bond Fund - Regular Plan - Growth	-	-	876,532	158.90	876,532	150.52
SBI Dynamic Bond Fund - Direct Plan - Growth	-	-	2,296,712	424.93	2,296,712	400.04
SBI Corporate Bond Fund - Regular Plan - Growth	4,856,287	1,272.76	4,293,052	1,023.18	-	-
Sundaram Bond Saver - Regular Growth	-	-	-	-	753,048	301.16
TATA Dynamic Bond Fund Plan A - Growth	-	-	-	-	3,563,000	772.37
UTI Bond Fund - Growth	-	-	-	-	480,094	201.23
UTI Income (Credit) Opportunities Fund - Growth	7,189,015	1,068.64	9,468,270	1,277.85	5,705,796	709.60
UTI Dynamic Bond Fund - Growth	7,859,298	1,508.08	7,859,298	1,317.23	7,859,298	1,240.46
UTI Medium Term Fund - Growth Plan	1,726,683	206.42	-	-	-	-
Total		20,998.21		15,928.34		12,536.47
Debt funds - short term funds						
Axis Short Term Fund - Direct Plan - Growth	1,934,778	356.02	1,934,778	324.70	-	-
Axis Short Term Fund - Growth	655,252	116.51	655,252	106.99	-	-
Birla Sun Life Medium Term Plan - Growth - Direct Plan	2,223,390	465.48	1,442,993	273.91	-	-
Birla Sun Life Short Term Opportunities Fund - Growth - Regular Plan	2,567,588	696.68	2,567,588	636.64	-	-
Birla Sun Life Short Term Opportunities Fund - Growth-Direct Plan	738,476	205.09	-	-	2,467,089	570.64
BNP Paribas Short Term Income Fund - Growth	944,537	176.26	944,537	162.42	944,537	150.67
DSP BlackRock Short Term Fund - Direct Plan - Growth	824,967	236.23	824,967	216.48	-	-
DSP BlackRock Short Term Fund - Regular Plan - Growth	3,202,734	891.56	3,202,734	824.89	2,785,292	664.46
DSP BlackRock Banking & PSU Debt Fund - Direct - Growth	1,886,045	264.30	797,728	101.79	-	-
DSP BlackRock Banking & PSU Debt Fund - Regular - Growth	2,573,316	356.14	2,573,316	325.45	1,295,829	151.73
DHFL Pramerica (DWS) Short Maturity Fund - Direct Plan - Growth	4,497,007	1,388.78	4,497,007	1,254.64	1,810,861	462.30
Templeton(Franklin) India Short Term Income Retail Plan - Growth	-	-	-	-	24,580	706.40
HDFC Short Term Plan - Growth	742,366	240.60	742,365.70	219.67	742,366	200.83
HDFC Short Term Plan - Direct Plan - Growth	3,194,335	1,052.25	3,194,335	955.08	-	-
HDFC Short Term Opportunities Fund - Direct - Growth	8,612,979	1,558.99	8,612,979	1,429.61	8,612,979	1,316.15
HSBC Income Fund - Short Term Plan - Direct Plan - Growth	845,276	236.07	845,276	215.99	-	-

ICICI Prudential Short Term - Regular Plan - Growth	3,599,275	1,228.15	3,599,275	1,114.11	3,599,275	1,030.45
ICICI Prudential Short Term - Direct Plan - Growth	341,960	119.79	341,960	107.86	-	-
ICICI Prudential Banking & PSU Debt Fund - Regular Plan - Growth	-	-	-	-	2,695,935	418.98
IDFC SSIF- Medium Term Plan - Growth - Regular Plan	439,646	121.90	439,646	111.40	439,646	103.57
L&T Short Term Opportunities Fund - Growth	2,857,223	447.15	1,543,460	222.98	1,543,460	206.80
L&T Short Term Opportunities Fund - Direct Plan - Growth	11,457,408	1,825.92	11,457,408	1,677.17	9,982,798	1,348.54
Peerless Short Term Fund - Growth Plan	-	-	-	-	1,442,546	224.00
Religare Invesco Short Term Fund - Growth	-	-	-	-	33,936	632.83
SBI Short Term Debt Fund - Regular Plan - Growth	2,496,939	471.94	2,496,939	432.58	1,252,717	200.81
Sundaram Select Debt Short Term Asset Plan - Regular Growth	2,890,372	812.50	2,890,372	749.57	830,006	200.74
TATA Short Term Bond Fund Plan A - Growth	840,148	256.82	1,622,180	456.82	782,032	204.14
TATA Short Term Bond Fund Plan A - Direct Plan - Growth	1,331,859	419.33	329,607	102.70	-	-
UTI Short Term Income Fund - Institutional - Growth	8,953,429	1,785.18	8,953,429	1,626.54	8,360,865	1,406.61
Total		15,729.64		13,650.01		10,200.66
Debts funds - floating rate funds						
L & T Floating Rate Fund Direct Plan - Growth	4,663,292	755.29	4,663,292.00	690.61	-	-
Canara Robeco Floating Rate (Saving Plus Fund) - Direct Growth	-	-	-	929.00	3,026,180	660.77
Total		755.29		1,619.61		660.77
Balance Funds						
HDFC Prudence Fund Div. - Folio-2147186/18	372,011	115.71	372,010.90	100.93	372,010.90	119.13
Total		115.71		100.93		119.13
Equity Funds						
BNP Paribas Dividend Yield Fund - Dividend	2,012,639	330.13	-	-	-	-
BNP Paribas Dividend Yield Fund - Growth	1,582,371	650.91	-	-	-	-
ICICI Prudential Balanced Advantage Fund - Monthly Dividend	-	-	1,471,690	193.38	-	-
ICICI Prudential Balanced Advantage Fund - Direct Plan - Growth	-	-	382,630	101.51	-	-
JM Balanced Fund - Direct - Quarterly Dividend	357,222	70.64	-	-	-	-
Kotak Equity Arbitrage Fund Direct Plan - Bimonthly Dividend	988,302	199.29	496,268	100.03	-	-
UTI - Wealth Builder Fund - Growth Plan	2,274,873	703.65	-	-	-	-
UTI - Long Term Advantage Fund - Series III - Regular Plan	4,500,000	561.71	4,500,000	450.93	-	-
UTI - Spread Fund - Dividend Payout	3,980,000	630.79	1,275,421	199.94	-	-
Total		3,147.12		1,045.79		-
Total Non Current Investments		40,986.57		32,358.10		28,123.96

Note 9
Current Investments

Investment Particulars	As at 31 March 2017		As at 31 March 2016		As at 01 April 2015	
	No	Carrying Value	No	Carrying Value	No	Carrying Value
Debt funds - ultra short term bond funds						
Birla Sun Life Treasury Optimizer Plan - Growth - Direct Plan	345,324	726.36	-	-	-	-
DSP BlackRock Ultra Short Term Fund - Direct Plan - Growth	3,405,966	405.57	-	-	-	-
Invesco India Credit Opportunities Fund - Direct Plan - DDR	35,799	358.10	-	-	-	-
Sundaram Income Plus Regular Weekly Dividend - Reinvestment	3,605,735	397.16	-	-	-	-
UTI Floating Rate Fund - STP - Regular Plan - DDR	-	-	105,385	1,134.87	-	-
UTI Treasury Advantage Fund - Institutional Plan - DDR	-	-	16,128	161.65	-	-
UTI Treasury Advantage Fund - Institutional Plan - Direct Plan	5,755	129.81	10,369	215.04	-	-
Sundaram Ultra Short Term Fund - Regular DDR	-	-	29,983,609	3,009.45	22,557,181	2,264.06
Birla Sun Life Treasury Optimizer Plan - Growth - Direct Plan	-	-	-	-	1,777,001	3,100.16
Religare Invesco Ultra Short Term Fund - Direct Plan Bonus	-	-	-	-	20,137	217.19
Total		2,017.00		4,521.02		5,581.41
Fixed Maturity Plans						
Axis Fixed Term Plan - Series 47 (483 Days) Direct Growth	-	-	-	-	1,000,000	111.62
Axis Fixed Term Plan - Series 57 (397 Days) Direct Growth	-	-	-	-	4,103,584	450.39
Axis Fixed Term Plan - Series 62 (383 Days) Direct Growth	-	-	-	-	2,000,000	219.38
Birla Sun Life Fixed Term Plan - Series HM 1099 Days - Direct - Growth	-	-	800,000	102.06	800,000	93.99
Birla Sun Life Fixed Term Plan - Series JP 1175 Days - Direct - Growth	-	-	1,037,688	126.09	-	-
Birla Sun Life Fixed Term Plan - Series KW 1477 Days - Direct - Growth	-	-	-	-	2,500,000	273.37
Birla Sun Life Interval Income Fund Annual Plan - Series X - Direct	-	-	1,200,000	151.41	1,200,000	140.07
BOI AXA Fixed Maturity Plan - Series 13 (380 Days) - Direct Plan	-	-	-	-	1,500,000	164.65
DHFL Pramerica (DWS) Fixed Maturity Plan Series 49 - Direct Plan	1,500,000	195.15	1,500,000.00	180.11	-	-
DHFL Pramerica (DWS) Fixed Maturity Plan Series 49 - Regular Plan	1,500,000	194.33	1,500,000	179.48	-	-
DHFL Pramerica (DWS) Fixed Maturity Plan Series 54 - Direct Plan	-	-	-	-	1,500,000	164.96
DHFL Pramerica (DWS) Fixed Maturity Plan Series 57 - Direct Plan	1,500,000	193.20	1,500,000.00	178.52	-	-
DSP BlackRock FMP - Series 155 - 12 M - Direct - Growth	3,091,748	395.78	3,091,748	367.43	-	-
DSP BlackRock FTP - Series 36 - 15 M - Direct - Growth	1,500,000	194.87	1,500,000	180.73	-	-

HDFC FMP 370D August 2013 (3) Series 27 - Direct - Growth	-	-	2,000,000	254.86	2,000,000	234.81
HDFC FMP 371D June 2014 (2) Series 31 - Direct - Growth	-	-	-	-	1,070,000	114.64
HDFC FMP 447D February 2014 (1) Series 29 - Direct - Growth	-	-	-	-	1,700,000	188.79
HDFC FMP 478D January 2014 (1) Series 29 - Direct - Growth	1,000,000	130.68	1,000,000	120.97	-	-
ICICI Prudential FMP Series 69 - 366 Days Plan G - Direct Growth	-	-	2,000,000	254.73	2,000,000	235.17
ICICI Prudential FMP Series 74 - 369 Days Plan F - Direct Growth	2,000,000	255.50	2,000,000	236.53	-	-
IDFC Fixed Term Plan Series 88 Direct Plan - Growth (372 Days)	-	-	-	-	2,000,000	218.65
Kotak FMP Series 142 Direct - Growth	1,003,316	129.73	1,003,316	120.28	-	-
Kotak FMP Series 189 - Growth	-	-	2,000,000	203.12	-	-
L&T FMP Series 10 - Plan M - Direct Growth	-	-	-	-	2,000,000	220.98
L&T FMP Series 10 - Plan R - Direct Growth	-	-	-	-	2,000,000	219.37
L&T FMP Series 8 - Plan F - Direct Growth	-	-	2,000,000	254.29	2,000,000	234.28
Principal Pnb FMP - Series B15-377 Days - Direct Plan - Growth	-	-	-	-	1,000,000	109.60
Reliance Fixed Horizon Fund - XXV Series 22 - Direct Plan Growth	2,000,000	260.24	2,000,000	241.02	-	-
Reliance Fixed Horizon Fund - XXVI Series 13 - Direct Plan Growth	1,026,354	130.92	1,026,354	121.28	-	-
Religare Invesco FMP - Series 22 - Plan F (15 Months) - Direct Plan	1,000,000	129.87	1,000,000	120.43	-	-
Religare Invesco FMP - Series 22 - Plan L (14 Months) - Direct Plan	1,030,442	133.67	1,030,442	123.82	-	-
SBI Debt Fund Series - 16 Months - 1 - Direct Plan - Growth	-	-	500,000	60.70	-	-
SBI Debt Fund Series - 366 Days - 37 - Direct Plan - Growth	-	-	2,000,000	253.64	2,000,000	234.20
SBI Debt Fund Series - 366 Days - 39 - Direct Plan - Growth	-	-	1,000,000	126.93	1,000,000	116.62
SBI Debt Fund Series - A 32 - 367 Days - Direct Plan - Growth	-	-	-	-	2,000,000	213.90
SBI Debt Fund Series - A1 - 15 Months - Direct Plan - Growth	750,000	97.68	750,000	90.54	-	-
SBI Debt Fund Series - A11 - 385 Days - Direct Plan - Growth	771,954	99.35	771,954	91.88	-	-
SBI Debt Fund Series - A14 - 380 Days - Direct Plan - Growth	2,500,000	320.36	2,500,000	296.18	-	-
SBI Debt Fund Series - A18 - 366 Days - Direct Plan - Growth	1,335,551	169.74	1,335,551	157.18	-	-
SBI Debt Fund Series - A2 - 15 Months - Direct Plan - Growth	1,400,000	182.40	1,400,000	168.88	-	-
SBI Debt Fund Series - A5 - 411 Days - Direct Plan - Growth	5,000,000	648.51	5,000,000	600.09	-	-
Sundaram Fixed Term Plan - DS - 367 Days - Direct Growth	-	-	2,000,000	252.90	2,000,000	233.04
Sundaram Fixed Term Plan - EU - 446 Days - Direct Growth	-	-	-	-	750,000	83.48

Sundaram Fixed Term Plan - FA - 406 Days - Regular Growth	-	-	-	-	5,000,000	549.56
Sundaram Fixed Term Plan - FD - 397 Days - Direct Growth	-	-	-	-	2,267,582	250.12
Sundaram Fixed Term Plan - FI - 383 Days - Regular Growth	-	-	-	-	2,000,000	219.16
TATA FMP Series 43 Scheme - C - Direct Plan - Growth	-	-	2,000,000	255.76	2,000,000	235.98
TATA FMP Series 47 Scheme - C - Direct Plan - Growth	-	-	-	-	2,000,000	218.60
TATA FMP Series 47 Scheme - F - Direct Plan - Growth	-	-	-	-	2,126,842	231.59
TATA FMP Series 47 Scheme - H - Direct Plan - Growth	-	-	-	-	2,300,000	249.81
UTI Fixed Maturity Plan - Yearly FMP Series - MAR 2014:YFMP(03/14)	6,245,245	795.31	6,245,245	734.60	-	-
UTI Fixed Term Income Fund Series XVI - I (366 Days) Growth Plan	-	-	2,000,000	254.57	2,000,000	235.04
UTI Fixed Term Income Fund Series XVII - VII (465 Days) Growth Plan	1,000,000	129.76	1,000,000	120.05	-	-
UTI Fixed Term Income Fund Series XVII - XIV (423 Days)	3,000,000	388.93	3,000,000	359.53	-	-
Total		5,176.00		7,340.57		6,465.82
Total Current Investments		7,193.00		11,861.59		12,047.24

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in lakhs)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Note 4a Capital work-in-progress			
IT Park Building	25,665.17	14,255.14	9,978.49
Plant & Machinery	-	84.00	-
Building Central Kitchen	224.15	3.69	-
Exhibition Centre Facility	345.51	-	-
	<u>26,234.83</u>	<u>14,342.83</u>	<u>9,978.49</u>
Note 6 Loans			
Advances and deposit with public bodies	275.02	223.46	96.07
	<u>275.02</u>	<u>223.46</u>	<u>96.07</u>
Note 7 Other non current assets			
Capital Advances	4,987.52	4472.00	77.03
	<u>4,987.52</u>	<u>4472.00</u>	<u>77.03</u>
Note 8 Inventories			
Raw Materials	657.25	423.89	287.13
Work in progress	624.48	641.22	472.56
Stores and spares	57.59	38.36	13.00
	<u>1,339.32</u>	<u>1,103.47</u>	<u>772.69</u>
Note 10 Trade and other Receivables (unsecured, considered good)			
Unsecured, considered good			
Considered good	1,211.60	1,463.65	1,086.38
Considered doubtful	-	-	-
	<u>1,211.60</u>	<u>1,463.65</u>	<u>1,086.38</u>
Note 11 Cash and Bank Balances			
a) Cash and cash equivalents			
Balances with banks in Current Accounts	453.98	497.40	377.18
Cash on hand	-	0.01	0.02
	<u>453.98</u>	<u>497.41</u>	<u>377.20</u>
b) Other balances with banks			
Unclaimed dividend	112.74	149.38	83.14
	<u>566.72</u>	<u>646.79</u>	<u>460.34</u>
Note 12 Other financial assets			
Deposits with more than 12 months maturity	42.88	43.31	34.78
Others Deposits	48.35	26.51	13.97
	<u>91.23</u>	<u>69.82</u>	<u>48.75</u>
Note 13 Assets for Current Tax (Net)			
Advance Tax, net of provisions	933.65	432.22	184.17
	<u>933.65</u>	<u>432.22</u>	<u>184.17</u>
Note 14 Other current assets			
Balance with Central Excise	37.01	11.24	14.98
Sales tax and Service tax receivable	433.03	361.27	282.21
<u>Other Loans and Advances</u>			
Advances to Suppliers	202.07	190.23	283.10
Advance to staff	12.95	11.71	12.17
Other receivables	49.07	26.54	30.82
	<u>734.13</u>	<u>600.98</u>	<u>623.28</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
Note 15

(₹ in lakhs)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Share Capital			
Authorise 14,750,000 (Previous year 14,750,000)			
Equity Shares of Rs. 10 each	1,475.00	1,475.00	1,475.00
Total	<u>1,475.00</u>	<u>1,475.00</u>	<u>1,475.00</u>
Issued, Subscribed and Paid up 14,091,992 (Previous year 14,091,992)			
Equity Shares of Rs. 10 each, fully paid up	1,409.20	1,409.20	1,409.20
Total	<u>1,409.20</u>	<u>1,409.20</u>	<u>1,409.20</u>

Of the above :

7,045,996 equity shares were issued as bonus shares, by capitalisation of reserves of Rs. 70,459,960/- .

Reconciliation of shares outstanding at the beginning and at the end of the year

Particulars	As at 31 March 2017		As at 31 March 2016		As at 1 April 2015	
	Equity Shares Number	Rs.	Equity Shares Number	Rs.	Equity Shares Number	Rs.
At the beginning of the year	14,091,992	140,919,920	14,091,992	140,919,920	14,091,992	140,919,920
Add: Issued during the year	-	-	-	-	-	-
At the end of the year	14,091,992	140,919,920	14,091,992	140,919,920	14,091,992	140,919,920

Terms / Rights Attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹10/- per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees.

The Board of Directors at its meeting held on 29 May 2017 have recommended a payment of final dividend of ₹11 (Rupees Eleven) per equity share of the face value of ₹10 each for the financial year ended 31 March 2017 subject to the approval of shareholders at the Annual General Meeting. If approved, the dividend would result in cash outflow of ₹ 1,865.69 Lakhs inclusive of dividend tax of ₹ 315.57 Lakhs

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of Shareholders holding more than 5% Equity Shares	As at 31 March 2017		As at 31 March 2016		As at 01 April 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Chandler & Price India Pvt.Ltd.	3,886,112	27.58	3,886,112	27.58	3,886,112	27.58
Mr. Sumant J. Patel	1,801,467	12.78	1,801,467	12.78	1,801,467	12.78
Patel Consultancy Services Pvt. Ltd.	1,051,600	7.46	1,051,600	7.46	1,051,600	7.46
Mr. Sudha S. Patel	914,944	6.49	914,944	6.49	914,944	6.49
Engineering Global Pte Limited	894,400	6.35	894,400	6.35	750,000	5.32

STATEMENT OF OTHER EQUITY

(₹ in lakhs)

Note 16 Other Equity

Particulars	Reserves and Surplus				Equity instruments through OCI	Other items of Other Comprehensive Income	Total attributable to owners of the company
	*Retained Earnings	Preference Shares Redemption Reserve	General Reserve	Revaluation Reserve			
Balance as at 01 April 2015	2,323.97	9.56	51,835.60	640.11	12.32	-	54,821.55
Changes in Equity for the year ended 31 March 2016							
Final Dividend for year 2014-15							
Final Dividend	(915.98)						(915.98)
Dividend Distribution Tax on Interim dividend	(155.67)						(155.67)
Interim Dividend for year 2015-16:							
Interim Dividend	(1,197.83)						(1,197.83)
Dividend Distribution Tax on Interim dividend	(243.85)						(243.85)
Profit for the year	14,415.08						14,415.08
Transfer to General Reserves	(11,849.14)		11,849.14				
Other Comprehensive Income							
-Gain on remeasurement of employee benefits(net of tax)						(8.90)	(8.90)
-Fair value gain on Equity instruments					(2.22)		(2.22)
Balance as at 31 March 2016	2,376.58	9.56	63,684.74	640.11	10.10	(8.90)	66,711.90

Particulars	Reserves and Surplus				Equity instruments through OCI	Other items of Other Comprehensive Income	Total attributable to owners of the company
	*Retained Earnings	Preference Shares Redemption Reserve	General Reserve	Revaluation Reserve			
Balance as at 01 April 2016	2,376.58	9.56	63,684.74	640.11	10.10	(8.90)	66,711.90
Changes in Equity for the year ended 31 March 2017:							
Profit for the year	16,994.95						16,994.93
Transfer to General Reserves	(15,115.08)		15,115.08				
Other Comprehensive Income							
-Gain on remeasurement of employee benefits						(17.37)	(17.37)
-Fair value gain on Equity instruments					3.18		3.18
Balance as at 31 March 2017	4,256.45	9.56	78,799.82	640.11	13.28	(26.27)	83,692.64

* Retained earnings include cash subsidy received from Government of Gujarat amounting to ₹25 Lakhs

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in lakhs)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Note 17 Other financial liabilities			
Security deposit from IT Park licencees and others	7,213.41	6,868.65	5,625.77
	<u>7,213.41</u>	<u>6,868.65</u>	<u>5,625.77</u>
Note 18 Provisions (Non current)			
Compensation payable	1,081.36	1,245.03	1,245.03
Provision for gratuity	155.78	130.16	112.81
Provision for leave encashment	38.10	24.84	18.17
	<u>1,275.26</u>	<u>1,400.03</u>	<u>1,376.01</u>
Note 19 Deferred tax liabilities (Net)			
A. Deferred tax liabilities			
Opening Balance	1,629.53	854.18	210.79
Add: Fair valuation of non current mutual fund	(38.36)	392.39	464.94
Add: Fair valuation of current mutual fund	1,091.35	190.70	139.04
Add: Security deposits carried at amortised cost	1.01	4.00	16.24
Add: Revaluation of Building and Plant and Machinery	-	-	14.15
Add: Difference between written down value of fixed assets as per the Companies Act, 2013 and Income tax Act,1961	69.24	252.34	11.25
Expenses claimed for tax purpose on payment basis	-	-	1.02
	<u>2,752.77</u>	<u>1,693.61</u>	<u>857.43</u>
B. Deferred tax Asset			
Expenses allowable for tax purpose on payment basis and others	18.12	59.37	3.25
Employee benefits remeasurements	9.20	4.71	-
A - B	<u>2,725.45</u>	<u>1,629.53</u>	<u>854.18</u>
Refer Note no. 45 "Income Taxes, for further details")			
Note 20 Other non-current liabilities			
Advance Lease Rentals	767.78	1,081.67	996.66
	<u>767.78</u>	<u>1,081.67</u>	<u>996.66</u>
Note 21 Other financial liabilities			
Unclaimed dividend	112.74	149.38	83.79
Salary/wages payable	28.43	68.16	24.27
Other Payables	325.26	223.62	606.33
Security deposit from exhibition organizers	346.91	265.07	109.88
Security deposit from others	31.51	18.22	18.68
	<u>844.85</u>	<u>724.45</u>	<u>842.95</u>
Note 22 Other current liabilities			
Statutory dues	286.49	283.43	286.24
Advance from customers	2,788.81	2,995.44	2,652.81
Other payables	-	-	3.51
	<u>3,075.30</u>	<u>3,278.87</u>	<u>2,942.56</u>
Note 23 Provisions (current)			
Provision for gratuity	25.58	15.42	24.89
Provision for leave encashment	4.43	1.14	1.85
	<u>30.01</u>	<u>16.56</u>	<u>26.74</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in lakhs)

Particulars	Year Ended 31 March 2017	Year Ended 31 March 2016
Note 24 Revenue from Operations (Gross)		
Industrial Capital Goods		
Sale of Machines and Spares (Including Excise)	2,725.44	2,661.57
Engineering fees, Services & Other charges	663.08	131.87
Bombay Exhibition Centre (Rental and Services)	13,276.56	11,183.36
Nesco IT Park (Rental and Services)	14,191.16	12,440.73
Hospitality Services	568.31	222.76
Total	31,424.55	26,640.29
Note 25 Other income		
Interest income	0.61	9.98
Dividend from mutual fund investments	296.35	298.88
Sundry Creditors/liabilities written back (net)	5.98	170.75
Other non operating income	109.76	58.96
Fair value gain on financial instrument through profit and loss account	3,885.50	2,751.27
Profit on sale of assets	-	0.44
Total	4,298.20	3,290.28
Note 26 Cost of Materials Consumed		
Opening Stock	423.89	287.13
Add : Purchases and Expenses	2,021.24	1,599.27
Less: Closing Stock	657.25	423.89
	1,787.88	1,462.51
Note 27 Changes in Inventories of finished goods and work in progress		
Opening Stock of work-in-progress	641.22	472.56
Less: Closing Stock of work in progress	(624.48)	(641.22)
	16.74	(168.66)
Note 28 Employee Benefits expenses		
Salary, Wages and Allowances	1,223.59	802.07
Contribution to Provident and other funds	56.82	44.68
Gratuity	26.06	31.48
Staff welfare expenses	54.23	48.17
	1,360.70	926.40
Note 29 Finance Cost		
Interest on financial liabilities at amortised cost	494.91	382.87
Interest on borrowings	-	0.16
Bank charges & guarantee commission	9.49	7.81
Interest to others	0.44	5.04
	504.84	395.88

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in lakhs)

Particulars	Year Ended 31 March 2017	Year Ended 31 March 2016
Note 30		
Manufacturing , administrative, selling and general expenses		
Consumption of stores and spares	137.35	94.68
Power, fuel & electricity	1,217.74	1,027.93
Erection & fabrication charges	392.98	306.10
Printing, stationery, postage, telephones	91.59	84.02
Rent	59.96	32.36
Hire charges	250.73	-
Rates and taxes	715.51	555.64
Advertisement and sales promotion	24.65	53.67
Membership and subscription	8.96	10.20
Insurance	15.83	27.48
Repairs and maintenance of :		
- Buildings & property	1,087.31	693.98
- Plant & machinery	144.93	97.99
- Other Assets	67.86	1,300.10
		101.94
Loss on redemption of mutual fund		-
Loss on sale/disposal of Assets		-
Exchange loss on foreign exchange transactions	3.85	0.48
Travelling, conveyance and vehicle expenses	184.57	175.47
Auditor's Remuneration:		
- Audit Fees	13.10	10.50
- Certification work	2.50	15.60
		1.50
Legal & professional fees	993.10	832.41
CSR Expenses	320.42	260.34
Managerial remuneration	620.85	550.71
Security charges	58.49	64.59
Bad debts/sundry balance written off	57.27	227.25
Miscellaneous expenses	44.82	43.32
	6,514.37	5,278.14

Notes to consolidated financial statements

Note 31:-

31.1:-First-time adoption of Ind AS:

The Group had prepared its financial statements up to the year ended 31 March, 2016, in accordance with the Accounting Standards notified under Section 133 of Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP').

The Consolidated financial statements of the Group for the year ended March 31, 2017 have been prepared in accordance with Ind AS. For the purpose of transition to Ind AS, the Group has followed the guidance prescribed in Ind AS 101 – 'First time adoption of Indian Accounting Standards', with April 1, 2015 as transition date and IGAAP as previous GAAP.

The transition to Ind AS has resulted in changes in the presentation of the Financial Statements, disclosures in notes thereto, accounting policies and principles. The accounting policies set out in Note 2 have been applied in preparing the consolidated financial statements for the year March 31, 2017 and the comparative information. Exemptions on first time adoption of Ind AS availed in accordance with Ind AS 101 and an explanation of how the transition from previous GAAP to Ind AS has affected the Group's Balance Sheet, Statement of Profit and Loss are given below.

31.2:-Exemptions availed on first time adoption of Ind AS 101:

Ind AS 101 allows first time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Group has accordingly applied following exemptions:

- The Group has elected to continue with the previous GAAP carrying value of its property, plant and equipment recognised as of April 1, 2015 measured as per previous GAAP and use that carrying value as its deemed cost as at the date of transition.
- The Group has elected to continue with the previous GAAP carrying value of its investment in Subsidiary as its deemed cost as at the date of transition.
- Designation of previously recognised financial instruments:

Under Ind AS 109 Financial Instruments, at initial recognition of financial asset, an entity may make an irrevocable election to present subsequent changes in fair value of investment in an equity instrument in other comprehensive income. Ind AS 101 allows such designation of previously recognised financial asset, as 'fair value through other comprehensive income' on the basis of facts and circumstances that existed at the date of transition to Ind AS.

Accordingly, the Group has designated its investments in equity instruments at fair value through other comprehensive income on the basis of the facts and circumstances that existed at the date of transition to Ind AS.

31.3:- Reconciliations:

The following reconciliation provides the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101 on First time Adoption of Indian Accounting Standards.

1. Balance sheet as at 01 April 2015 and 31 March 2016

2. Profit and Loss account for the year ended 31 March 2016

Reconciliation of the consolidated Balance sheet previously reported under IGAAP to Ind AS:

(₹ in Lakhs)

Particulars	Note	Opening Balance Sheet as at 01 April 2015			Note	Balance Sheet as at 31 March 2016		
		IGAAP	Effects of transition to Ind AS	Ind AS		IGAAP	Effects of transition to Ind AS	Ind AS
ASSETS								
Non-current assets								
Property, Plant and Equipment		15,917.52	-	15,917.52		16,481.47	-	16,481.47
Capital work-in-progress		9,978.49	-	9,978.49		14,342.83	-	14,342.83
Financial Assets								
Investments	A	27,066.17	1,057.79	28,123.96	A	30,168.78	2,189.33	32,358.10
loans and advances		96.07	-	96.07		223.46	-	223.46
Other loans and advances		77.03	-	77.03		4,472.00	-	4,472.00
		53,135.29	1,057.79	54,193.07		65,688.53	2,189.33	67,877.86
Current assets								
Inventories		772.69	-	772.69		1,103.47	-	1,103.47
Financial Assets								
Investments	A	11,315.79	731.45	12,047.24	A	10,579.14	1,282.45	11,861.59
Trade receivables		1,086.38	-	1,086.38		1,463.65	-	1,463.65
Cash and cash equivalents		377.20	-	377.20		497.41	-	497.41
Other Balances with Banks		83.14		83.14		149.38		149.38
Other financial assets		48.75	-	48.75		69.82	-	69.82
Assets for Current Tax (Net)		184.17	-	184.17		432.22	-	432.22
Other current assets		623.28	-	623.28		600.98	-	600.98
		14,491.40	731.45	15222.85		14,896.07	1,282.45	16,178.52
TOTAL ASSETS		67,626.68	1,789.24	69,415.92		80,584.60	3,471.78	84,056.38
EQUITY AND LIABILITIES								
EQUITY								
Equity Share capital		1,409.20		1,409.20		1,409.20	-	1,409.20
Other Equity	E	52,547.25	2274.30	54,821.55	E	64,397.54	2,314.36	66,711.90
Non-Controlling Interest		0.01		0.01		0.01		0.01
		53,956.46	2,274.30	56,230.76		65,806.75	2,314.36	68,121.11
LIABILITIES								
Non-current liabilities								
Financial Liabilities						-		
Other financial liabilities	B	6,670.20	-1,044.43	5,625.77	B	8,009.65	-1,141.00	6,868.65
Provisions		1,376.01		1,376.01		1,400.03	-	1,400.03
Deferred tax liabilities (Net)	C	219.81	634.37	854.18	C	412.77	1,216.76	1,629.53
Other non-current liabilities	B	-	996.66	996.66	D	-	1,081.67	1,081.67
		8,266.02	586.60	8,852.62		9,822.45	1,157.43	10,979.88
Current liabilities								
Financial Liabilities								
Trade payables		520.29		520.29		935.51	-	935.51
Other financial liabilities		842.95		842.95		724.45	-	724.45
Other current liabilities		2,942.56		2,942.56		3,278.87	-	3,278.87
Provisions	D	1,098.40	-1,071.66	26.74		16.56	-	16.56
		5,404.20	-1,071.66	4,332.54		4,955.39	-	4,955.39
TOTAL EQUITY AND LIABILITIES		67,626.68	1,789.25	69,415.93		80,584.60	3,471.77	84,056.38

Reconciliation of Consolidated Statement of Profit and loss as previously reported under IGAAP to Ind AS:

Particulars	Note	Year ended 31 March 2016		
		IGAAP	Effects of Transition to Ind AS	Ind-AS
Revenue from operations	B.4, G	25,953.88	686.41	26,640.29
Other income	A	1,605.25	1,684.75	3,290.00
Total Revenue		27,559.13	2,371.16	29,930.29
Expenses				
Cost of raw materials consumed		1,462.51		1,462.51
Changes in inventories of finished goods, work-in-progress and stock-in-trade		-168.66		-168.66
Excise duty	G	-	291.97	291.97
Employee benefits expense	F	940.01	-13.61	926.40
Finance costs	B.2	13.01	382.87	395.88
Depreciation and amortization expense		670.13	-	670.13
Manufacturing, Administrative, Selling and General Expenses		5,278.14	-	5,278.14
Total expenses		8,195.14	661.23	8,856.37
Profit before tax		19,363.99	1,709.93	21,073.92
Income Tax expense				
(1) Current tax		5,879.06	(0.00)	5,879.06
(2) Deferred tax	C	192.97	587.09	780.06
Total tax expense		6,072.03	587.09	6,659.12
Profit for the year		13,291.96	1,122.84	14,414.80
Other Comprehensive Income				
Items that will not be reclassified to profit or loss				
i) Net fair value gain /(Loss) on investments in equity instruments through OCI.	A	-	-2.22	-2.22
ii) Remeasurement of defined employee benefit plans	C,F	-	-13.61	-13.61
Income Tax relating these OCI items				
- Income tax expense on remeasurement of defined employee benefit plans		-	4.71	4.71
Total Other Comprehensive Income		-	-11.12	-11.12
Total Comprehensive Income for the year		13,291.96	1,111.72	14,403.68
Profit for the year attributable to				
- Owners of the company		13,291.96	1,122.84	14,414.80
- Non Controlling interest		-	-	-
		13,291.96	1,122.84	14,414.80
Other Comprehensive for the year attributable to				
- Owners of the company		-	(11.12)	(11.12)
- Non Controlling interest		-	-	-
		-	(11.12)	(11.12)
Total Comprehensive for the year attributable to				
- Owners of the company		13,291.96	1,111.72	14,403.68
- Non Controlling interest		-	-	-
		13,291.96	1,111.72	14,403.68

Explanation for reconciliation of Balance Sheet as previously reported under IGAAP to Ind AS:

A. Non-current and Current Investments:

Non-current Investments:

In the financial statements prepared under Previous GAAP, Non-current investments were measured at cost less provision for diminution (other than temporary). Under Ind AS, investments are recognised as follows:

Particulars of Investments	Recognition as per Ind AS
Equity instruments of Subsidiaries and associate companies	At cost
Quoted / unquoted Equity instruments	At Fair Value through Other Comprehensive Income through an irrevocable option.
Govt. securities	At amortised cost
Mutual funds	At Fair Value through Profit and Loss.

Current Investments:

In the financial statements prepared under Previous GAAP, Current investments were measured at cost or fair value, whichever is lower. Under Ind AS, such investments are recognised as follows:

Particulars of Investments	Valuation as per Ind AS
Mutual funds	At Fair Value through Profit and Loss.

On the date of transition to Ind AS, the difference between the fair value of Non-current and Current investments as per Ind AS and their corresponding carrying value as per financial statements prepared under previous GAAP, has resulted in net increase in carrying amount of Investments, which has been recognised in retained earnings (Equity). Deferred Tax liability has been recognised on fair value gain (net) on mutual funds valued through profit and loss (Refer note C.1 and E.1). Fair value gain on quoted equity instruments valued through OCI, classified under Non-current investments has been recognised in OCI, which has been recognised in retained earnings (Equity) (Refer note E.2).

As at 31st March, 2016, the difference between the fair value of Non-current and Current investments as per Ind AS and their corresponding carrying value as per financial statements prepared under previous GAAP, has resulted in increase in carrying amount of Investments. Fair value gain (net) on mutual funds valued through profit and loss has been recognised in the Statement of profit and loss under the head Other income. Deferred tax expense on such gain has been recognised in Statement of Profit and Loss (Refer note C.1 and E.1). Fair value loss on quoted equity instruments valued through OCI, classified under Non-current Investments has been recognised in OCI (Refer note E.2).

B. Interest Free Security deposits classified under Other Financial Liabilities (Non - Current) and Rentals received in advance classified under Other non-current liabilities:

The Holding Company obtains Interest free Security deposits from its IT Park lessees, which are repayable at the end of lease period. These leases are non-cancellable in nature. These security deposits were recognised at their contracted amount under previous GAAP. Ind AS requires such security deposits, being financial instruments, to be valued at an amortised cost. In view of this, following Ind AS adjustments have been carried out.

Sr. No.	Particulars
B.1	Interest free security deposits classified under non-current financial liabilities are valued at amortised cost.
B.2	On transition date, the difference between amortised cost as on inception date and amortised cost on transition date, which is finance cost, is recognised in retained earnings (Equity). Deferred tax benefit is recognised on such expense. After transition date, such expense is recognised in Statement of Profit and Loss and Deferred tax benefit thereon is recognised in Statement of Profit and Loss (Refer note E.4 and C.2).
B.3	On inception date of these deposits, the difference between contracted value and amortised cost of these security deposits is recognised as Advance Lease rentals.
B.4	Advance Lease rentals are recognised as Additional lease rental income on straight line basis over lease term. The additional lease rental income till the date of transition is recognised in retained earnings (Equity). Deferred tax liability is recognised on the same. After transition date, such income is recognised in Statement of Profit and Loss under Revenue from operations and Deferred tax expense thereon is recognised in Statement of Profit and Loss (Refer note E.3 and C.2).

C. Deferred Tax Liabilities classified under Non-current Liabilities:

In the Financial statements prepared under previous GAAP, deferred tax was accounted as per the income statement approach which required creation of deferred tax asset / liability on timing differences between taxable profit and accounting profit. Under Ind AS, deferred tax is accounted as per Balance Sheet approach, which requires creation of deferred tax asset / liability on temporary differences between the carrying amount of Assets in Balance sheet and its corresponding tax base.

The application of Ind AS has resulted in recognition of deferred tax on new temporary difference, which was not required to be recognised under previous GAAP. In addition, transitional Ind AS adjustments have also led to temporary differences and creation of deferred tax thereon. The details are as follows:

Deferred Tax adjustments are as follows:

(₹ in lakhs)

Sr. No.	Particulars	As on transition date 31 March 2015	For year 2015-16	As on 31 March 2016
C.1	Deferred Tax expenses recognised on gain on fair valuation of mutual fund investments through Profit and Loss.	603.98	583.09	1187.07
C.2	Net Deferred Tax expenses recognised on – i) Additional lease rentals and ii) finance cost, arising out of accounting Security deposits at amortised cost as on Ind AS transition date/ previous year Balance-Sheet date.	16.24	4.00	20.24
C.3	Deferred tax liability recognised on revaluation amount of Building and Plant & Machinery, as such revaluation amount is part of Ind AS PPE deemed cost as on date of transition.	14.15	-	14.15
C.4	Deferred tax expense recognised on actuarial gains / losses relating to defined benefit plans is recognised in OCI.	-	(4.71)	(4.71)
	Total	634.37	582.38	1216.75

D. Accounting of Dividend:

Under Indian GAAP, proposed dividend including dividend distribution tax (DDT), are recognised as liability in the period to which they relate, irrespective of when they are declared. Under Ind AS, proposed dividend is recognised as liability in the period in which it is declared and approved. Accordingly, under Ind AS, final dividend of year 2014-15, amounting to ₹ 915.98 lakhs and Tax on dividend amounting to ₹ 155.67 lakhs, totalling to ₹ 1071.65 lakhs is accounted in year 2015-16, in which it is declared.

E. Equity :

Changes in Equity are on account of following Ind AS adjustments:

Equity Reconciliation :

(₹ in lakhs)

Sr. no	Particulars	As on transition date 31 March 2015	For year 2015-16	As on 31 March 2016
E.1	Fair value gain on Non-current and Current investments in mutual funds classified as fair value through Profit and Loss till transition date/ for year (net of Tax)	1,172.96	1,101.66	2,274.62
E.2	Fair value gain / (loss) on investments in equity instruments classified as fair value through OCI till transition date/ for year.	12.31	(2.22)	10.09
E.3	Additional lease rentals due to accounting Security lease deposits at amortised cost, till transition date/ and accounting Additional Lease rental income for year (net of Tax)	493.23	(55.59)	437.64
E.4	Finance cost on amortised cost of Security deposits, till transition date/ for year (net of Tax)	(461.70)	63.15	(398.55)
E.5	Dividend (including corporate dividend tax), which is accounted in period / year, in which, it is declared and approved.	1,071.65	(1,071.65)	-
E.6	Deferred tax liability recognised on revaluation amount of Building and Plant & Machinery, as such revaluation amount is part of Ind AS PPE deemed cost as on date of transition.	(14.15)	-	(14.15)
E.7	Deferred Tax expenses recognised on actuarial gains relating to defined benefit plans is recognised in OCI.	-	4.71	4.71
	Total	2,274.30	40.06	2,314.36

F. Re-measurement benefit of Defined Benefit Plans:

In financial statements prepared under previous GAAP, re-measurement benefit of defined Plans (Gratuity), arising primarily due to change in actuarial assumption was recognised as employee benefit expense in the Statement of Profit and Loss. Under Ind AS, such re-measurement benefits relating to defined benefit plans is recognised in OCI as per the requirements of Ind AS 19 – Employee Benefits. Consequently, the related tax effect of the same has also been recognised in OCI (Refer note C.4 and E.7).

G. Excise Duty:

Excise duty on account of sale of goods has been included in Revenue, being liability of manufacturer which forms part of cost of production, irrespective of whether goods are sold or not.

31.4:- There are no major Ind AS adjustments in Cash flow statement

Note 32

Financial instruments by category

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. The carrying value of financial instruments by categories as of 31 March 2017 is as follows

(₹ in Lakhs)

Financial Assets/ Liabilities	Amortised cost	Fair Value through profit or loss	Fair Value through other comprehensive income	Total carrying value
Financial Assets				
Investments in Equity Instruments	-	-	13.36	13.36
Investments in Mutual Funds	-	48,165.22	-	48,165.22
Investments in Government Securities	1.00	-	-	1.00
Trade Receivables	1,211.60	-	-	1,211.60
Cash and cash equivalents	453.98	-	-	453.98
Other balances with Banks	112.74	-	-	112.74
Loans	275.02	-	-	275.02
Other financial assets	91.23	-	-	91.23
Total Financial Assets	2,145.57	48,165.22	13.36	50,324.15
Financial Liabilities				
Trade Payables	2,289.68	-	-	2,289.68
Other financial liabilities	8,058.26	-	-	8,058.26
Total Financial Liabilities	10,347.94	-	-	10,347.94

The carrying value of financial instruments by categories as of 31 March 2016 is as follows

Financial Assets/ Liabilities	Amortised cost	Fair Value through profit or loss	Fair Value through other comprehensive income	Total carrying value
Financial Assets				
Investments in Equity Instruments	-	-	10.17	10.17
Investments in Mutual Funds	-	44,206.27	-	44,206.27
Investments in Government Securities	1.00	-	-	1.00
Trade Receivables	1,463.65	-	-	1,463.65
Cash and cash equivalents	497.41	-	-	497.41
Other balances with Banks	149.38	-	-	149.38
Loans	223.46	-	-	223.46
Other financial assets	69.82	-	-	69.82
Total Financial Assets	2,404.72	44,206.27	10.17	46,621.16
Financial Liabilities				
Trade Payables	935.51	-	-	935.51
Other financial liabilities	7,593.10	-	-	7,593.10
Total Financial Liabilities	8,528.61	-	-	8,528.61

The carrying value of financial instruments by categories as of 01 April 2015 is as follows

Financial Assets/ Liabilities	Amortised cost	Fair Value through profit or loss	Fair Value through other comprehensive income	Total carrying value
Financial Assets				
Investments in Equity Instruments	-	-	12.39	12.39
Investments in Mutual Funds	-	40,155.56	-	40,155.56
Investments in Government Securities	1.00	-	-	1.00
Trade Receivables	1,086.38	-	-	1,086.38
Cash and cash equivalents	377.20	-	-	377.20
Other balances with Banks	83.14	-	-	83.14
Loans	96.07	-	-	96.07
Other financial assets	48.75	-	-	48.75
Total Financial Assets	1,692.54	40,155.56	12.39	41,860.49
Financial Liabilities				
Trade and other payables	520.29	-	-	520.29
Other financial liabilities	6,468.72	-	-	6,468.72
Total Financial Liabilities	6,989.01	-	-	6,989.01

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 31 March 2017, 31 March 2016 and 01 April 2015

Particulars	As of 31 March 2017	Fair value measurement at the end of the reporting period/year using		
		Level 1	Level 2	Level 3
Investments in Equity Instruments	13.36	13.33	-	0.03
Investments in Mutual Funds	48,165.22	48,165.22	-	-
Particulars	As of 31 March 2016	Fair value measurement at the end of the reporting period/year using		
		Level 1	Level 2	Level 3
Investments in Equity Instruments	10.17	10.14	-	0.03
Investments in Mutual Funds	44,206.27	44,206.27	-	-
Particulars	As of 01 April 2015	Fair value measurement at the end of the reporting period/year using		
		Level 1	Level 2	Level 3
Investments in Equity Instruments	12.39	12.36	-	0.03
Investments in Mutual Funds	40,155.56	40,155.56	-	-

33) Financial Risk Management:

Financial Risk Factors:

The Group's activities are exposed to Market risk, credit risk and liquidity risk. The Group has set up Risk Management Committee in order to minimise any adverse effects of the risk exposure on the financial performance of the Group.

Market Risk:

Market risk comprises of three types of risk: Currency Risk, Interest rate Risk and Other Price Risk. Other

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate due to changes in foreign currency exchange rates. The Company's foreign currency transactions are detailed in Note no 38 below. The carrying amounts of the Company's foreign currency denominated monetary items are nil as on 31 March 2017, 31 March 2016 and 31 March 2015 respectively. The Company has not entered into any forward exchange contracts during the years ended on 31 March 2017, 31 March 2016 and 31 March 2015.

Price risk is the risk that fair value or future cash flows of financial instrument will fluctuate because of change in market prices.

The Parent Company invests in units of mutual funds including Fixed Maturity Plans, various debt Funds and Equity funds, and hence exposed to Other Price risk. The Parent Company's Treasury dept. manages investments portfolio diversification in order to minimise risk and ongoing monitoring of market prices of investments.

Credit Risk:

Credit risk refers to the risk of default on its obligation by the counterparty resulting in financial loss. Trade receivables are typically unsecured and are derived from customers from three operations Nesco IT Park lease, Bombay Exhibition Centre (BEC) revenue, sale of Industrial Capital Goods and Nesco hospitality services.

The maximum exposure to credit risk on account of trade receivables, at the reporting date is ₹ 1,211.60 Lakhs, ₹ 1,463.65 Lakhs and ₹ 1,086.38 Lakhs as on 31 March 2017, 31 March 2016 and 31 March 2015 respectively.

The Group minimises credit risk relating to Nesco IT Park, Bombay Exhibition Centre and Nesco Hospitality services are as follows:

- The Parent Company obtains security deposits from IT Park lessees and entitled to terminate lease agreement in case lessee makes defaults in payment of lease for a period of two consecutive months.
- BEC customers are required to pay advance and place refundable security deposit with the Company.
- Hospitality services business has majority of its customers from BEC and IT Park businesses and its payment terms include advance.

Whereas, in case of trade receivables from Industrial Capital Goods division for sale of machineries, credit risk is managed through credit approvals, establishing credit limits and continuously monitored by creditworthiness of customers to whom, credit terms are granted in normal course of business.

The Group takes into account available credit risk factors as Group's historical experience for customers, customers' standing for credit defaults in market.

The allowance for lifetime expected credit loss on customer balances as on 31 March 2017 was Nil and reversal of lifetime expected credit loss on customer balances for the year ended 31 March 2016 was Nil.

(₹ in lakhs)

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Balance at the beginning	--	--
Impairment loss recognised / reversed	--	--
Amount written off	57.27	227.25
Balance at the end	--	--

Credit risk of financial assets other than Trade receivables:

- Investments in mutual fund schemes are marked to market on ongoing basis, which is major part of total Non-current and current investments.
- Long term loans and advances include deposits with local authorities, electricity Board, electricity companies etc.
- Cash and Cash equivalents are balances with Public and Private Banks.
- Other current assets include deposits with more than 12 months maturities with Public and Private Banks and Earnest Money deposits with Govt. customer.

Liquidity Risk:

The Group's principal sources of liquidity are cash and cash equivalents and cash flows that are generated from business. The Group does not have any borrowings.

The Group had working capital of ₹ 5,819.99 Lakhs and ₹ 11,223.13 Lakhs, as on 31 March 2017 and 31 March 2016 respectively. The working capital includes cash and cash equivalents of ₹ 453.98 Lakhs and ₹ 497.41 Lakhs as on 31 March 2017 and 31 March 2016 respectively.

Details regarding contractual maturities of significant financial liabilities as on 31 March 2017:
 (₹ in lakhs)

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
Other financial liabilities (non-current)	-	-	-	-
• Security deposit from IT Park licencees and others	-	7,213.41	-	7,213.41
Other financial liabilities (current)	-	-	-	-
• Unclaimed dividend	112.74	-	-	112.74
• Salary / wages payable	28.43	-	-	28.43
• Other payables	325.26	-	-	325.26
• Security deposit from exhibition organizers	346.91	-	-	346.91
• Security deposits from others	31.51	-	-	31.51
• Trade payables	2,289.68	-	-	2,289.68

Details regarding contractual maturities of significant financial liabilities as on 31 March 2016:

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
Other financial liabilities (Non-current):	-	-	-	-
• Security deposit from IT Park licencees and others	-	6,868.65	-	6,886.65
Other financial liabilities (current):	-	-	-	-
• Unclaimed dividend	149.38	-	-	149.38
• Salary / wages payable	68.16	-	-	68.16
• Other payables	223.62	-	-	223.62
• Security deposit from exhibition organizers	265.07	-	-	265.07
• Security deposits from others	18.22	-	-	18.22
• Trade payables	935.51	-	-	935.51

Details regarding contractual maturities of significant financial liabilities as on 31 March 2015:

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
Other financial liabilities (Non-current):	-	-	-	-
• Security deposit from IT Park licencees and others	-	5,625.77	-	5,625.77
Other financial liabilities (current):	-	-	-	-
• Unclaimed dividend	83.79	-	-	83.79
• Salary / wages payable	24.27	-	-	24.27
• Other payables	606.33	-	-	606.33
• Security deposit from exhibition organizers	109.88	-	-	109.88
• Security deposits from others	18.68	-	-	18.68
• Trade payables	520.29	-	-	520.29

34) Contingent Liabilities and Commitments

- a. Estimated amount of contracts remaining to be executed on capital account and not provided for is ₹ 28,661,.67 Lakhs (previous year - ₹ 21,264.94 Lakhs) against which an advance of ₹ 4,987.52 Lakhs (previous year - ₹ 4,472.00 Lakhs) has been paid.
 - b. Claims against the Company contested at various courts amounting to ₹ 1,445.24 lakhs (previous year ₹ 1,631.48 lakhs) against which the Company has provided ₹ 1,081.36 lakhs (previous year ₹ 1,245.03 lakhs) as ascertained by management and as advised by advocates and counsels.
 - c. Income-tax demand disputed by the Company ₹ 213.26 lakhs (previous year ₹ 148.15 lakhs)
 - d. Counter guarantees given by the company to banks in respect of:
 - Indian Bank Guarantees given by bank on Company's behalf ₹ 639.99 Lakhs (Previous year - ₹ 545.57 Lakhs)
 - Foreign Bank Guarantees given by bank on Company's behalf US \$2,387 (Previous year - US \$44,271)
- 35) The Company is in process of identifying enterprises covered under the Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amount payable to such micro, small and medium enterprises as on 31 March 2017 has not been given in the financial statements. However, in the opinion of the management, the impact of interest if any, that may be payable in accordance with the provisions of the act is not expected to be material.

36) Particulars in respect of Sales and Material Consumed: Industrial Capital Goods Division and Hospitality Services)

(₹ in lakhs)

Sr. No.	Particular	2016-2017		2015-2016	
A	Details of major consumption				
	items:				
	Steel		372.98		355.02
	Casting		382.34		173.78
	Electric Motors		75.51		60.86
	Bearings		67.14		38.99
	Miscellaneous		889.91		833.86
			1,787.88		1,462.51
B	Details of consumption of imported and indigenous Items:				
	Raw Material & Components				
	Imported	0.86%	13.14	-	-
	Indigenous	99.14%	1,774.74	100.00%	1,462.51
		100.00%	1,787.88	100.00%	1,462.51
	Stores, Spares & Tools				
	Imported	100.00%	-	-	-
	Indigenous	--	137.35	100.00%	94.68
		100.00%	137.35	100.00%	94.68

37) Income tax assessments are completed up to the assessment year 2015-2016

38) Sales tax assessments for Gujarat up to the financial year 2012-2013. The Company does not expect any additional liability for the pending assessments.

39) Particulars in respect of Foreign currency transactions:

(₹ in lakhs)

Sr. No.	Particular	2016-2017	2015-2016
A	Earning in Foreign exchange		
	i) F.O.B. value of exports	256.56	36.72
	ii) Rent and service charges towards Exhibition	273.97	223.48
B	Value of Imports on CIF BASIS		
	i) Raw Materials (including Components)	31.50	-
	ii) Capital Goods/Services	558.24	-
C	Remittances or expenditure in foreign Currency		
	i) Travelling	2.36	-
	ii) Membership & subscription	-	0.87
	iii) Others	-	5.28

40) A) Gross amount required to be spent by The Holding Company during the year 2016-17 - ₹ 313.53 Lakhs (Previous year ₹ 260.23 Lakhs) towards CSR activities prescribed under Schedule VII of the Companies Act, 2013.

B) Amounts spent during the year on:

Nature of activities	Year 2016-17			Year 2015-16		
	In Cash	Yet to be paid in cash	Total	In Cash	Yet to be paid in cash	Total
i) Construction / Acquisition of any assets	-	-	-	-	-	-
ii) Purpose other than i) above	320.43	-	320.43	260.34	-	260.34
Total	320.43	-	320.43	260.34	-	260.34
C) Related party transactions in relation to Corporate Social Responsibility	-	-	-	-	-	-

41) Leases: Pursuant to Ind AS 17 – Leases following information is disclosed:

Holding Company as Lessor:

The Holding Company has entered into operating leases on its following Property, Plant and Equipment:

- It has given its land located at Byculla (Mumbai) on long term lease, without transferring risks and rewards incidental to legal ownership. It is classified as operating lease as per para 10 of Ind AS 17.
- It has given its premises at IT Park on operating leases. These leases have terms up-to 5 years. Some of the Lease arrangements have price escalation clauses.

Future minimum rentals receivable under these non-cancellable operating leases are, as follows:
(₹ in lakhs)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Within one year	11,361.44	11,480.80	9,261.62
After one year but not more than five years	9,911.63	20,839.80	20,248.00
More than 5 years	73.34	74.87	76.40

There is no contingent rent receivable from lessees under the lease agreements.

Holding Company as Lessee:

- It has taken its factory land at Karamsad, Gujarat, under non-cancellable operating lease. Lease is for three years starting from 09 May 2015. Lease payments recognised as an expense in the year 2016-17 is ₹ 20 Lakhs (Previous Year ₹ 20 Lakhs).
- It has taken its corporate office at Mahalaxmi, Mumbai, under non-cancellable operating lease. Lease is for three years starting from 01 January 2016 to 31 December 2018. Lease payments recognised as an expense in the year 2016-17 is ₹ 18 Lakhs (Previous Year ₹ 4.50 Lakhs).

Future minimum rentals payable under non-cancellable operating leases as at 31st March are, as follows:

Particulars	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
Within one year	38.00	38.00	2.14
After one year but not more than five years	15.64	53.70	--
More than 5 years	--	--	--

There is no contingent rent payable to lessors under the lease agreements.

42) Earnings per share:

Particulars	2016-17	2015-16
Profit after tax (₹ in Lakhs)	16,994.93	14,414.80
Weighted average Number of equity shares outstanding	14,091,992	14,091,992
Face value of each equity share (₹)	10	10
Basic and diluted earnings per share (₹)	120.60	102.29

43) Related party disclosures:

(a) List of related parties and relationships

- | | |
|------------|---|
| Subsidiary | (i) Nesco Hospitality Private Limited |
| Associate | (i) Chandler and Price India Private Limited |
| | (ii) K S Patel Finance & Investment Company Pvt Ltd |

- | | |
|---|---|
| Entities in which Key Managerial Personnel have significant influence | (i) Patel Consultancy Private Limited |
| | (ii) J V Patel Investment and Trading Co.Pvt.Ltd. |
| | (iii) Engineering Global Pte Limited |

- | | |
|--------------------------|--|
| Key management personnel | (i) Mr. Sumant J. Patel – Chairman |
| | (ii) Mr. Krishna S. Patel – Managing Director |
| | (iii) Mr. Dipesh R Singhania – Chief Financial Officer |
| | (iv) Ms. Jinal J Shah – Company Secretary and Compliance Officer |

- | | |
|--------------------------------------|------------------------------------|
| Relative of Key Management Personnel | (i) Mrs. Sudha S. Patel - Director |
|--------------------------------------|------------------------------------|

(b) Related party transactions:

(₹ in Lakhs)

Particulars	2016-2017	2015-2016
INCOME		
Rent		
- Chandler and Price India Private Limited	--	0.60
Brokerage		
- K S Patel Finance & Investment Company Pvt Ltd	13.89	10.57
- Chandler and Price India Private Limited	51.24	24.05
EXPENSE		
Rent		
- Mr. Sumant J Patel	20.00	20.00
Remuneration, perquisites, commission		
- Mr. Sumant J Patel	410.00	388.73
- Mr. Krishna S Patel	205.00	155.88
- Mr. Dipesh R Singhania	74.75	54.85
Director sitting fees		
- Mrs. Sudha S Patel	1.40	1.50
- Other Directors	4.45	5.70
	As at 31 March 2017	As at 31 March 2016
AMOUNTS PAYABLE	222.22	192.31
Mr. Sumant J Patel	70.05	5.17
Mr. Krishna S Patel		
AMOUNTS RECEIVABLE	--	2.46
Nesco Hospitality Private Limited		

Employee benefits for Key Management Personnel is as follows:-

(₹ in Lakhs)

Particulars	2016-17	2015-16
Short-term employee benefits	285.60	211.94
Post-employment benefits	54.42	29.84
Other long-term benefits	13.99	6.85
Termination benefits	-	-
Share-based payment	-	-

- 44) The following tables set out the status of gratuity plans and amounts recognized in the Company's financial statements as at 31 March 2017 and 31 March 2016.

Gratuity Disclosure Statement as Per Indian Accounting Standard 19 (Ind AS 19)

For the Period 2016 -2017

Particulars	Current Period	Previous Period
Type of Benefit	Gratuity	Gratuity
Country	India	India
Reporting Currency	INR	INR
Reporting Standard	Indian Accounting Standard 19 (Ind AS 19)	Indian Accounting Standard 19 (Ind AS 19)
Funding Status	Unfunded	Unfunded
Starting Period	01-Apr-16	01-Apr-15
Date of Reporting	31-Mar-17	31-Mar-16
Period of Reporting	12 Months	12 Months

Assumptions (Previous Period)

Expected Return on Plan Assets	N.A.	N.A.
Rate of Discounting	8.00%	8.00%
Rate of Salary Increase	6.00%	6.00%
Rate of Employee Turnover	1.00%	1.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Mortality Rate After Employment	N.A.	N.A.

Assumptions (Current Period)

Expected Return on Plan Assets	N.A.	N.A.
Rate of Discounting	7.29%	8.00%
Rate of Salary Increase	6.00%	6.00%
Rate of Employee Turnover	1.00%	1.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Mortality Rate After Employment	N.A.	N.A.

Table Showing Change in the Present Value of Projected Benefit Obligation

Present Value of Benefit Obligation at the Beginning of the Period	145.58	137.70
Interest Cost	11.65	11.02
Current Service Cost	14.41	9.90
Past Service Cost	-	-
Liability Transferred In/ Acquisitions	-	-
(Liability Transferred Out/ Divestments)	-	-
(Gains)/ Losses on Curtailment	-	-
(Liabilities Extinguished on Settlement)	-	-
(Benefit Paid Directly by the Employer)	(16.85)	(23.60)
(Benefit Paid From the Fund)	-	-
The Effect Of Changes in Foreign Exchange Rates	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	10.87	-
Actuarial (Gains)/Losses on Obligations - Due to Experience	15.70	10.56
Present Value of Benefit Obligation at the End of the Period	181.35	145.58

Amount Recognized in the Balance Sheet

(Present Value of Benefit Obligation at the end of the Period)	(181.35)	(145.58)
Fair Value of Plan Assets at the end of the Period	-	-
Funded Status (Surplus/ (Deficit))	(181.35)	(145.58)
Net (Liability)/Asset Recognized in the Balance Sheet	(181.35)	(145.58)

Net Interest Cost for Current Period

Present Value of Benefit Obligation at the Beginning of the Period	145.58	137.70
(Fair Value of Plan Assets at the Beginning of the Period)	-	-
Net Liability/(Asset) at the Beginning	145.58	137.70
Interest Cost	11.65	11.02
(Interest Income)	-	-
Net Interest Cost for Current Period	11.65	11.02

Expenses Recognized in the Statement of Profit or Loss for Current Period

Current Service Cost	14.41	9.90
Net Interest Cost	11.65	11.02
Past Service Cost	-	-
(Expected Contributions by the Employees)	-	-
(Gains)/Losses on Curtailments And Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
Expenses Recognized	26.06	20.92

Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period

Actuarial (Gains)/Losses on Obligation For the Period	26.57	10.56
Return on Plan Assets, Excluding Interest Income	-	-
Change in Asset Ceiling	-	-
Net (Income)/Expense For the Period Recognized in OCI	26.57	10.56

Balance Sheet Reconciliation

Opening Net Liability	145.58	137.70
Expenses Recognized in Statement of Profit or Loss	26.06	20.92
Expenses Recognized in OCI	26.57	10.56
Net Liability/(Asset) Transfer In	-	-
Net (Liability)/Asset Transfer Out	-	-
(Benefit Paid Directly by the Employer)	(16.85)	(23.60)
(Employer's Contribution)	-	-
Net Liability/(Asset) Recognized in the Balance Sheet	181.35	145.58

Other Details

No of Active Members	144	157
Per Month Salary For Active Members	35.99	33.21
Weighted Average Duration of the Projected Benefit Obligation	10.59	9.19
Average Expected Future Service	15.47	15.51
Projected Benefit Obligation (PBO)	181.35	145.58
Prescribed Contribution For Next Year (12 Months)	-	-

Net Interest Cost for Next Year

Present Value of Benefit Obligation at the End of the Period	181.35	145.58
(Fair Value of Plan Assets at the End of the Period)	-	-
Net Liability/(Asset) at the End of the Period	181.35	145.58
	-	-
Interest Cost	13.22	11.65
(Interest Income)	-	-
Net Interest Cost for Next Year	13.22	11.65

Expenses Recognized in the Statement of Profit or Loss for Next Year

Current Service Cost	16.38	14.41
Net Interest Cost	13.22	11.65
(Expected Contributions by the Employees)	-	-
Expenses Recognized	29.60	26.06

Maturity Analysis of Projected Benefit Obligation: From the Employer

Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	25.59	15.42
2nd Following Year	19.24	9.33
3rd Following Year	14.34	32.75
4th Following Year	18.27	13.24
5th Following Year	8.85	19.66
Sum of Years 6 To 10	32.53	26.77

Sensitivity Analysis

Projected Benefit Obligation on Current Assumptions	181.35	145.58
Delta Effect of +0.5% Change in Rate of Discounting	(7.78)	(5.31)
Delta Effect of -0.5% Change in Rate of Discounting	8.46	5.74
Delta Effect of +0.5% Change in Rate of Salary Increase	8.52	5.83
Delta Effect of -0.5% Change in Rate of Salary Increase	(7.91)	(5.43)
Delta Effect of +0.5% Change in Rate of Employee Turnover	0.87	1.05
Delta Effect of -0.5% Change in Rate of Employee Turnover	(0.93)	(1.12)

Additional Details

Methodology Adopted for ALM -	Projected Unit Credit Method
Usefulness and Methodology adopted for Sensitivity analysis -	Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.
Stress Testing of Assets -	N.A. - as benefit is unfunded
Investment Strategy -	N.A. - as benefit is unfunded
Comment on Quality of Assets -	N.A. - as benefit is unfunded
Management Perspective of Future Contributions -	N.A. - as benefit is unfunded

45) Income Taxes:-

Income tax expenses in the Statement of Profit and Loss comprise:

(₹ in Lakhs)

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Current Taxes	6,343.73	5,879.06
Deferred Taxes	1,105.13	780.06
Income Tax Expenses	7,448.86	6,659.12

Current tax expenses for the year ended 31 March 2017 and 31 March 2016 include reversals (net provision) pertaining to prior periods, amounting to Nil and ₹130.94 lakhs respectively.

A reconciliation of the income tax provisions to the amount computed by applying the statutory income tax rate to the income before taxes is summarised below:

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Profit before tax	24,443.82	21,073.92
Enacted Tax rate in India		
Computed enacted tax expenses	8,456.87	7,293.21
Add / (Less): Expenses not allowable for tax purposes	177.83	233.65
Add / (Less): Income not considered for tax purpose	(1,158.71)	(827.97)
Add / (Less): Effect of expenses, computed differently in tax	(24.12)	34.36
Add / (Less): Effect of expenses, which are allowed on payment basis	8.99	4.79
Add / (Less): Effect of income, considered under other head of income	(1,137.03)	(729.48)
Total of reconciliation items	6,323.83	6,008.57
Tax payable	6,323.83	6,008.57
Tax provision in books	6,343.73	6,010.00
Excess / (short) provision of earlier years	-	(130.94)
Income Tax Expenses	6,343.73	5,879.06

The Applicable Statutory tax rate for financial year ended 31 March 2017 and 31 March 2016 is 34.608%.

- Income considered under other head of income, mainly comprises of IT Park rental income considered under 'Income from House property' as per the provisions of Income Tax Act, 1961.
- Income not considered for tax purpose mainly consists of other income on account of fair valuation of Investments in Mutual funds and dividend income from Investments in mutual funds.

Details of income tax assets and liabilities as of 31 March 2017, 31 March 2016 and 01 April 2015 are as follows:

Particulars	As at 31 March 2017	As At 31 March 2016	As At 01 April 2015
Income tax Assets	970.39	462.55	368.70
Current Income Tax Liabilities	(46.56)	(27.81)	(184.53)
Net current income tax Assets / (Liabilities)	923.85	432.22	184.17

Details of deferred tax assets and liabilities as of 31 March 2017, 31 March 2016 and 01 April 2015 are as follows:

Particulars	As at 31 March 2017	As At 31 March 2016	As At 01 April 2015
Deferred tax Liabilities	2,752.77	1,693.61	857.43
Deferred Tax Assets	(27.31)	(64.08)	(3.25)
Net deferred tax Assets / (Liabilities)	(2,725.45)	(1,629.53)	(854.18)

The gross movement in the Current Tax assets / (liabilities) for the year ended 31 March 2017 and 31 March 2016 is as follows:

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Net current tax assets / (liabilities) at the beginning of the year	432.22	184.17
Income tax paid		
Advance tax and TDS	6,780.35	6,028.52
Self-Assessment Tax paid/Previous year adjustments	54.69	98.59
Current income tax expenses	(6343.73)	(5879.06)
Net current tax assets / (liabilities) at the beginning of the year	923.84	432.22

The gross movement in deferred income Tax account for the year ended 31 March 2017 and 31 March 2016 is as follows:

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Net deferred tax assets / (liabilities) at the beginning	(1,629.53)	(854.18)
(Credit) / charge related to temporary differences	(1,105.11)	(780.06)
Temporary differences on other comprehensive income	9.20	4.71
Net deferred tax assets / (liabilities) at the end	(2,725.44)	(1,629.53)

The credits relating to temporary differences during the year ended 31 March 2017 and 31 March 2016 are primarily on account of - Other income due to fair valuation of investments on mutual funds.

46) Details of Specified Bank Notes (SBN) held and transacted during the period from 08 November 2016 to 30 December 2016.

(₹ in Lakhs)

Particulars	SBNs	Other Denomination notes	Total
Closing Cash in Hand as on 08.11.2016	27.82	1.21	29.03
(+) Permitted Receipts	-	30.34	30.34
(-) Permitted Payments	-	4.10	4.10
(-) Amount deposited in Banks	27.82	18.03	45.85
Closing Cash in Hand as on 30.12.2016	-	9.42	9.42

47) Segment Reporting

(₹ in Lakhs)

Particulars	2016-17	2015-16
Revenue by Segment		
IT Park	14,191.14	12,440.45
Exhibition Centre	13,276.56	11,183.36
Industrial Capital Goods Division	3,388.55	2,793.44
Hospitality Services	568.31	222.75
Investment Income	4,298.19	3,290.57
Total	35,722.75	29,930.57
Segment profit after tax		
IT Park	12,534.04	10,596.44
Exhibition Centre	10,288.68	9,538.09
Industrial Capital Goods Division	34.12	23.87
Hospitality Services	71.52	1.16
Unallocable Expenses net of Unallocable Income	1,515.46	914.64
Total Operating profit before tax	24,443.82	21,074.20
Capital Employed:-		
Segment Assets:-		
IT Park	44,255.52	32,124.51
Exhibition Centre	5,676.01	2,509.32
Industrial Capital Goods Division	3,737.36	2,988.21
Hospitality Services	192.16	57.27
Unallocable Assets	49,462.56	46,377.07
Total	103,323.61	84,056.38
Segment Liabilities:-		
IT Park	8,537.27	7,181.89
Exhibition Centre	3,677.27	3,017.74
Industrial Capital Goods Division	725.82	799.43
Hospitality Services	126.27	43.13
Unallocable Liabilities	5,155.11	4,893.08
Total	18,221.74	15,935.27

Capital Employed:-			
IT Park		35,718.25	24,942.62
Exhibition Centre		1,998.74	(508.42)
Industrial Capital Goods Division		3,011.54	2,188.78
Hospitality Services		65.89	14.14
Unallocable Assets net of Unallocable Liabilities		44,307.45	41,483.93
Total		85,101.87	68,121.11
Capital Expenditure			
IT Park		11,467.10	5,104.79
Exhibition Centre		3,092.09	464.20
Industrial Capital Goods Division		444.14	39.88
Total		15,003.33	5,608.87

48) Disclosure of additional information pertaining to the Parent Company, Subsidiary and Associates as per Schedule III of Companies Act, 2013

Name of the entity in the Group	2016-17		2016-17		2016-17		2016-17	
	Net Assets i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent:-								
Nesco Limited	85,060.95	100%	16,942.18	100%	(14.19)	100%	16,927.99	100%
Subsidiary:-								
Indian:-								
Nesco Hospitality Pvt Ltd	40.89	0%	52.75	0%	-	0%	52.74	0%
Non controlling interest	0.03	0%	0.02		-	0%	0.02	0%
Total	85,101.87		16,994.94		(14.19)		16,980.75	

Name of the entity in the Group	2015-16		2015-16		2015-16		2015-16	
	Net Assets i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent:-								
Nesco Limited	68,132.96	100%	14,413.64	100%	(11.12)	100%	14,402.53	100%
Subsidiary:-								
Indian:-								
Nesco Hospitality Pvt Ltd	(11.86)	0%	1.16	0%	-	0%	1.43	0%
Non controlling interest	0.01	0%	-	0%	-	0%	-	0%
Total	68,121.11		14,418.80		(11.12)		14,403.96	

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule
5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiary Company

(Amount in ₹)

Sr. No.	Particulars	Details
1.	Name of the subsidiary	Nesco Hospitality Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31 March 2017
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR (₹)
4.	Share capital	Authorised Capital : 1,00,00,000 Paid up Capital : 25,00,000
5.	Reserves & surplus	40,91,98
6.	Total Assets	2,02,00,719
7.	Total Liabilities	2,02,00,719
8.	Investments	NIL
9.	Turnover	5,68,29,693
10.	Profit before taxation	71,51,797
11.	Provision for taxation	18,74,000
12.	Profit after taxation	52,77,797
13.	Proposed Dividend	NIL
14.	% of shareholding	99.96%

Names of subsidiaries which are yet to commence operations - NIL

Names of subsidiaries which have been liquidated or sold during the year – NIL

For and on behalf of the Board

Mr. Sumant J. Patel	Executive Chairman
Mr. Krishna S. Patel	Managing Director
Mr. Mahendra K. Chouhan	Director
Mrs. Sudha S. Patel	Director
Mr. Manu M. Parpia	Additional Director
Mr. Dipes R. Singhania	Chief Financial Officer
Ms. Jinal J. Shah	Company Secretary and Compliance Officer

Mumbai, 29 May 2017

SHAREHOLDERS INFORMATION

1. General Shareholders information

1.	Annual General Meeting	The 58th annual general meeting will be held on Monday, 14 August 2017 at 3.30 p.m. at The Grande, Hall No. 2, Bombay Exhibition Centre at the registered office of the Company at Nesco Complex, Western Express Highway, Goregaon (East), Mumbai – 400 063.
2.	Financial Calendar	Financial Year: 01 April 2017 to 31 March 2018 First quarterly results: On or before 2nd week of August 2017 Second quarterly results: On or before 2nd week of November 2017 Third quarterly results: On or before 2nd week of February 2018 Annual accounts 2017-18: Last week of May 2018
3.	Date of Book Closure	08 August 2017 to 14 August 2017 (both days inclusive)
4.	Listing on Stock Exchange	The Company's equity shares are listed on : Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001. The National Stock Exchange of India Ltd. 5th Floor, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai 400051.
5.	Demat ISIN in NSDL and CDSL for Equity Shares	INE 317F01027

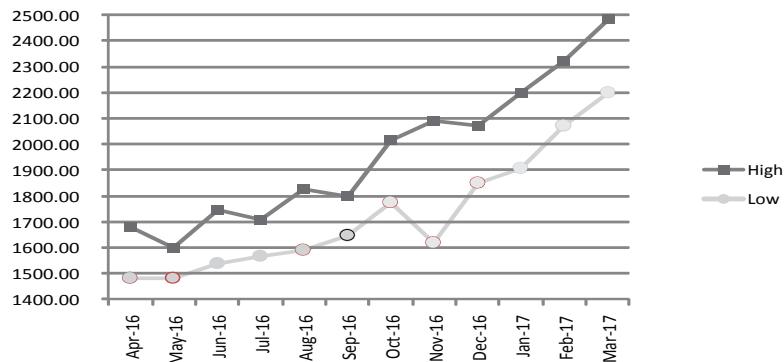
The Company hereby confirms that the Company has paid annual listing fees to both the Exchanges and there is no outstanding payment towards the exchanges as on date.

2. Stock Market data

Monthly high and low prices of equity shares of the Company quoted at BSE Limited during the financial year 2016-17.

Month	High	Low	Month	High	Low
April 2016	1680.00	1483.65	October 2016	2015.00	1776.35
May 2016	1600.00	1480.05	November 2016	2090.00	1621.00
June 2016	1747.05	1540.00	December 2016	2072.20	1849.30
July 2016	1710.00	1565.00	January 2017	2198.00	1909.15
August 2016	1827.55	1590.00	February 2017	2322.65	2070.00
September 2016	1799.00	1646.10	March 2017	2483.70	2200.20

The above prices are depicted in the chart given below:



3. Share Transfer System

The requests for transfer of shares held in physical form are processed and the share certificates are returned within the period stipulated under Companies Act, 2013 and the Listing Regulations, provided that the documents received are in order and complete in all respects.

4. Share Transfer Details

The number of shares transferred during the year under review is given below:

Sr. no.	Particulars	Equity
a.	Number of transfers	24
b.	Average no. of transfer per month	2
c.	Number of share transferred	273538

5. Demat / Remat of Shares

Details of shares dematerialized /rematerialized during the year under review are given below:

Particulars	Nos.
Number of demat requests	69
Number of shares demated	25454
Number of remat request	NIL
Number of share remated	NIL

6. Categories of Shareholding as on 31 March 2017

Sr. No.	Category	Number of shares held	% of share holding
A	Promoters holding		
1.	Indian	87,11,931	61.822
2.	Foreign	8,94,400	6.347
	Sub-total (A)	96,06,331	68.169
B	Non-promoters holding		
1.	Institutional investors		
a.	Mutual funds	5,52,619	3.922
b.	Banks, financial institution, insurance companies (central / state govt. Institution / non-government institution)	1,21,190	0.860
c.	FII (s)	5,32,562	3.779
	Sub-total (B1)	12,06,371	8.561
2.	Others		
a.	Private corporate bodies	3,66,151	2.598
b.	Indian public	28,13,328	19.964
c.	NRIS / OCBS	63,455	0.450
d.	Any other - Foreign companies	0	0.000
	- Clearing members	36,356	0.258
	Sub-total (B2)	32,79,290	23.270
	Sub-total (B=B1+B2)	44,85,661	31.831
	Grand total (A+B)	1,40,91,992	100.00

Distribution of shareholding as on 31 March 2017 is as follows

SHARE	NO OF HOLDERS	(%) OF HOLDERS	TOTAL SHARES	% OF SHARES
UPTO TO 100	9,182	71.48	2,67,533	1.90
101 TO 200	1,378	10.73	2,26,649	1.61
201 TO 500	1,153	8.98	3,99,694	2.84
501 TO 1000	612	4.76	4,45,069	3.16
1001 TO 5000	441	3.43	8,44,639	5.99
5001 TO 10000	40	0.31	2,70,181	1.92
10001 TO 100000	27	0.21	7,47,964	5.30
100001 TO ABOVE	13	0.10	1,08,90,263	77.28
TOTAL	12,846	100.00	1,40,91,992	100.00

7. Unclaimed / unpaid dividends

Final dividend for the financial year ended 31 March 2010 and subsequent years, which remain unpaid or unclaimed, will be due for transfer to the Investor Education and Protection Fund (IEPF) of the Central Government on the dates mentioned in the table below. Members who have not encashed their dividend warrants for these years are requested to seek issue of duplicate warrants on or before the due dates mentioned therein, by writing to the Company's Registrar and Share Transfer Agent M/s. Sharex Dynamic India Private Limited.

No.	Date of declaration	For the Financial year ended	Due date for transfer to IEPF
1	09.09.2010	31.03.2010	16.10.2017
2	12.08.2011	31.03.2011	18.09.2018
3	08.08.2012	31.03.2012	14.09.2019
4	08.08.2013	31.03.2013	14.09.2020
5	20.08.2014	31.03.2014	26.09.2021
6	03.08.2015	31.03.2015	09.09.2022
7	30.03.2016	31.03.2016	21.04.2023

8. Code of Conduct

Your Company has framed a Code of Conduct though not statutorily required for the members of the Board of Directors and senior management personnel of the Company. The same is available for viewing at the Company's website www.nesco.in.

9. Reconciliation of Share Capital Audit

A qualified practicing Company Secretary carried out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued capital. These audits confirm that the total issued/paid-up capital of the Company is in agreement with the total number of the shares in physical form and the total number of the dematerialized shares held with NSDL and CDSL. The same is also placed before the Board of Directors.

10. General Body Meetings

Details of location, time and date of last three annual general meetings of the Company:

Year	AGM	Location	Date	Time
2013-2014	55th	Nesco Complex, Western Express Highway, Goregaon (E), Mumbai	20.08.2014	3.00 P.M.
2014-2015	56th	Nesco Complex, Western Express Highway, Goregaon (E), Mumbai	03.08.2015	3.30 P.M.
2015-2016	57th	Nesco Complex, Western Express Highway, Goregaon (E), Mumbai	10.08.2016	3.30 P.M.

11. Investors Correspondence

Secretarial Department

Nesco Limited

Nesco Complex, Western Express Highway,
Goregaon (East), Mumbai 400063.

Tel: 022 66450123, Email: companysecretary@nesco.in,
Website: www.nesco.in

12. Registrar & Share Transfer Agent

Sharex Dynamic (India) Pvt. Ltd.
Unit No. 1, Luthra Industrial Premises,
Andheri Kurla Road,
Andheri (East), Mumbai - 400 072.
Tel: 022 28515606 / 28515644
Fax : +91 22 28512885
Email: sharexindia@vsnl.com
Website: www.sharexindia.com

For and on behalf of the Board of Directors

Sumant J. Patel
Executive Chairman
DIN : 00186976

Mumbai, 29 May 2017

NOTICE

Notice is hereby given that 58th Annual General Meeting of NESCO Limited will be held on Monday, 14 August 2017 at 3.30 p.m. at The Grande, Hall No. 2, Bombay Exhibition Centre at the registered office of the Company at NESCO Complex, Western Express Highway, Goregaon East, Mumbai - 400063 to transact the following business:

Ordinary Business

1. To consider and adopt audited standalone and consolidated financial statements of the Company for the financial year ended 31 March 2017, together with the report of the Board of Directors and Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a director in place of Mrs. Sudha S. Patel, who retires by rotation and being eligible offers herself for reappointment.
4. To ratify the appointment of Statutory Auditors of the Company and to fix their remuneration and pass the following resolution with or without modification thereof:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions of Companies Act 2013 and the Rules made thereunder, pursuant to the recommendations of the audit committee, the resolution passed by the members at the AGM held on August 3, 2015, the appointment of M/s Manubhai & Shah LLP (formerly known as Manubhai & Shah), Chartered Accountants (LLP Registration No.AAG-0878, Firm Registration No. 109430W) as the auditors of the Company to hold office till the conclusion of 60th Annual General Meeting be and is hereby ratified and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending 31 March 2018 as may be determined by the audit committee."

Special Business

5. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 149, 152, 161 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mr. Manu Mahmud Parpia (DIN 00118333) who was appointed as an Additional, Non-Executive, Independent Director by the Board of Directors of the Company with effect from 10 May 2017 and who holds office upto the date of this Annual General Meeting of the Company, who being eligible, offers himself for appointment and in respect of whom the Company has received a notice from a member in writing under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director on the Board of Directors of the Company to hold office for 5 (five) consecutive years up to 09 May 2022."

"RESOLVED FURTHER THAT the Board of Directors or Company Secretary of the Company be and are jointly or severally hereby authorised to do all such acts, deeds and things as may be necessary, expedient or desirable for the purpose of giving effect to this resolution."

6. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder [including any statutory modification(s) or re-enactment thereof for the time being in force] read with Schedule V of the Companies Act, 2013, and on the recommendation of Nomination and Remuneration Committee, approval of the members be and is hereby accorded for designating Mr. Krishna S. Patel as a Managing Director of the Company with effect from 01 August 2016 till the completion of his tenure on 30 June 2018."

"RESOLVED FURTHER THAT within the limits approved by the 55th Annual General Meeting and pursuant to the recommendation of Nomination and Remuneration Committee, salary of ₹ 7,50,000 per month be paid to Mr. Krishna S. Patel, with effect from 01 August 2016."

7. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 and all other applicable provisions of the Companies Act, 2013 and the rules made thereunder [including any statutory modification(s) or re-enactment thereof for the time being in force] read with Schedule V of the Companies Act, 2013, and on the recommendation of Nomination and Remuneration Committee, approval of the members be and is hereby accorded to designate Mr. Sumant J. Patel as Executive Chairman of the Company with effect from 01 August 2016 till the completion of his tenure on the existing remuneration and terms and conditions of his previous appointment."

8. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 61(1)(d), 64 and other applicable provisions, if any, of the Companies Act, 2013 and rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and in accordance with the provisions of the Memorandum and Articles of Association of the Company and subject to such other approvals, consents, permissions and sanctions as may be necessary from the concerned statutory authorities or bodies, one (1) equity share of the Company having face value of ₹ 10/- each fully paid-up be sub-divided into five (5) equity shares having face value of ₹ 2/- each fully paid-up."

"RESOLVED FURTHER THAT on sub-division, five (5) equity shares of face value of ₹ 2/- each be allotted in lieu of the existing one (1) equity share of face value of ₹ 10/- each subject to the terms of the Memorandum and Articles of Association of the Company."

"RESOLVED FURTHER THAT upon sub-division of the equity shares as aforesaid, the existing share certificate(s) in relation to the existing equity shares of the face value of ₹ 10/- each held in physical form shall be deemed to have been automatically cancelled and be of no effect on

and from the record date to be fixed by the Company and the Company may, without calling the original existing share certificate(s), directly issue and dispatch the new share certificate(s) of the Company, in lieu thereof, subject to the provisions of the Companies (Share Capital and Debentures) Rules, 2014 and in the case of the equity shares held in the dematerialized form, the number of sub-divided equity shares be credited to the respective beneficiary accounts of the shareholders with the Depository Participants, in lieu of the existing credits representing the equity shares of the Company before sub-division."

"RESOLVED FURTHER THAT the Board of Directors or Company Secretary of the Company be and are hereby jointly or severally authorised to do all such acts, deeds, matters and things as may be necessary, expedient or desirable for the purpose of giving effect to this resolution."

9. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 13, 61 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and subject to such other approval(s) from the concerned statutory authorities, Clause V of the Memorandum of Association of the Company be and is hereby altered by substituting the following-

"V. The Authorized Share Capital of the Company is ₹ 15,00,00,000/- (Rupees Fifteen Crores only) divided into 7,37,50,000 (Seven Crores Thirty Seven Lakhs Fifty Thousand) Equity Shares of ₹ 2/- (Rupees Two only) each and 2,50,000 (Two Lakhs Fifty Thousand) eleven percent Cumulative Redeemable Preference Shares of ₹ 10/- (Rupees Ten only) each with power to increase and/or reduce the capital of the Company and to divide the shares in capital for the time being into several classes and to attach thereto respective preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of the Company for the time being and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be permitted by the Act or provided by the Articles of Association of the Company."

RESOLVED FURTHER THAT the Board of Directors or Company Secretary of the Company be and are hereby jointly or severally authorised to do all such acts, deeds, matters and things as may be necessary, expedient or desirable for the purpose of giving effect to this resolution."

10. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions of the Companies Act, 2013 (including any statutory modification or reenactment thereof for the time being in force) and subject to such other approval(s) from the concerned Statutory Authorities, Article 4 of the Articles of Association of the Company be altered and be substituted by the following Article:

"4. The Authorised Share Capital of the Company is ₹ 15,00,00,000/- (Rupees Fifteen Crores only) divided into 7,37,50,000 (Seven Crores Thirty Seven Lakhs Fifty Thousand) Equity Shares of ₹ 2/- (Rupees Two only) each, 2,50,000 (Two Lakhs Fifty Thousand) eleven percent Cumulative Redeemable Preference Shares of ₹ 10/- (Rupees Ten only) each."

RESOLVED FURTHER THAT the Board of Directors or Company Secretary of the Company be and are hereby jointly or severally authorised to do all such acts, deeds, matters and things as may be necessary, expedient or desirable for the purpose of giving effect to this resolution."

By Order of the Board of Directors

Jinal J. Shah
Company Secretary and
Compliance Officer

Mumbai, 29 May 2017

Registered Office:
Nesco Complex, Western Express Highway,
Goregaon (East), Mumbai – 400 063.
CIN No. – L17100MH1946PLC004886

NOTES:

1. An Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 relating to the Special Businesses to be transacted at the annual general meeting is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS A PROXY ON BEHALF OF NOT MORE THAN FIFTY MEMBERS AND HOLDING IN AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY.**
3. The instrument of proxy, in order to be effective, should be deposited at the registered office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A proxy form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.
4. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
5. Members / proxies / authorized representatives should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
6. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the annual general meeting.

7. The Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the annual general meeting.
8. The Register of Members and share transfer books of the Company will remain closed from Tuesday, 08 August 2017 to Monday, 14 August 2017 (both days inclusive), for the purpose of annual general meeting and for determining the names of the shareholders eligible for dividend on equity shares.
9. The dividend, if approved by the members at the annual general meeting will be paid on or before the 30th day from the date of declaration to those members whose names appear in the Register of Members of the Company as on 07 August 2017.
10. The annual report is also available on the website of the Company at www.nesco.in in the Investors Relations section.
11. Additional information, pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Director seeking re-appointment at the annual general meeting, is furnished as annexure to the notice.
12. As per the provisions of Section 124(5) of the Companies Act, 2013, money transferred to unpaid dividend accounts of the Company and remaining unpaid / unclaimed over a period of 7 years from the date of such transfer shall be transferred to 'Investor Education and Protection Fund' and no claim will be entertained thereafter by the Company. The Company has already transferred the dividend for the year 2008-09 and is in process to transfer the unpaid/unclaimed dividend for the year 2009-10. The due date for transfer of the unpaid/unclaimed dividend for the year 2009-10 is 13 November 2017. Members are therefore requested to expeditiously put their claims for unclaimed dividends.
13. Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 all shares in respect of which dividend has not been claimed or has remained unpaid for seven consecutive years, shall be transferred by the Company in the name of Investor Education and Protection Fund (IEPF) set up by the Central Government.
14. All the Members are requested to
 - i. Intimate immediately any change in their address to Company's Registrar and Share Transfer Agent

Sharex Dynamic (India) Pvt. Ltd.
Unit 1, Luthra Industrial Premises,
Safed Pool, Andheri Kurla Road, Andheri (East),
Mumbai - 400072
Tel: 022-28515606/44, Fax: 022-2851 2855
Email: sharexindia@vsnl.com,
Website: www.sharexindia.com

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- ii. Inform change in address directly to their respective depository participants in case members are holding shares in electronic form.
 - iii. Send all correspondence relating to transfer and transmission of shares to Registrar and Share Transfer Agent and not to the Company.
 - iv. Quote their folio no. / Client ID no. in their correspondence with the Registrar and Share Transfer Agent.
 - v. Send their queries related to accounts and operations of the Company at least 10 days in advance so that required information can be made available at the meeting.
 - vi. Intimate Registrar and Share Transfer Agents M/s. Sharex Dynamic (India) Pvt. Ltd. for consolidation of folios, in case having more than one folio.
 - vii. Bring their copies of annual report and attendance slip with them at the meeting.
 - viii. Bring entrance pass duly filled for attending the meeting.
15. The Securities and Exchange Board of India (SEBI) and Reserve Bank of India (RBI) have advised all listed companies to use the Electronic Clearing Services (ECS) mandate facility wherever possible for payment of dividend to the Members. In view of this stipulation, the Company has implemented the ECS facility. Members holding shares in physical form are requested to provide the Company with ECS details for crediting the future dividend payment directly to their respective bank accounts. The Company shall be able to coordinate with their bankers only on receipt of necessary information. Members holding shares in electronic form may instruct their depository participants accordingly.
16. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their registered email id, bank details, NECS, mandates, nominations, power of attorney etc. to their Depository Participants. Changes intimated to the Depository Participants will then be automatically reflected in the Company's records which will help the Company and its Registrar and Transfer Agents, M/s. Sharex Dynamic (India) Private Limited, to provide efficient and better service to the Members. Members holding shares in physical form are requested to advise such changes to the Company's registrar and transfer agents, M/s. Sharex Dynamic (India) Private Limited.
17. In order to provide protection against fraudulent encashment of the dividend warrants, shareholders holding shares in physical form are requested to intimate to the Company's Registrar and Transfer Agents, M/s. Sharex Dynamic (India) Private Limited under the signature of the sole/first joint holder, the following information to be incorporated on the Dividend Warrants:
- i. Name of the Sole/First joint holder and folio number
 - ii. Particulars of bank Account, viz:
 - Name of the Bank
 - Name of the Branch
 - Complete address of the Bank with Pin Code Number
 - Bank Account Number
 - E-mail ID

18. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares. Members can contact the Company's Registrar and Transfer Agents, M/s. Sharex Dynamic (India) Private Limited for assistance in this regard.
19. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN details to the Registrar and Share Transfer Agents, Sharex Dynamic (India) Private Limited.
20. Procedure for e-voting

In compliance with the provision of Section 108 of the Companies Act, 2013 and Rule 20 of Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Amendment, Rules 2015, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its members facility to exercise their right to vote at 58th annual general meeting by electronic means and the business may be transacted through e-voting services provided by Central Depository Services Limited (CDSL).

The instructions for shareholders voting electronically are as under:

For Members whose e-mail addresses are registered with the Company/ Depositories:

- (i) The shareholders should log on to the e-voting website www.evotingindia.com.
- (ii) Click on shareholders.
- (iii) Now enter your user ID
For CDSL: 16 digits beneficiary ID,
For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
Members holding shares in physical form should enter folio number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders)</p> <p>Members who have not updated their PAN with the Company/Depository participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</p> <p>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in capital letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p>

DOB	Enter the date of birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the dividend bank details as recorded in your demat account or in the Company records for the said demat account or folio.</p> <p>Please enter the DOB or dividend bank details in order to login. If the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</p>

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and

password. The Compliance user would be able to link the account(s) for which they wish to vote on.

- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xviii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

For Members whose e-mail addresses are not registered with the Company/Depositories:

Members will receive a Ballot Form along with the annual report. They have two options:

- i) To opt e-voting follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.

OR

- ii) To opt for casting your vote in physical form, fill in the Ballot Form and drop it in the ballot box in the meeting.

Other Instructions:

- (a) The voting period begins on Friday, 11 August 2017 at 09.00 a.m. and ends on Sunday, 13 August 2017 at 05.00 p.m. (preceding the date of AGM). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 07 August 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (b) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- (c) The voting rights of the shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 07 August 2017.
- (d) Ms. Neeta H. Desai, ND & Associates, Practising Company Secretaries has been appointed as the scrutineer to scrutinize the e-voting process in a fair and transparent manner.
- (e) The scrutineer shall immediately after the conclusion of voting at the annual general meeting first count the votes cast at the meeting thereafter unlock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make not later than three working days of the conclusion of the meeting, a consolidated scrutinizer report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.
- (f) A Member can opt for only one mode of voting i.e. either through e-voting or physical form. If Member cast his/her vote by both modes, the voting done through e-voting shall prevail and the vote by ballot shall be treated as invalid.

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- (g) The results declared along with Scrutinizers' Report shall be placed on the Company's website www.nesco.in within two days of the passing of the Resolutions at the 58th AGM of the Company and communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

ANNEXURE TO THE NOTICE:

Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013

Item No. 3

Re-Appointment of Mrs. Sudha S. Patel, Non Executive Director, retiring by rotation

Details of Director seeking re-appointment at the forthcoming annual general meeting pursuant to Regulation 36 of the Listing Regulations

Particulars	Director
Name of the Director	Mrs. Sudha S. Patel
Date of Birth	25 May 1938
Date of Appointment	16 July 2001
Qualification	M.S. in Education Psychology from University of Southern California
Directorships and Committee memberships held in other Public Limited Companies as on 31.03.2017	NIL
Inter-se relationship between directors	Wife of Shri. Sumant J. Patel Mother of Mr. Krishna S. Patel
Number of Shares held in the Company	914944

Item No. 5

Regularization of Mr. Manu Mahmud Parpia as a Director of the Company

The Board of Directors of the Company had on the recommendation of Nomination and Remuneration Committee, vide circular resolution dated 09 May 2017 appointed Mr. Manu Parpia (DIN:00118333) as an Additional Director (Independent) in terms of Sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactments(s) thereof for the time being in force), to hold office for a period of 5 (five) consecutive years not liable to retire by rotation, subject to the approval of shareholders at the ensuing Annual General Meeting.

As an Additional Director, Mr. Manu Parpia holds office upto the date of the ensuing annual general meeting and is eligible for being appointed as an Independent Director of the Company. The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Manu Parpia for the office of director of the Company.

Details of Director seeking confirmation of appointment at the forthcoming annual general meeting pursuant to Regulation 36 of the Listing Regulations

Particulars	Independent Director
Name of the Director	Mr. Manu Mahmud Parpia
Date of Birth	16 January 1950
Date of Appointment	10 May 2017
Qualification	1. Bachelor's degree in Chemical Engineering from McGill University, Canada 2. MBA from Harvard Graduate School of Business Administration, USA 3. Diploma in Finance & Accounting from England.
Directorships and Committee memberships held in other Public Limited Companies as on 31.03.2017	1. Godrej Infotech Limited 2. 3D PLM Software Solutions Limited Membership in – Stakeholders Relationship Committee CSR Committee Nomination and Remuneration Committee
Inter-se relationship between directors	NIL
Number of Shares held in the Company	NIL

The Board of Directors propose the appointment of Mr. Manu Parpia as a non-executive, independent director of the Company and recommend the ordinary resolution as set out in Item no. 5 of the notice for the approval of the members at the ensuing annual general meeting.

None of the Directors, key managerial personnel or their relatives are concerned or interested in the proposed resolution as set out in the notice.

Item No. 6

Change in designation of Mr. Krishna S. Patel

At the fifty fifth annual general meeting of the Company held on 08 August 2013, the shareholders had reappointed Mr. Krishna S. Patel as Executive Director of the Company for a period of five years from 01 July 2013 to 30 June 2018 on the recommendation of Nomination and Remuneration Committee on the following terms and conditions –

- i. Remuneration: upto ₹ 5,00,000/- per month.
- ii. Commission: upto 0.03% of net profit.
- iii. Such benefits, perquisites and allowances as may be determined by the Board from time to time.

At the fifty seven annual general meeting of the Company held on 03 August 2015, shareholders had approved Mr. Krishna S. Patel as Joint Managing Director of the Company with effect from 01 April 2015 till completion of his tenure on the following terms and conditions –

- i. Remuneration: upto ₹ 7,50,000/- per month
- ii. Commission: upto 3% of net profit
- iii. Others: such benefits, perquisites and allowances as may be determined by the Board from time to time.

The Board of Directors in their meeting held on 10 August 2016 based on the recommendation of the Nomination and Remuneration Committee, approved change in designation of Mr. Krishna S. Patel from Joint Managing Director to Managing Director with effect from 01 August 2016 till completion of his tenure.

Other than Mr. Krishna S. Patel and his relatives, none of the other Directors, key managerial personnel or their relatives are interested or concerned in the proposed resolution as set out in Item no. 6 of the notice for the approval of the members.

Item No. 7

Change in designation of Mr. Sumant J. Patel

At the fifty fifth annual general meeting of the Company held on 08 August 2013, the shareholders had reappointed Mr. Sumant J. Patel as Chairman and Managing Director of the Company for a period of 5 (five) years with effect from 01 April 2013 to 31 March 2018 on the recommendation of Nomination and Remuneration Committee on the following terms and conditions –

- i. Remuneration: upto ₹ 7,50,000/- per month, as may be decided by the Board.
- ii. Commission: upto 3% of the profit.
- iii. Such benefits, perquisites and allowances as may be determined by the Board from time to time.

The Board of Directors in their meeting held on 10 August 2016 based on the recommendation of the Nomination and Remuneration Committee, approved change in designation of Mr. Sumant J. Patel from Chairman and Managing Director to Executive Chairman with effect from 01 August 2016 till completion of his tenure.

The Board of Directors in their meeting held on 29 May 2017 based on the recommendation of the Nomination and Remuneration Committee, approved revision in remuneration paid to Mr. Sumant J. Patel, Executive Chairman with effect from 01 April 2017 till completion of his tenure which is within the limits approved by the members at the fifty fifth annual general meeting.

Age of Mr. Sumant J. Patel is more than 70 years, hence, approval of members by way of special resolution is required.

Other than Mr. Sumant J. Patel and his relatives, none of the other Directors, key managerial personnel or their relatives are interested or concerned in the proposed resolution as set out in Item no. 7 of the notice for the approval of the members.

Item No. 8

Sub-division of equity shares of the Company

The Equity Shares of the Company are listed and traded on the Bombay Stock Exchange Limited and National Stock Exchange of India Ltd. With a view to enhance the investor base of the Company by encouraging the participation of the small investors and also to increase the liquidity of the equity shares of the Company, the Board of Directors at their meeting held on 29 May 2017, considered it desirable to recommend the sub-division of 1,47,50,000 equity shares of ₹ 10/- each in the Authorised Share Capital of the Company to 7,37,50,000 equity shares of ₹ 2/- each, subject to approval of the members and such

other authorities as may be necessary.

The Board recommends the resolution as set out in Item. no 8 of the accompanying notice for the approval of the members of the Company as an Ordinary Resolution. The record date for the sub division if approved at the Annual General Meeting shall be on or after 15 September 2017.

None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested in the proposed resolution except to the extent of their shareholding in the Company, if any.

Item No. 9 and 10

Alteration of Memorandum and Articles of Association of the Company

The proposed sub division of equity shares of the Company from ₹10/- (Rupees Ten only) per equity share to ₹2/- (Rupee Two only) per equity share, requires alteration of the Memorandum and Articles of Association of the Company. Accordingly, Clause V of the Memorandum of Association and Article 4 of the Articles of Association of the Company are proposed to be altered in the manner set out in Resolution at Item no. 9 and 10 respectively.

Consequent upon the sub division of equity shares, the Authorized Share Capital of the Company of ₹ 15,00,00,000/- (Rupees Fifteen Crores only) would comprise of 7,37,50,000 (Seven Crores Thirty Seven Lakhs Fifty Thousand) Equity Shares of ₹ 2/- (Rupees Two only) each and 2,50,000 (Two Lakhs Fifty Thousand) eleven percent Cumulative Redeemable Preference Shares of ₹ 10/- (Rupees Ten only) each.

The Board recommends the resolution as set out in Item no. 9 and 10 of the accompanying notice for the approval of the members of the Company.

None of the Directors or key managerial personnel of the Company or their relatives are concerned or interested in the proposed resolution except to the extent of their shareholding in the Company, if any.

By Order of the Board of Directors

Jinal J. Shah
Company Secretary and
Compliance Officer

Mumbai, 29 May 2017

Registered Office:
Nesco Complex,
Western Express Highway,
Goregaon (East), Mumbai – 400063
CIN No. – L17100MH1946PLC004886





Convention Centre and Hotels in the proposed New Bombay Exhibition Centre.



Western Express Highway,
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Maharashtra, India