NESCO LIMITED
Nesco Center
Western Express Highway
Goregaon (East)
Mumbai 400063

T +91 22 6645 0123
F +91 22 6645 0101
E contact@nesco.in
W www.nesco.in

09 August 2018

BSE Limited
Department of Corporate Services
25th Floor, Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001.

Ref : 505355

National Stock Exchange of India Limited
5th Floor, Exchange Plaza,
Bandra Kurla Complex,
Bandra (East),
Mumbai - 400 051.

Ref : NESCO

Sub: Submission of Annual Report 2017-18

Dear Sir,

Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith 59th Annual Report of the Company for the financial year 2017-18 duly approved and adopted by the members of the Company at the Annual General Meeting held on 08 August 2018.

This is for your information and records.

Thanking you

Yours faithfully,

For Nesco Limited

Jinal J. Shah
Company Secretary and
Compliance Officer

NESCO LIMITED MUMBAI

Encl : As above

59th Annual Report

nesco

2017-18

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Board of Directors

Mr. Sumant 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	Independent Director

Auditors

Manubhai & Shah LLP
Chartered Accountants

Banker

HDFC Bank Limited

Registered Office

Nesco Center,
Western Express Highway, Goregaon (East),
Mumbai 400 063.
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
LB-18, Ansal Bhawan,
16, K G Marg,
New Delhi 110 001

Kolkata
Benoy Bhavan,
Camac Street,
Kolkata 700 016

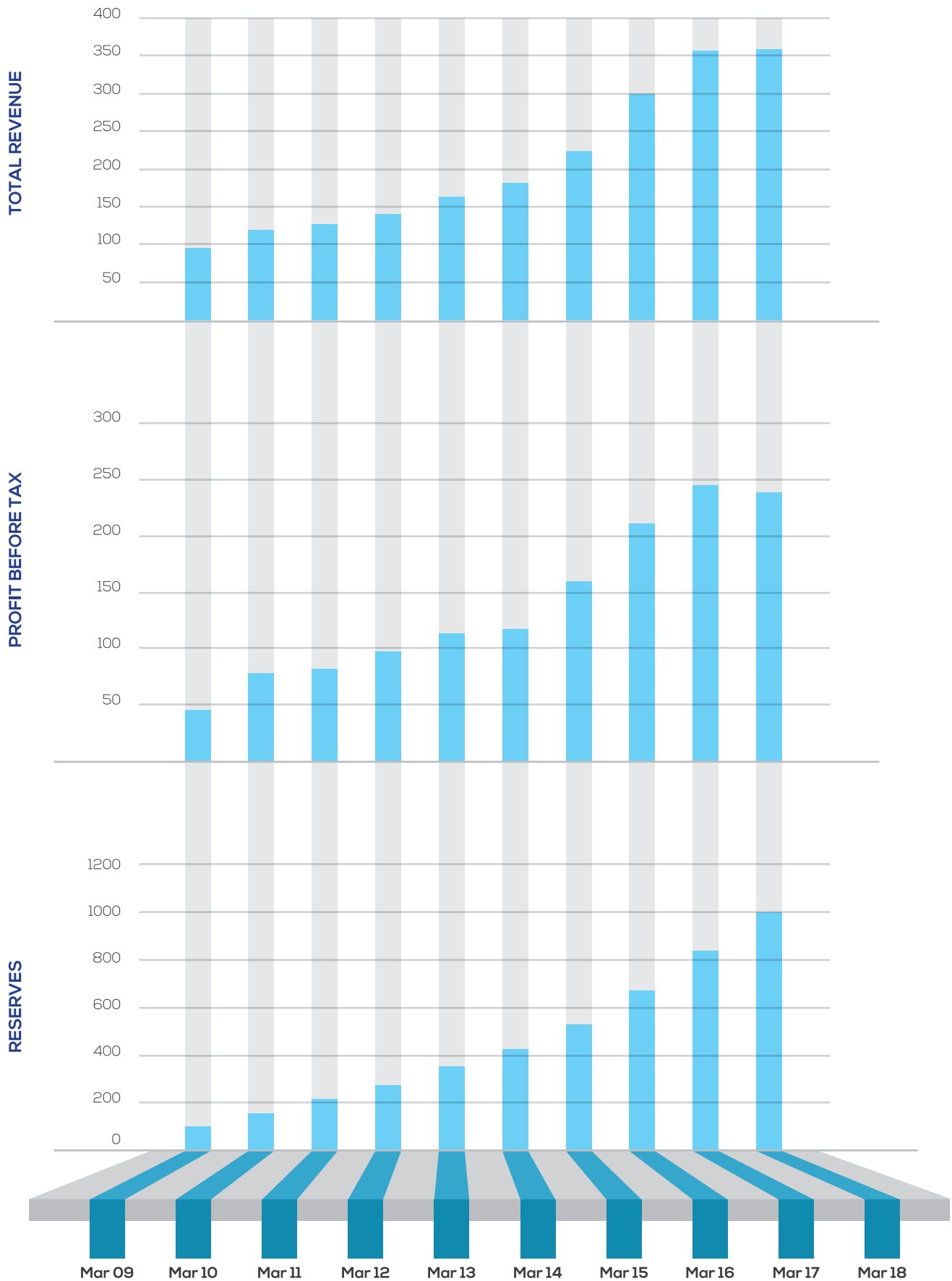
Chennai
Fagun Mansion,
26, Commander - in-Chief Road,
Chennai 600 105

Plants

Karamsad
Anand Sojitra Road,
Karamsad,
Gujarat 388 325

Vishnoli
Nadiad Petlad Road,
Vishnoli,
Gujarat 388 450

Figures - Rs. Crores



REPORT OF BOARD OF DIRECTORS

Dear Members,

Your Directors have pleasure in presenting 59th annual report of your Company for the financial year ended 31 March 2018.

1. Financial Results: (₹ in Lakhs)

Particulars	Consolidated		Standalone	
	2017-18	2016-17	2017-18	2016-17
Income	35,799.50	35,722.75	34,046.58	35,154.45
Profit before depreciation and tax	24,896.08	25,256.79	24,612.33	25,185.28
Depreciation	1,102.73	812.97	1,102.73	812.97
Profit Before Taxes	23,793.32	24,443.81	23,509.60	24,372.31
Tax Expenses	5,921.48	7,448.87	5,840.33	7,430.13
Net Profit after Taxes	17,871.87	16,994.95	17,669.27	16,942.18
Balance brought Forward	4,256.45	2,376.58	50.00	2,388.16
Amount available for appropriations:	22,768.43	19,371.53	18,359.38	19,330.33
Appropriations:				
1. Dividend (refer Note)	1,550.12	-	1,550.12	-
2. Tax on Dividend	315.57	-	315.57	-
3. Transfer to General Reserve	20,852.74	15,115.08	16,443.70	19,280.33
4. Surplus carried forward to Profit and Loss Account	50.00	4,256.45	50.00	50.00
Earning Per Share (Basic) (in ₹)	25.36	24.12	25.08	24.05
Earning Per Share (Diluted) (in ₹)	25.36	24.12	25.08	24.05

Note – As per Ind AS, Dividend is accounted in the financial year in which it is approved by the shareholders in the Annual General Meeting. Accordingly, dividend approved in the 58th annual general meeting held on 14 August 2017 in respect of F.Y. 2016-17 is disclosed in F.Y. 2017-18. Dividend approved in respect of F.Y. 2015-16 was paid in March 2016 and hence, not disclosed under F.Y. 2016-17.

2. Review of Operations:

Your Company achieved a consolidated turnover of ₹ 35,799.50 lakhs as compared to previous year consolidated turnover of ₹ 35,722.75 lakhs.

Consolidated profit before tax was ₹ 23,793.32 lakhs as compared to ₹ 24,443.81 lakhs in previous year.

Consolidated earnings per share amounted to ₹ 25.36 (previous year ₹ 24.12). Company's reserves were ₹ 99,704.62 lakhs.

3. Dividend:

Your Directors are pleased to recommend a dividend of 115% per equity share amounting to ₹ 2.30 per equity share of ₹ 2 each (previous year dividend of 110% per equity share of ₹10 each) as dividend for the year ended 31 March 2018 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

Management Discussion and Analysis:

i) Nesco IT Park:

Income for the year was ₹14,544.33 lakhs (previous year ₹14,191.14 lakhs).

The construction of IT building 4 is expected to be completed by December 2018. So far ₹ 34,894.57 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 2 and 3 are fully occupied by renowned Companies. Hall 3 provides Incubation Centre; and a Child Care Centre for children of employees working in Nesco IT Park.

ii) Bombay Exhibition Centre:

Income for the year was ₹ 12,970.34 lakhs compared to ₹ 13,276.55 lakhs in the previous year.

An amount of ₹ 2,863.70 lakhs was spent during the year for additional space, adding more facilities and improving infrastructure.

During the year 127 exhibitions and conventions were held in our Centre, out of which 14 were new organizers. Some of our new clients include Peppermint Communications Pvt. Ltd., Procyon Exhibition and Events LLP; Quartz, Iten Media, Stylus Arts and Gramin Hastkala Vikas Samiti.

Our Centre continues to bring more visitors to Mumbai than any other venue and now has a total capacity of 59,000 sq. mtrs. of exhibition and convention center spread over six air conditioned halls and has plans of further expansion.

iii) Nesco Hospitality Private Limited:

Nesco Hospitality Private Limited, a wholly owned subsidiary of your Company, earned revenue of ₹ 2,040.22 lakhs as compared to ₹ 568.31 lakhs during the previous year, profit before tax was ₹ 319.13 lakhs as compared to ₹ 72.97 lakhs. The kitchen facility has now commenced and is fully operational. Your Company has started providing 15,000 meals per day.

Pursuant to amendment to the object clause of the Memorandum of Association of the Company, effective April 2018, your Company has entered into business segment of Nesco Foods.

The Company has commissioned two food courts and started food services within Nesco Complex 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.

iv) Indabrator:

In the year under review, Indabrator income was ₹ 2,638.13 lakhs (previous year ₹ 3,388.52 lakhs). Indabrator has recently won several large contracts and has completed its expansion of machine building division at its Vishnoli Complex, Gujarat.

vi) Investments:

Income from investments and other income were ₹ 3,606.48 lakhs (previous year ₹ 4,298.21 lakhs).

4. Finance:

Your Company had no debt as on 31 March 2018. Company's liquid resources (fixed maturity plans, mutual funds, cash & bank balances) increased by 3.85% to ₹ 50,557.22 lakhs from ₹ 48,680.57 lakhs.

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

5. Corporate Social Responsibility:

Your Company has undertaken various projects in the field of Education, Healthcare and Sanitation. The Company has completed construction of new English Medium Higher Secondary School.

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

6. 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. Sumant J. Patel has been reappointed as Executive Chairman of the Company with effect from 01 April 2018 for a further period of five years.

Mr. Krishna S. Patel has been reappointed as Managing Director of the Company with effect from 01 July 2018 for a further period of five years.

Mr. Krishna S. Patel, Managing Director, Mr. Dipesh R. Singhania, Chief Financial Officer and Head Legal and Ms. Jinal J. Shah, Company Secretary and Compliance Officer of the Company are the Key Managerial Personnel of the Company.

7. 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.

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 and Committees 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.

8. Training of Independent Directors:

Your Company's Independent Directors are highly qualified and have been associated with corporate and business organizations. They 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.

9. 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.

10. 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 of the Listing Regulations was held on 14 August 2017.

11. 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 Companies Act, 2013 has been disclosed in Corporate Governance Report, which forms part of Annual Report.

12. 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 2018, 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 2018 and of the profit and loss of the Company for the financial year ended 31 March 2018;

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.

13. 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 16 May 2018, ratified the appointment of Auditors for the financial year 2018-19.

The Auditors Report for the financial year 2017-18, 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 16 May 2018, 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 2018-19.

The Secretarial Audit Report for the financial year 2017-18 is annexed herewith as “Annexure B”. The Secretarial Auditors Report does not contain any qualification, reservation or adverse remark.

14. 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.

15. 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 auditors. 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.

16. 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.

17. 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.

18. 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.

19. 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.

20. 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".

21. 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".

22. Conversion 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.

23. Subsidiary Company:

Nesco Hospitality Private Limited, a wholly owned subsidiary of your Company operated Food Courts, Day Care Centre and Gymnasium in Bombay Exhibition Centre and Nesco IT Park.

During the year, it started operations of the new world class kitchen which catered 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.

24. Related Party Transactions:

During the financial year 2017-18, 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 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.

25. 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.

26. Business Responsibility Report:

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

27. 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.

28. 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.

29. 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
16 May 2018

ANNEXURE A

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: ₹ 20,474.18 lakhs

Prescribed CSR Expenditure (two percent of the amount as in item above)
The Company is required to spend ₹ 409.48 lakhs towards CSR.

Details of CSR spend for 2017-18
i) Total amount spent for the financial year: ₹ 411.47 lakhs
ii) 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	225.07	225.07	--	225.07	Through Implementing Agency
Promoting Education by building infrastructure at schools, computer hardware and software for smart classes	Education	Tarapur, Gujarat	6.92	6.92	--	6.92	Through Implementing Agency
Promoting Education by building infrastructure at schools, computer hardware and software for smart classes	Education	Mumbai, Maharashtra	150.00	150.00	--	150.00	Through Implementing Agency
Promoting healthcare and sanitation, infrastructure support for cancer diagnosis, calibration of healthcare equipment at hospitals, etc.	Health	Mumbai, Maharashtra	29.48	29.48	--	29.48	Through Implementing Agency
		TOTAL	**411.47**	**411.47**	**--**	**411.47**	

Sumant J. Patel
Chairman, CSR Committee
DIN: 00186976

Krishna S. Patel
Managing Director
DIN: 001519572

Mumbai
16 May 2018

CSR | corporate social responsibility

Your Company has established three English Medium Schools at Tarapur and Karamsad for the students of nearby villages. All three schools have smart class facilities. During the year, your Company has constructed a new school building for Higher Secondary Education in Commerce and Science.

English Medium School - Higher Secondary -Science and Commerce

English Medium School – CBSE Board – Karamsad

Smart Class session for students at Karamsad School

English Medium School – Tarapur

ANNEXURE B

Form No. MR-3
SECRETARIAL AUDIT REPORT
For the Financial Year ended 31 March 2018
[Pursuant to Section 204(1) of the Companies Act, 2013 and
Rule No. 9 of the Companies (Appointment and Remuneration of Managerial 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 2018 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 2018 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)**

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
- Indian Stamp Act, 1899
- 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 (SS - 1) and General Meetings (SS – 2) are complied.

ii) The provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR);

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. The changes in the composition of the Board of Directors during the period under review were carried out in compliance with the provisions of the Act.

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.

We further report that during the audit period events of sub-division of face value of equity shares from ₹ 10/- to ₹ 2/-, alteration of objects clause and adoption of new set of Memorandum and Articles of Association were carried out. The Company has complied with the provisions of the Companies Act, 2013 and LODR for the same.

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 processes 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
12 May 2018

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

ANNEXURE C

Extract of Annual Return
As on the financial year ended 31 March 2018 (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 Center, 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:

Sr. 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 license basis)	99531223 Office Buildings	42.72%
2	Exhibition and Convention Centre (provide space to trade fairs, exhibitions, conventions and conferences)	99531222 for Exhibition Centre	38.10%
3	Manufacture of machinery, equipment 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.	7.74%
4	Investments (Invest funds in Mutual Funds and securities)	---	10.59%
5	Foods (To carry on business of Kitchens, Food Courts, Food Kiosks, Mass Catering, etc.)	9961129 for food products n.e.c.	0.84%

III. Particulars of Holding, Subsidiary and Associate Companies –

Sr. 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

Sr. 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/ encum-bered to total shares	No. of shares	% of total shares of the Com-pany	% of shares Pledged/ encum-bered to total shares	
1	Chandler & Price India Pvt. Ltd.	38,86,112	27.58	---	1,94,38,327	27.59	---	0.011
2	S. J. Patel	18,01,467	12.78	---	90,07,335	12.78	---	0
3	Patel Consultancy Services Private Limited	10,51,600	7.46	---	52,58,000	7.46	---	0
4	Sudhaben Sumant Patel	9,14,944	6.49	---	45,74,720	6.49	---	0
5	Engineering Global Pte Limited	8,94,400	6.35	---	44,72,000	6.35	---	0
6	S J Patel (HUF)	6,32,728	4.49	---	31,63,640	4.49	---	0
7	Krishna Sumant Patel	4,25,080	3.01	---	21,25,400	3.01	---	0

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

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 Com-pany
1	**Chandler & Price India Pvt. Ltd.**							
	At the beginning of the year	38,86,112	27.577	01-04-2017				
	Bought during the year			21-04-2017	1,000	Buy	38,87,112	27.584
				28-04-2017	560	Buy	38,87,672	27.588
				22-09-2017	1,55,50,688	Buy	1,94,38,360	27.588
				22-12-2017	2,367	Buy	1,94,40,727	27.591
	Sold during the year			09-03-2018	-2,400	Sold	1,94,38,327	27.588
	At the end of the year			31-03-2018			1,94,38,327	27.588
2	**S J Patel**							
	At the beginning of the year	18,01,467	12.784	01-04-2017				
	Bought during the year			22-09-2017	72,05,868	Buy	90,07,335	12.784
	At the end of the year			31-03-2018			90,07,335	12.784
3	**Patel Consultancy Services Private Limited**							
	At the beginning of the year	10,51,600	7.462	01-04-2017				
	Bought during the year			22-09-2017	42,06,400	Buy	52,58,000	7.462
	At the end of the year			31-03-2018			52,58,000	7.462
4	**Sudhaben Sumant Patel**							
	At the beginning of the year	9,14,944	6.493	01-04-2017				
	Bought during the year			22-09-2017	36,59,776	Buy	52,58,000	6.493
	At the end of the year			31-03-2018			45,74,720	6.493
5	**Engineering Global Pte Limited**							
	At the beginning of the year	8,94,400	6.347	01-04-2017				
	Bought during the year			22-09-2017	35,77,600	Buy	44,72,000	6.347
	At the end of the year			31-03-2018			44,72,000	6.347
6	**S J Patel HUF**							
	At the beginning of the year	6,32,728	4.49	01-04-2017				
	Bought during the year			22-09-2017	25,30,912	Buy	31,63,640	4.490
	At the end of the year			31-03-2018			31,63,640	4.490
7	**Krishna Sumant Patel**							
	At the beginning of the year	4,25,080	3.016	01-04-2017				
	Bought during the year			22-09-2017	17,00,320	Buy	21,25,400	3.016
	At the end of the year			31-03-2018			21,25,400	3.016

* The number of shares has inter alia increased due to sub-division of shares of the Company w.e.f. 15 September 2017.

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 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 Com-pany
1	**Franklin India Smaller Companies Fund**							
	At the beginning of the year	3,73,719	2.652	01-04-2017				
	Bought during the year			14-04-2017	5,412	Buy	3,79,131	2.690
				21-04-2017	6,875	Buy	3,86,006	2.739
				14-07-2017	1,00,000	Buy	4,86,006	3.449
				08-09-2017	74,705	Buy	5,60,711	3.979
				22-09-2017	22,42,844	Buy	28,03,555	3.979
	Sold during the year			02-02-2018	-11,033	Sold	27,92,522	3.963
	At the end of the year			31-03-2018			27,92,522	3.963
2	**Catamaran Advisors LLP**							
	At the beginning of the year	1,90,672	1.353	01-04-2017				
	Bought during the year			22-09-2017	7,62,688	Buy	9,53,360	1.353
	Sold during the year			09-02-2018	-4,712	Sold	9,48,648	1.346
				16-02-2018	-18,870	Sold	9,29,778	1.319
				02-03-2018	-7,043	Sold	9,22,735	1.310
	At the end of the year			31-03-2018			9,22,735	1.310
3	**Investor Education and Protection Fund**							
	At the beginning of the year	--	--	01-04-2017				
	Transfer	7,41,075	1.052	08-12-2017				
	At the end of the year			31-03-2018	--	--	7,41,075	1.052
4	**Sextant Auteur Du Monde**							
	At the beginning of the year	94,500	0.671	01-04-2017				
	Bought during the year			28-04-2017	1,500	Buy	86,500	0.614
				05-05-2017	500	Buy	87,000	0.617
				12-05-2017	2,500	Buy	89,500	0.635
				02-06-2017	2,700	Buy	92,200	0.654
				09-06-2017	8,500	Buy	1,00,700	0.715
				04-08-2017	10,000	Buy	1,10,700	0.786
				01-09-2017	5,000	Buy	1,15,700	0.821
				22-09-2017	4,09,946	Buy	5,15,646	0.732
				10-11-2017	4,581	Buy	5,09,903	0.724
				17-11-2017	23,597	Buy	5,33,500	0.757
				19-01-2018	66,500	Buy	6,00,000	4.258
				16-03-2018	18,100	Buy	6,18,100	0.877
	Sold during the year			14-04-2017	-2,475	Sold	92,025	0.653
				21-04-2017	-7,025	Sold	85,000	0.603
				15-09-2017	-10,000	Sold	1,05,700	0.750
				13-10-2017	-10,324	Sold	5,05,322	0.717
				31-03-2018	-13,630	Sold	6,04,470	0.858
	At the end of the year			31-03-2018			6,04,470	0.858

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 Com-pany
5	**The New India Assurance Company Limited**							
	At the beginning of the year	1,19,400	0.847	01-04-2017				
	Bought during the year			22-09-2017	4,62,144	Buy	5,77,680	0.820
	Sold during the year			04-08-2017	-3,849	Sold	1,15,551	0.820
				11-08-2017	-15	Sold	1,15,536	0.820
				15-12-2017	-6,000	Sold	5,71,680	0.811
				22-12-2017	-12,716	Sold	5,58,964	0.793
				29-12-2017	-27,251	Sold	5,31,713	0.755
				05-01-2018	-4,033	Sold	5,27,680	0.749
				02-02-2018	-8,656	Sold	5,19,024	0.737
				09-02-2018	-10,871	Sold	5,08,153	0.721
				16-02-2018	-556	Sold	5,07,597	0.720
	At the end of the year			31-03-2018			5,07,597	0.720
6	**SBI Small and Midcap Fund**							
	At the beginning of the year	1,69,309	1.201	01-04-2017				
	Bought during the year			22-09-2017	3,60,000	Buy	4,50,000	0.639
	Sold during the year			07-04-2017	-19,309	Sold	1,50,000	1.064
				26-05-2017	-1,163	Sold	1,48,837	1.056
				02-06-2017	-24,405	Sold	1,24,432	0.883
				09-06-2017	-2,138	Sold	1,22,294	0.868
				16-06-2017	-1,591	Sold	1,20,703	0.857
				23-06-2017	-1,038	Sold	1,19,665	0.849
				07-07-2017	-17,617	Sold	1,02,048	0.724
				14-07-2017	-2,265	Sold	99,783	0.708
				21-07-2017	-9,783	Sold	90,000	0.639
				08-12-2017	-2,024	Sold	4,47,976	0.636
				02-02-2018	-9,919	Sold	4,38,057	0.622
				09-02-2018	-26,403	Sold	4,11,654	0.584
				16-02-2018	-17,537	Sold	3,94,117	0.559
				09-03-2018	-4,117	Sold	3,90,000	0.554
	At the end of the year			31-03-2018			3,90,000	0.554
7	**Sharad Kanayalal Shah**							
	At the beginning of the year	59,140	0.42	01-04-2017				
	Bought during the year			25-08-2017	1,880	Buy	61,020	0.433
				15-09-2017	5,00	Buy	61,520	0.437
				22-09-2017	2,46,080	Buy	3,07,600	0.437
	At the end of the year			31-03-2018			3,07,600	0.437

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 Com-pany
8	**Hafeez Sorab Contractor**							
	At the beginning of the year	44,000	0.312	01-04-2017				
	Bought during the year			04-08-2017	1,000	Buy	45,000	0.319
				11-08-2017	1,000	Buy	46,000	0.326
				18-08-2017	2,000	Buy	48,000	0.341
				22-09-2017	1,92,000	Buy	2,40,000	0.341
	At the end of the year			31-03-2018			2,40,000	0.341
9	**Emerging Markets Core Equity Portfolio (The Portfolio) of DFA Investment Dimensions Group Inc. (DFAIDG)**							
	At the beginning of the year	34,219	0.243	01-04-2017				
	Bought during the year			14-04-2017	309	Buy	34,528	0.245
				21-04-2017	299	Buy	34,827	0.247
				28-04-2017	1,220	Buy	36,047	0.256
				12-05-2017	304	Buy	36,351	0.258
				26-05-2017	298	Buy	36,649	0.260
				09-06-2017	267	Buy	36,916	0.262
				23-06-2017	294	Buy	37,210	0.264
				14-07-2017	307	Buy	37,517	0.266
				22-09-2017	1,50,068	Buy	1,87,585	0.266
				06-10-2017	1,509	Buy	1,89,094	0.268
				13-10-2017	1,449	Buy	1,90,543	0.270
				20-10-2017	1,444	Buy	1,91,987	0.272
				10-11-2017	1,335	Buy	1,93,322	0.274
				17-11-2017	1,586	Buy	1,94,908	0.277
				24-11-2017	3,156	Buy	1,98,064	0.281
				15-12-2017	1,297	Buy	1,99,361	0.283
				22-12-2017	4,740	Buy	2,04,101	0.290
				29-12-2017	1,912	Buy	2,06,013	0.292
				19-01-2018	1,783	Buy	2,07,796	1.475
				02-02-2018	1,093	Buy	2,08,889	0.296
				09-02-2018	3,932	Buy	2,12,821	0.302
				16-02-2018	3,251	Buy	2,16,072	0.307
				23-02-2018	1,432	Buy	2,17,504	1.543
				02-03-2018	1,159	Buy	2,18,663	0.310
	At the end of the year			31-03-2018			2,18,663	0.310
10	**Vanaja Sundar Iyer**							
	At the beginning of the year	40,000	0.284	01-04-2017				
	Bought during the year			22-09-2017	1,60,000	Buy	2,00,000	0.284
				16-03-2018	14,517	Buy	2,14,517	0.304
	At the end of the year			31-03-2018			2,14,517	0.304

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 Compa-ny
11	**Modern Education Trust**							
	At the beginning of the year	2,68,120	1.903	01-04-2017				
	Sold during the year			19-05-2017	-60,000	Sold	2,08,120	1.477
				02-06-2017	-60,000	Sold	1,48,120	1.051
				09-06-2017	-51,979	Sold	96,141	0.682
				16-06-2017	-30,000	Sold	66,141	0.469
				23-06-2017	-66,141	Sold	0	0
	At the end of the year			31-03-2018			0	0
12	**Pari Washington India Master Fund, Ltd.**							
	At the beginning of the year	1,62,712	1.155	01-04-2017				
	Sold during the year			21-04-2017	-4,547	Sold	1,58,165	1.122
				28-04-2017	-1,957	Sold	1,56,208	1.108
				05-05-2017	-534	Sold	1,55,674	1.105
				12-05-2017	-81	Sold	1,55,593	1.104
				19-05-2017	-213	Sold	1,55,380	1.103
				26-05-2017	-405	Sold	1,54,975	1.101
				02-06-2017	-1,844	Sold	1,53,131	1.087
				07-07-2017	-69,901	Sold	83,230	0.591
				14-07-2017	-9,781	Sold	73,449	0.521
				21-07-2017	-80	Sold	73,369	0.521
				04-08-2017	-6,988	Sold	66,381	0.471
				18-08-2017	-1,933	Sold	64,448	0.457
				25-08-2017	-3,772	Sold	60,676	0.431
				01-09-2017	-7,255	Sold	53,421	0.379
				08-09-2017	-53,421	Sold	0	0
	At the end of the year			31-03-2018			0	0
13	**East Sail**							
	At the beginning of the year	69,785	0.495	01-04-2017				
	Sold during the year			21-04-2017	-1,821	Sold	67,964	0.482
				28-04-2017	-735	Sold	67,229	0.477
				05-05-2017	-234	Sold	66,995	0.475
				12-05-2017	-26	Sold	66,969	0.475
				19-05-2017	-86	Sold	66,883	0.475
				26-05-2017	-180	Sold	66,703	0.473
				02-06-2017	-766	Sold	65,937	0.468
				07-07-2017	-30,099	Sold	35,838	0.254
				14-07-2017	-4,179	Sold	31,659	0.225
				21-07-2017	-30	Sold	31,629	0.224
				04-08-2017	-3,012	Sold	28,617	0.203
				18-08-2017	-867	Sold	27,750	0.197
				25-08-2017	-1,625	Sold	26,125	0.185
				01-09-2017	-3,144	Sold	22,981	0.163
				08-09-2017	-22,981	Sold	0	0
	At the end of the year			31-03-2018			0	0

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 Com-pany
14	**Malabar India Fund Limited**							
	At the beginning of the year	45,000	0.319	01-04-2017				
	Sold during the year			07-04-2017	-14,900	Sold	30,100	0.214
				14-04-2017	-5,100	Sold	25,000	0.177
				21-04-2017	-4,102	Sold	20,898	0.148
				28-04-2017	-2,306	Sold	18,592	0.132
				05-05-2017	-208	Sold	18,384	0.130
				19-05-2017	-2,014	Sold	16,370	0.116
				26-05-2017	-4,739	Sold	11,631	0.083
				14-07-2017	-154	Sold	11,477	0.081
				25-08-2017	-2,100	Sold	9,377	0.067
				01-09-2017	-9,377	Sold	0	0
	At the end of the year			31-03-2018			0	0
15	**Modern Education Trust**							
	At the beginning of the year	2,68,120	1.903	01-04-2017				
	Sold during the year			19-05-2017	-60,000	Sold	2,08,120	1.477
				02-06-2017	-60,000	Sold	1,48,120	1.051
				09-06-2017	-51,979	Sold	96,141	0.682
				16-06-2017	-30,000	Sold	66,141	0.469
				23-06-2017	-66,141	Sold	0	0
	At the end of the year			31-03-2018			0	0
16	**Pari Washington India Master Fund Ltd**							
	At the beginning of the year	1,62,712	1.155	01-04-2017				
	Sold during the year			21-04-2017	-4,547	Sold	1,58,165	1.122
				28-04-2017	-1,957	Sold	1,56,208	1.108
				05-05-2017	-534	Sold	1,55,674	1.105
				12-05-2017	-81	Sold	1,55,593	1.104
				19-05-2017	-213	Sold	1,55,380	1.103
				26-05-2017	-405	Sold	1,54,975	1.100
				02-06-2017	-1,844	Sold	1,53,131	1.087
				07-07-2017	-69,901	Sold	83,230	0.591
				14-07-2017	-9,781	Sold	73,449	0.521
				21-07-2017	-80	Sold	73,369	0.521
				04-08-2017	-6,988	Sold	66,381	0.471
				18-08-2017	-1,933	Sold	64,448	0.457
				25-08-2017	-3,772	Sold	60,676	0.431
				01-09-2017	-7,255	Sold	53,421	0.379
				08-09-2017	-53,421	Sold	0	0
	At the end of the year			31-03-2018			0	0

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 Com-pany
17	**East Sail**							
	At the beginning of the year	69,785	0.495	01-04-2017				
	Sold during the year			21-04-2017	-1,821	Sold	67,964	0.482
				28-04-2017	-735	Sold	67,229	0.477
				05-05-2017	-234	Sold	66,995	0.475
				12-05-2017	-26	Sold	66,969	0.475
				19-05-2017	-86	Sold	66,883	0.475
				26-05-2017	-180	Sold	66,703	0.473
				02-06-2017	-766	Sold	65,937	0.468
				07-07-2017	-30,099	Sold	35,838	0.254
				14-07-2017	-4,179	Sold	31,659	0.225
				21-07-2017	-30	Sold	31,629	0.224
				04-08-2017	-3,012	Sold	28,617	0.203
				18-08-2017	-867	Sold	27,750	0.197
				25-08-2017	-1,625	Sold	26,125	0.185
				01-09-2017	-3,144	Sold	22,981	0.163
				08-09-2017	-22,981	Sold	0	0
	At the end of the year			31-03-2018			0	0
18	**Malabar India Fund Limited**							
	At the beginning of the year	45,000	0.319	01-04-2017				
	Sold during the year			07-04-2017	-14,900	Sold	30,100	0.214
				14-04-2017	-5,100	Sold	25,000	0.177
				21-04-2017	-4,102	Sold	20,898	0.148
				28-04-2017	-2,306	Sold	18,592	0.132
				05-05-2017	-208	Sold	18,384	0.130
				19-05-2017	-2,014	Sold	16,370	0.116
				26-05-2017	-4,739	Sold	11,631	0.083
				14-07-2017	-154	Sold	11,477	0.081
				25-08-2017	-2,100	Sold	9,377	0.067
				01-09-2017	-9,377	Sold	0	0
	At the end of the year			31-03-2018			0	0

* The number of shares has inter alia increased due to sub-division of shares of the Company w.e.f. 15 September 2017.

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:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the Year			Shareholding at the end of the Year			% of total Shares of the Company
		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	
	Directors							
1	**Sumant J. Patel**							
	At the beginning of the year	18,01,467	12.784	01-04-2017				
	Bought during the year			22-09-2017	72,05,868	Buy	90,07,335	12.784
	At the end of the year			31-03-2018			90,07,335	12.784
2	**Sudhaben S. Patel**							
	At the beginning of the year	9,14,944	6.493	01-04-2017				
	Bought during the year			22-09-2017	36,59,776	Buy	45,74,720	6.493
	At the end of the year			31-03-2018			45,74,720	6.493
3	**Krishna S. Patel**							
	At the beginning of the year	4,25,080	3.016	01-04-2017				
	Bought during the year			22-09-2017	17,00,320	Buy	21,25,400	3.016
	At the end of the year			31-03-2018			21,25,400	3.016
4	**Mahendra K. Chouhan**							
	At the beginning of the year	150	0.001	01-04-2017				
	Bought during the year			22-09-2017	1,950	Buy	2,100	0.003
	At the end of the year			31-03-2018			2,100	0.003
5	**Jai S. Diwanji**							
	At the beginning of the year	-	-	01-04-2017				
	At the end of the year			31-03-2018			-	-
6	**K. S. Srinivasa Murty**							
	At the beginning of the year	-	-	01-04-2017				
	At the end of the year			31-03-2018			-	-
7	**Manu M. Parpia**							
	At the beginning of the year	-	-	01-04-2017				
	Bought during the year			01-06-2017	4,000	Buy	4,000	0.028
				22-09-2017	16,000	Buy	20,000	0.028
	At the end of the year			31-03-2018			20,000	0.028
	Key Managerial Personnel							
1	**Dipesh R. Singhania**							
	At the beginning of the year	-	-	01-04-2017				
	At the end of the year			31-03-2018			-	-
2	**Jinal J Shah**							
	At the beginning of the year	-	-	01-04-2017				
	At the end of the year			31-03-2018			-	-

* The number of shares has inter alia increased due to sub-division of shares of the Company w.e.f. 15 September 2017.

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 ₹)

Sr. No.	Particulars of remuneration	Name of EC/MD		Total Amount
		Mr. Sumant 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	84,00,000	90,00,000	1,74,00,000
	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 Others Specify	3,50,00,000	1,25,00,000	4,75,00,000
5.	Other allowances	---	---	---
6.	Provident Fund	---	10,80,000	10,80,000
	Total	**4,34,00,000**	**2,25,80,000**	**6,59,80,000**

B. Remuneration to other directors:

(Amount in ₹)

Particulars of Remune-ration	Name of the Directors					Total Amount
	Independent Directors				Non-Executive Director	
	Mr. Mahendra Chouhan	Mr. K.S. Srinivasa Murty	Mr. Jai S. Diwanji	Mr. Manu M. Parpia	Mrs. Sudha S. Patel	
• Fees for Attending Board & Committee Meetings	1,80,000	1,35,000	1,35,000	1,05,000	1,40,000	7,15,000
• Commission	Nil	Nil	Nil	Nil	Nil	Nil
• Others	Nil	Nil	Nil	Nil	Nil	Nil
Total	**1,80,000**	**1,35,000**	**1,55,000**	**1,05,000**	**1,40,000**	**7,15,000**

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

(Amount in ₹)

Sr. 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	80,16,400	7,16,676	87,33,076
	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	28,800	3,31,200
	Total	**83,18,800**	**7,45,476**	**90,64,276**

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	41.13
Mr. Krishna S. Patel	21.40

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	5.85
Mr. Krishna S. Patel, Managing Director	5.22
Mr. Dipesh R. Singhania, Chief Financial Officer	21.50
Ms. Jinal J. Shah, Company Secretary	10.00

c. **The percentage increase in the median remuneration of employees in the financial year :** 4%

d. **The number of permanent employees on the rolls of the Company:** 131 (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 5.63%.

f. **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.

g. **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.**

ANNEXURE E

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 arm's length. transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length

Nesco Limited has not entered into any contract or arrangements or transactions with its related parties which are not at arm's length during financial year 2017-18.

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

Nesco Limited has not entered into any contract or arrangements or transactions with its related parties which are at arm's length during financial year 2017-18.

ANNEXURE F

SHARE HOLDING PATTERN

Category-wise Share Holding									
Category of Shareholders	**No. of Shares held at the beginning of the year 01-04-2017**				**No. of Shares held at the end of the year 31-03-2018**				**% 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	1,88,71,095	-	1,88,71,095	26.783	-
(b). Central Govt.	-	-	-	-	-	-	-	-	-
(c). State Govt(s).	-	-	-	-	-	-	-	-	-
(d). Bodies Corp.	49,37,712	-	49,37,712	35.039	2,46,96,327	-	2,46,96,327	35.050	0.011
(e). FIINS / BANKS.	-	-	-	-	-	-	-	-	-
(f). Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	**87,11,931**	**-**	**87,11,931**	**61.822**	**4,35,67,422**	**-**	**4,35,67,422**	**61.833**	**0.011**
(2). FOREIGN									
(a). Individual NRI / For Ind	-	-	-	-	-	-	-	-	-
(b). Other Individual	-	-	-	-	-	-	-	-	-
(c). Bodies Corporates	8,94,400	-	8,94,400	6.347	44,72,000	-	44,72,000	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**	**44,72,000**	**-**	**44,72,000**	**6.347**	**-**
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**96,06,331**	**-**	**96,06,331**	**68.169**	**4,80,39,422**	**-**	**4,80,39,422**	**68.18**	**0.011**
(B) (1). PUBLIC SHAREHOLDING									
(a). Mutual Funds	5,50,528	-	5,50,528	3.907	32,34,822	-	32,34,822	4.591	0.684
(b). Banks / FI	1,750	40	1,790	0.013	31,942	200	32,142	0.046	0.033
(c). Central Govt.	-	-	-	-	-	-	-	-	-
(d). State Govt.	1,21,491	-	1,21,491	0.862	12,48,672	-	12,48,672	1.772	0.910
(e). Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f). Insurance Companies	-	-	-	-	-	-	-	-	-
(g). FIIs	2,056	-	2,056	0.015	10,280	-	10,280	0.015	-
(h). Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i). Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	**6,75,825**	**40**	**6,75,865**	**4.797**	**45,25,716**	**200**	**45,25,916**	**6.424**	**1.627**

Category of Shareholders	No. of Shares held at the beginning of the year 01-04-2017				No. of Shares held at the end of the year 31-03-2018				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(B)(2). NON-INSTITUTIONS									
(a). Bodies Corporate									
(i) Indian	3,64,383	2,69,888	6,34,271	4.501	19,80,150	6,200	19,86,350	2.819	-1.682
(ii) Overseas	-	-	-	-	-	-	-	-	-
(b). Individuals									
(i) Individual shareholders holding nominal share capital upto Rs.1 lakh	15,92,982	6,28,873	22,21,855	15.767	72,09,099	15,77,530	87,86,629	12.47	-3.297
(ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	2,73,393	49,960	3,23,353	2.295	41,93,192	7,47,600	49,40,792	7.012	4.717
(c). Other (specify)									
(i) Non Resident Indians	63,455	-	63,455	0.450	5,18,872	-	5,18,872	0.736	0.286
(ii) Overseas Corporate Bodies	5,30,506	-	5,30,506	3.765	15,76,485	-	15,76,485	2.237	-1.528
(iii) Foreign Nationals	-	-	-	-	-	-	-	-	-
(iv) Clearing Members	36,356	-	35,356	0.258	85,494	-	85,494	0.121	-0.137
(v) Trusts	-	-	-	-	-	-	-	-	-
(vi) Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	**28,61,075**	**9,48,721**	**38,09,796**	**27.036**	**1,55,63,292**	**23,31,330**	**1,78,94,622**	**25.395**	**-1.64**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**35,36,900**	**9,48,761**	**44,85,661**	**31.833**	**2,00,89,008**	**23,31,530**	**2,24,20,538**	**31.819**	**-0.01**
C. Shares held by Custodian for GDRs & ADRs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total (A+B+C)	**1,31,43,231**	**9,48,761**	**1,40,91,992**	**100.000**	**6,81,28,430**	**23,31,530**	**7,04,59,960**	**100.000**	**0**

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 composition and strength of the Board is reviewed periodically for ensuring compliance with the statutory requirements. The present strength of the Board of Directors is seven members. The Board comprises of the Executive Chairman, Managing Director and five other non-executive Directors, out of which four are Independent Directors.

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 2018 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	03	04	02
Mr. Jai S. Diwanji	Non-Executive and Independent	02	04	---
Mr. K. S. Srinivasa Murty	Non-Executive and Independent	---	02	---
Mr. Manu M. Parpia	Non-Executive and Independent	02	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. Familiarization Programme:

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

Brief details of the Familiarization Program are uploaded on the Company's website at www.nesco.in.

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 review business of the Company and to consider financial results. Each time, a detailed agenda is prepared in consultation with the Executive Chairman & Managing Director.

During the financial year, four meetings of the Board of Directors of the Company were held on 29 May 2017, 14 August 2017, 09 November 2017 and on 13 February 2018.

The details of 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 during the year		Attendance at the last AGM held on 14 August 2017
	Held	Attended	
Mr. Sumant J. Patel	4	4	YES
Mr. Mahendra K. Chouhan	4	4	YES
Mr. Jai S. Diwanji	4	3	YES
Mr. K. S. Srinivasa Murty	4	3*	NO
Mr. Manu M. Parpia**	4	3	YES
Mrs. Sudha S. Patel	4	4	YES
Mr. Krishna S. Patel	4	4	YES

* Includes meetings attended over video conference.

** Mr Manu M. Parpia was appointed as an Additional Independent Director on the Board of Directors of the Company with effect from 10 May 2017.

6. Committees of the Board:

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 composition of the Audit Committee of the Board of Director of the Company along with the details of the meetings held and attended by the members of the Committee during the financial year 2017-18 is detailed below:

During the year, Committee met four times on 29 May 2017, 14 August 2017, 09 November 2017 and 13 February 2018. The attendance of each director at the meeting was as follows:

Sr. no.	Name of the Member	Nature of membership	No. of meetings held during the year 2017-18	No. of Meetings Attended during the year 2017-18
a.	Mr. Mahendra K. Chouhan	Chairman	4	4
b.	Mr. K. S. Srinivasa Murty	Member	4	3*
c.	Mr. Jai S. Diwanji	Member	4	3
d.	Mr. Manu M. Parpia**	Member	4	3
e.	Mr. Krishna S. Patel	Member	4	4

*Includes meetings attended over video conference.

**Mr Manu M. Parpia was appointed as member of the Audit Committee with effect from 10 May 2017.

Scope of Audit Committee:

The terms reference are broadly as under:

a. 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;

b. 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 as per Section 134(3)(c) of the Companies Act, 2013.
- Changes if any, in accounting policies and practices and reasons for the same.
- Major accounting entries involving estimate 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 listing and legal requirements relating to financial statements.
- 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 Board.

e. Evaluating the internal financial controls and risk management policies system of the Company.

f. Reviewing with the management, performance of external and internal auditors and the adequacy of internal control systems.

g. 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.

h. Discussion with internal auditors any significant finding and follow up thereon.

i. 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.

j. Discussions with external auditors before the audit commences, about nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.

k. Reviewing the Company's financial and risk management policies.

l. 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.

m. Financial Statements and Investments made by subsidiaries.

n. 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.

o. Any other matter referred to by the Board of Directors.

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 composition of the Nomination and Remuneration Committee of the Board of Director of the Company along with the details of the meetings held and attended by the members of the Committee during the financial year 2017-18 is detailed below:

During the year, Committee met two times on 29 May 2017 and 13 February 2018. The attendance of each director at the meeting was as follows:

Sr. no.	Name of the Member	Nature of Membership	No. of meetings held during the year 2017-18	No. of Meetings Attended during the year 2017-18
a.	Mr. Jai S. Diwanji	Chairperson	2	1
b.	Mr. Mahendra K. Chouhan	Member	2	2
c.	Mrs. Sudha S. Patel	Member	2	2

Scope of Nomination and Remuneration Committee:

The broad terms to the Nomination and Remuneration Committee are:

a. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

b. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;

c. Devising a policy on diversity of Board of Directors;

d. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal.

e. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of independent directors.

f. Any other matter as the Board may decide from time to time.

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

Details of Remuneration paid to the Directors of the Company for the financial year 2017-18 are as follows:

(₹ in lakhs per annum)

Name of Directors	Designation	Sitting fees	Salary	Perquisites and allowance	Commission	Provident Fund	Total
Mr. Sumant J. Patel	Executive Chairman	---	84.00	---	350.00	---	434.00
Mr. Mahendra K. Chouhan	Director	1.80	---	---	---	---	1.80
Mr. Jai S. Diwanji	Director	1.55	---	---	---	---	1.55
Mr. K. S. Srinivasa Murty	Director	1.35	---	---	---	---	1.35
Mr. Manu M. Parpia	Director	1.05	---	---	---	---	1.05
Mrs. Sudha S. Patel	Director	1.40	---	---	---	---	1.40
Mr. Krishna S. Patel	Managing Director	---	90.00	---	125.00	10.80	225.80
Total		**7.15**	**174.00**	**---**	**475.00**	**10.80**	**666.95**

Stakeholders Relationship Committee

Composition:

The composition of the Stakeholders Relationship Committee of the Board of Director of the Company along with the details of the meetings held and attended by the members of the Committee during the financial year 2017-18 is detailed below:

During the year, Committee met four times on 29 May 2017, 14 August 2017, 09 November 2017 and 13 February 2018. The attendance of each director at the meeting was as follows:

Sr. No.	Name of the Member	Nature of Membership	No. of meetings held during the year 2017-18	No. of Meetings Attended during the year 2017-18
a.	Mrs. Sudha S. Patel	Chairperson	4	4
b.	Mr. K. S. Srinivasa Murty	Member	4	3*
c.	Mr. Jai S. Diwanji	Member	4	3
d.	Mr. Krishna S. Patel	Member	4	4

* Includes meetings attended over video conference.

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 ratified by the Board in their meeting as well as in the Stakeholders' Grievance Committee.

The Company obtains half yearly certificate from a Company Secretary in Practice confirming the issue of certificates for transfer, sub-division, consolidation, etc. and submits a copy thereof to the Stock Exchanges in terms of Regulation 40(9) of the Listing Regulations.

The Compliance Certificate under Regulation 7(3) of the Listing Regulations, confirming that all activities in relation to both physical and electronic share transfer facility are maintained by Registrar and Shae Transfer Agent is also submitted to the Stock Exchanges.

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

Details of complaints received and redressed during the year 2017-2018:

Sr. no.	Particulars	Pending as on 01.04.2017	Received	Redressed	Pending as on 31.03.2018
1	Non-Receipt of Bonus share certificates	NIL	3	3	NIL
2	Non-Receipt of Annual Report	NIL	8	8	NIL
3	Non-Receipt of Dividend	NIL	2	2	NIL
4	Non-Receipt of share certificate after transfer	NIL	3	3	NIL
5	Non-Receipt of share certificate after sub-division	NIL	14	14	NIL

The Company is in constant touch with Sharex Dynamic (India) Pvt. Ltd., the registrar and share transfer agent of the Company, and reviews periodically the outstanding complaints, if any.

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

Corporate Social Responsibility Committee

Composition:

The composition of the Corporate Social Responsibility Committee of the Board of Director of the Company along with the details of the meetings held and attended by the members of the Committee during the financial year 2017-18 is detailed below:

During the year Committee met two times on 29 May 2017 and 13 February 2018. The attendance of each director at the meeting was as follows:

Sr. no.	Name of the Member	Nature of Membership	No. of meetings held during the year 2017-18	No. of Meetings Attended during the year 2017-18
a.	Mr. Sumant J. Patel	Chairman	2	2
b.	Mr. Krishna S. Patel	Member	2	2
c.	Mr. Mahendra K. Chouhan	Member	2	2
d.	Mr. Jai S. Diwanji	Member	2	1

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 implementation and adherence to the Corporate Social Responsibility Policy of the Company from time to time.
4. Such other activities as the Board of Directors may determine 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 as Chairman, Mr. Mahendra K. Chouhan, Mr. Krishna S Patel - Managing Director and Mr. Dipesh R. Singhania - Chief Financial Officer as members.

Scope of Risk Management Committee

Risk Management Committee aims to create a standard, structured and efficient approach to identify, assess and mitigate risks.

7. Independent Directors Meeting:

During the year under review, a meeting of the Independent Directors of the Company was held on 14 August 2017 in accordance with provisions of Schedule IV (Code of Independent Directors), without the attendance of non-indepedent 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.

8. Subsidiary Company:

The Company does not have any material unlisted subsidiary Company in terms of Regulation 16 of the Listing Regulations. However, Nesco Hospitality Private Limited is a wholly owned subsidiary of Nesco Limited.

A synopsis of the minutes of the Board meetings of the subsidiary companies are placed at the board meeting on periodical basis. The Audit Committee reviews the financial statements of the unlisted subsidiary of the Company.

The management of the unlisted subsidiary periodically brings to the notice of the board of directors of the Company, a statement of all significant transactions and arrangements entered into by unlisted subsidiary, if any.

The Policy for determining material subsidiaries has been uploaded on the website of the Company at www.nesco.in.

9. Related Party Transactions:

All the transactions entered into by the Company with the Related Parties, during the financial year 2017-18, were in the ordinary course of business and on arm's length basis. The details of the Related Party Transactions are set out in the Notes to Financial Statements forming part of the Annual Report.

Also, the Related Party Transactions undertaken by the Company were in Compliance with the provisions of the Companies Act, 2013 read with the Rules issued thereunder and Regulation 23 of the Listing Regulations.

The Company has a process for monitoring the related party transactions. The Audit Committee, during the financial year 2017-18, has approved Related Party Transactions in line with the Policy of dealing with Related Party Transactions and other applicable 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) thereof for the time being in force.)

The policy on Related Party Transactions has been uploaded on the website of the Company at www.nesco.in.

There were no materially significant transactions with related parties during the financial year which have potential conflict with the interest of the Company. Suitable disclosures as required by Indian Accounting Standard 24 (IndAS 24) have been made in the notes to the Financial Statements.

10. 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.

11. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has complied with all the mandatory requirements of the Listing Regulations relating to Corporate Governance.

12. Compliance Officer:

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

13. General Body Meetings

Details of location, time and date of last three annual general meetings of the Company:

Year	AGM	Location	Date	Time	No. of special resolutions set out at AGM
2014-15	56th	Nesco Complex, Western Express Highway, Goregaon (E), Mumbai	03 August 2015	3.30 P.M	2
2015-16	57th	Nesco Complex, Western Express Highway, Goregaon (E), Mumbai	10 August 2016	3.30 P.M.	NIL
2016-17	58th	Nesco Complex, Western Express Highway, Goregaon (E), Mumbai	14 August 2017	3.30 P.M.	2

Postal Ballot:

During the year, pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (including any statutory amendments(s) or re-enactment(s) thereof made thereunder), the company passed the following resolutions through postal ballot in March 2018. A brief detail of the voting results of the above-mentioned postal ballot is as follows:

Resolution	Type of Resolution	No. of votes polled	Votes cast in favour		Votes cast against	
			No. of votes	%	No. of votes	%
Alteration to the Object clause of the Memorandum of Association	Special	5,21,26,497	5,21,26,292	100.00	205	0.00
Adoption of new set of Memorandum of Association	Special	5,21,25,992	5,21,25,787	100.00	205	0.00
Adoption of new set of Articles of Association	Special	5,21,25,992	5,21,19,329	99.98	6,663	0.013

Ms. Neeta H. Desai of M/s. ND & Associates, Practicing Company Secretary, was appointed as the Scrutinizer for carrying out the postal ballot process in a fair and transparent manner.

Procedure for Postal Ballot:

In compliance with Sections 108, 110 and other applicable provisions of the Companies Act, 2013 read with the Rules issued thereunder, the Company provided electronic voting (e-voting) facility to all its members.

The Company engages the services of the Central Depository Services (India) Limited (CDSL) for the purpose of providing e-voting facility to all its members. The members have the option to vote either by physical ballot or through e-voting. The Company dispatches the postal ballot notices and forms along with postage prepaid business reply envelopes to its members whose names appear on the Register of Members /list of beneficiaries as on cut-off date. The postal ballot notice is sent to members in electronic form to the email addresses registered with the depository participants/Company's Registrar and Share Transfer Agents. The Company also publishes a notice in the newspapers declaring the details of completion of dispatch and other requirements under the Companies Act, 2013 and the rules issued thereunder.

Voting rights reckoned on the paid up value of shares of the Company in the names of the shareholders as on the cut-off date. Members desiring to vote through physical ballot are requested to return the forms, duly completed and signed so as to reach the Scrutinizer before the close of the voting period. Members desiring to exercise their votes by electronic mode are requested to vote before the close of the business hours on the last date of e-voting.

The Scrutinizer submits her report to the Chairman, after the completion of scrutiny and the consolidated results of the voting by postal ballot are then announced by the Chairman/ Authorized officials of the Company. The results are displayed on the website of the Company at www.nesco.in, besides being communicated to the Stock Exchanges.

The date of declaration of the results of the Postal ballot shall be the date on which the resolution would be deemed to have been passed, if approved by requisite majority.

14. Secretarial Audit:

Pursuant to Section 204 of the Companies Act, 2013 and Rules thereunder, the Board of Directors of the Company appointed M/s. 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. Quarterly, Half-yearly and Annual financial results of the Company are published in leading English and vernacular Marathi language newspapers, viz., Business Standard and Lakshwadeep Marathi.

The Company makes timely disclosures of necessary information to BSE Limited and the National Stock Exchange of India Limited in terms of Listing Regulations and other rules and regulations issued by the SEBI.

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, 16 May 2018

SHAREHOLDERS INFORMATION

1. General Shareholders information

1	Annual General Meeting	The 59th annual general meeting will be held on Wednesday, 08 August 2018 at 3.30 p.m. at the registered office of the Company at Nesco Center, Western Express Highway, Goregaon (East), Mumbai – 400 063.
2.	Financial Calendar	Financial Year: 01 April 2018 to 31 March 2019 First quarterly results: On or before 2nd week of August 2018 Second quarterly results: On or before 2nd week of November 2018 Third quarterly results: On or before 2nd week of February 2019 Annual accounts 2018-19: Last week of May 2019
3.	Date of Book Closure	02 August 2018 to 08 August 2018 (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	INE317F01035
6.	Payment of Dividend Final Dividend for financial year 2017-18 of ₹ 2.30/- per equity share recommended by the Board of Directors at its meeting held on 16 May 2018.	On or after 16 August 2018 (Subject to approval of the shareholders)

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

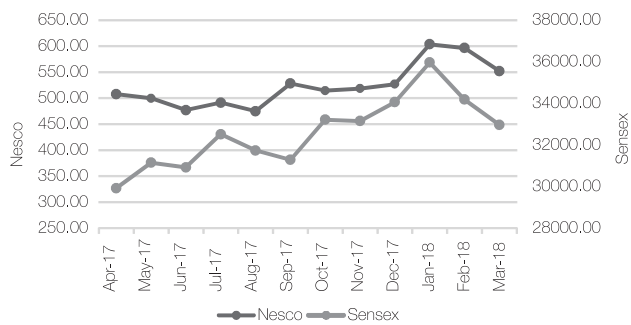
Monthly high and low prices of equity shares of the Company quoted at BSE Limited during the financial year 2017-18.

BSE			NSE		
Month	**High**	**Low**	**Month**	**High**	**Low**
April 2017	2650.00	2365.05	April 2017	2570.00	2520.00
May 2017	2722.00	2490.00	May 2017	2538.65	2490.00
June 2017	2574.65	2300.00	June 2017	2415.00	2350.00
July 2017	2644.00	2335.00	July 2017	2525.00	2455.00
August 2017	2514.90	2275.00	August 2017	2410.00	2355.25
September 2017* (upto 14 Sept 2017)	2859.00	2758.00	September 2017* (upto 14 Sept 2017)	2858.90	2750.00
September 2017* (from 15 Sept 2017)	590.00	561.50	September 2017* (from 15 Sept 2017)	540.00	519.00
October 2017	555.00	501.00	October 2017	516.00	510.00
November 2017	556.00	497.10	November 2017	529.00	507.05
December 2017	539.00	505.05	December 2017	535.00	525.00
January 2018	647.20	520.00	January 2018	617.50	600.00
February 2018	638.00	546.60	February 2018	599.95	581.25
March 2018	599.90	525.75	March 2018	560.00	544.00

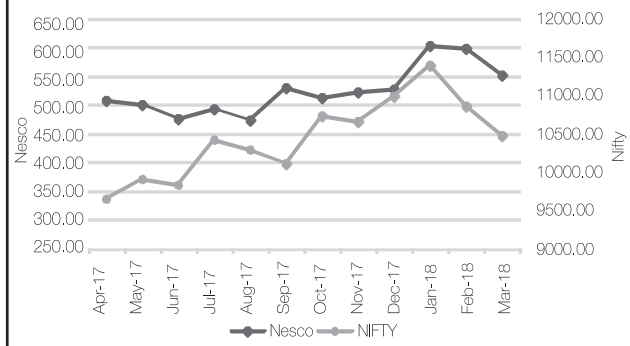
Note: *The shares price became ex-date for sub division with effect from 15 September 2017.

Stock Performance in comparison to broad-based Indices:

The Chart below shows the comparison of the Company's share price movement on BSE Sensex and NSE Nifty for the financial year ended 31 March 2018 (based on month end closing):



Share price for the period April - Sept 2017 has been adjusted to reflect sub division of equity share



Share price for the period April - Sept 2017 has been adjusted to reflect sub division of equity shares

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	56
b.	Average no. of transfer per month	5
c.	Number of share transferred	87,840

5. Demat / Remat of Shares

Details of shares dematerialized /rematerialized during the year under review are given below:

Sr. No.	Particulars	Nos.
a.	Number of demat requests	209
b.	Number of shares demated	5,37,695
c.	Number of remat requests	NIL
d.	Number of share remated	NIL

6. Categories of Shareholding as on 31 March 2018

Sr. No.	Category	Number of shares held	% of share holding
A	**Promoters holding**		
1.	Indian	4,35,67,422	61.833
2.	Foreign	44,72,000	6.347
	Sub-total (A)	**4,80,39,422**	**68.180**
B	**Non-promoters holding**		
1.	**Institutional Investors**		
a.	Mutual funds & UTI	32,34,822	4.591
b.	Banks, financial institution, insurance companies (central / state govt. Institution / non-government institution)	12,80,814	1.818
c.	FII (s)	15,86,765	2.252
	Sub-total (B1)	**61,02,401**	**8.661**
2.	**Others**		
a.	Private corporate bodies	19,86,100	2.819
b.	Indian public	1,37,27,671	19.483
c.	NRIS / OCBS	5,18,872	0.736
d.	Any other - Foreign companies	0	0.000
	- Clearing members	85,494	0.121
	Sub-total (B2)	**1,63,18,137**	**23.159**
	Sub-total (B=B1+B2)	**2,24,20,538**	**31.820**
	Grand total (A+B)	**7,04,59,960**	**100.000**

Distribution of shareholding as on 31 March 2018 is as follows

SHARE	NO OF HOLDERS	(%) OF HOLDERS	TOTAL SHARES	% OF SHARES
UPTO TO 100	12,932	57.67	5,39,672	0.77
101 TO 200	2,514	11.21	4,10,563	0.58
201 TO 500	3,053	13.61	10,89,174	1.55
501 TO 1000	1,575	7.02	12,62,355	1.79
1001 TO 5000	1,814	8.09	42,36,881	6.01
5001 TO 10000	298	1.33	21,07,701	2.99
10001 TO 100000	219	0.98	52,55,651	7.46
100001 TO ABOVE	21	0.09	5,55,57,963	78.85
TOTAL	**22,426**	**100.00**	**7,04,59,960**	**100.00**

7. Unclaimed / unpaid dividends

Final dividend for the financial year ended 31 March 2011 and subsequent years, which remain unpaid or unclaimed, will be due for transfer to the Investor Education and Protection Fund 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.	For the Financial year ended	Date of declaration	Due for transfer to IEPF
1	31.03.2011	12.08.2011	18.09.2018
2	31.03.2012	08.08.2012	14.09.2019
3	31.03.2013	08.08.2013	14.09.2020
4	31.03.2014	20.08.2014	26.09.2021
5	31.03.2015	03.08.2015	09.09.2022
6	31.03.2016	30.03.2016	21.04.2023
7	31.03.2017	14.08.2017	20.09.2024

8. Code of Conduct

Your Company has framed its own 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. Investors Correspondence

Secretarial Department
Nesco Limited
Nesco Center, Western Express Highway,
Goregaon (East), Mumbai 400063.
Tel: 022 66450123,
Email: companysecretary@nesco.in,
Website: www.nesco.in

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, 16 May 2018

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 16 May 2018	Krishna S. Patel Managing Director DIN : 01519572	Dipesh R. Singhania Chief Financial Officer

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF NESCO LIMITED

We, Manubhai & Shah LLP, Chartered Accountants, the Statutory Auditors of Nesco Limited ('the Company'), have examined the compliance of conditions of Corporate Governance by the Company for the year ended 31 March 2018 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

Management's Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management.

This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of accounts and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the ICAI), the standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31 March, 2018.

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
ICAI FRN: 106041W / W100136

Ashish Shah
Partner
M. No.: 103750

Mumbai
16 May, 2018

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 Center, 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 2017 to 31 March 2018
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	
Indabrator	• Shot blasting, Shot peering and other surface preparation equipment and systems. • Spares and Abrasives for shot blasting, peening, etc
Facility Development and Management	
IT Park	• Space and related infrastructure at Nesco IT Park
Bombay Exhibition Centre	• 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:

Manufacturing • Indabrator	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):** 357.99 Crores
3. **Total profit after taxes (INR):** 178.72 Crores
4. **Total Spending on CSR (as % of PAT)(INR):** 4.11 Crores (2.30% 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 F Y 2017-18 were focused on these two areas. They included support to set up a new English Medium High School; expansion of existing English medium school; and Contribution towards improvement of Health and towards Cancer Cure.

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
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?

We will be publishing our Business Responsibility Report (BRR) every year as a part of the annual report. It will also 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 (No)	Complaints Resolved (Nos)	Complaints pending (as on 31 March 2018)
Investors	30	30	Nil
Suppliers	Nil	Nil	Nil
Local Communities	Nil	Nil	Nil
Customers	312	305	7

The complaints remaining pending as on 31 March 2018 are under review.

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 2017-18, 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 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 almost 20 – 30% reduction in energy use and water use for the offices because of the Green Building features.

Reduction during Sourcing

More than 95% of materials for facilities management and for manufacturing 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**

Manufacturing

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**

Manufacturing Division

a) 100% of the metal sheet waste generated from fabrication activity is recycled to manufacture castings and abrasives in the foundry.

b) 100% rejects from the foundry for making steel shots and castings are remelted into the foundry in a cyclical process.

c) 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 2017-18, 38.72 MT of scrap from BEC upgradation was recycled in the Karamsad foundry.

Facilities Management and Development

We have completed the process of installation of 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

1. **Total number of employees by category as on 31 March 2018.**
2. **Total number of permanent women employees.**
3. **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	33	8	41	5	5	10	68
Karamsad Plant	4	0	4	0	0	0	30
Vishnoli Plant	73	1	74	32	0	32	213
Branch Offices	14	0	14	5	0	5	0
Total	124	22	133	42	5	47	311

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.**

   13 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.**

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 2017-18.**

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 - Indabrator	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 – Indabrator	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**

   The Company has established processes

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, contributing towards promotion of health care and promotion of remedies for various ailments, providing education to vulnerable class, 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 villages who earlier had limited access to this infrastructure and to create awareness related to various diseases.

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 (2017-18)	No of Complaints Pending as on 31 March 2018
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 an Environmental Health and Safety Policy for Indabrator 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.

Manufacturing Division	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 2017-18, 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 2017-18, 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

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. The construction work was completed in the year 2017-18.
   - In addition, balance finishing work was carried out in Sumant Jethabhai Patel English Medium School in Tarapur Village, Gujarat.

   Health

   - We also supported various organization who works towards promotion of Health Care and various other ailments.

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
Supporting various programs for providing education to vulnerable class	Aga Khan Education Services – Mumbai
Contribution towards Promotion of Health Care and other related matters	Amar Gandhi Foundaton – Mumbai

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 2017-18 (₹ in Lakhs)
Construction of a New School Block at Smt. C J Patel English Medium School (Karamsad)	212.15
Supporting activities for improving the learning process at Sumant Jethabhai Patel English Medium School (Karamsad)	12.92
Sumant Jethabhai Patel English Medium School (Tarapur)	6.92
Supporting various programs of Aga Khan Education Services for providing education to the vulnerable class	150.00
Contribution to various Health Organization	29.48

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 up gradation, 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 2018	Comments
Bombay Exhibition Centre	Nil	Complaints received from exhibitors & organizers of exhibitions were related to AC temperature, bird droppings, Wi Fi, power tripping etc. All complaints were resolved during the event.
Nesco IT Park	2	We maintain excellent quality of infrastructure, security and housekeeping. All feedback received from the occupants is taken seriously and considered.
Indabrator	5	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.

   Manufacturing

   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 (2017-18)	Complaints Pending as on 31 March 2018
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.

   We are in constant contact with our customers and keep receiving feedback on an ongoing basis. In FY 2017-18, 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 ON THE STANDALONE IND AS FINANCIAL STATEMENTS

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 2018, 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 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 and presentation 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 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 controls 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 state of affairs of the Company as at 31 March 2018 and its profits including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

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 the "Annexure A", a statement on the matters specified in the paragraph 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 Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder;

   (e) on the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the director is disqualified as on 31 March 2018 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 standalone Ind AS financial statements. Refer Note 32 (a) and (b) to the standalone Ind AS financial statements;

      (ii) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

      (iii) there has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.

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

Ashish Shah
Partner
M. No.: 103750

Mumbai
16 May 2018

"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT

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

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

   (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner, over a period of three 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. Pursuant to the programme, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

   (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 immovable properties included in property, plant and equipment are held in the name of the Company. In respect of immovable properties of land that have been taken on lease and disclosed as property, plant and equipment in the standalone Ind AS financial statements, the lease agreements are in the name of the Company.

2. The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The Company has maintained proper records of inventory. The discrepancies noticed on verification between the physical stock and the book records were not material and have been dealt with in books of account.

3. 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 or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). Accordingly, the provisions of paragraph 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.

4. 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 Act, in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from public in accordance with the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the relevant rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

6. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under Section 148(1) of the Act, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have however not made a detailed examination of the records with a view to determine whether they are accurate and complete.

7. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident fund, Employees State Insurance, Income-tax, Sales tax/value added tax, Service tax, Customs duty, Excise duty, Goods and Service tax, cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.

   According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees State Insurance, Income-tax, Sales tax/value added tax, Service tax, Customs duty, Excise duty, Goods and Service tax, cess and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable except for the following;

Nature of dues	Amount (₹ in Lakhs)	Period to which the amount relates
Income Tax	14.66	AY 2007-08

(b) According to the information and explanations given to us, following dues that have not been deposited by the company as at 31 March 2018 on account of disputes pending at various forums:-

Name of the Statute	Nature of dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax	IT matter under dispute	7.07	AY 2008-09	ITAT
		38.63	AY 2010-11	ITO
		113.09	AY 2011-12	ITO
		0.18	AY 2013-14	ITO
		26.48	AY 2014-15	ITO

8. The Company does not have loans or borrowings from any financial institutions, banks and Government. Also, it did not have any outstanding debentures during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.

9. 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.

10. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.

11. According to the information and explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

12. According to the information and explanations given to us, the Company is not a Nidhi Company as prescribed under Section 406 of the Act. Accordingly, paragraph 3 (xii) of the Order is not applicable.

13. According to the information and explanations given to us and based on our examinations of the records of the Company, all 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 standalone Ind AS financial statements as required by the applicable accounting standards.

14. According to the information and explanations given to us and based on our examinations of the records of the Company, the Company has not made any preferential allotment of shares or fully or partly convertible debenture during the year. Accordingly, paragraph 3 (xiv) of the Order is not applicable to the Company.

15. According to the information and explanations given to us and based on our examinations of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

16. According to the information and explanations given to us, 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
ICAI FRN: 106041W / W100136

Ashish Shah
Partner
M. No.: 103750

Mumbai
16 May 2018

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S 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 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 of 31 March 2018 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 control 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 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.

Auditor's 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 issued by ICAI (the "Guidance Note") and the Standards on Auditing prescribed under Section 143(10) of the Act, 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 procedures 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the 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 statements.

Inherent Limitations of Internal Financial 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 controls, material misstatements due to error or fraud may occur 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 the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018 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
ICAI FRN: 106041W / W100136

Ashish Shah
Partner
M. No. 103750

Mumbai
16 May 2018

CIN : L17100MH1946PLC004886
BALANCE SHEET AS AT 31 MARCH 2018

(₹ in Lakhs)

Particulars	Note No	As at 31 March 2018	As at 31 March 2017
Assets			
Non-Current Assets			
Property, Plant and Equipment	4	22,854.94	18,779.84
Capital work-in-progress	4A	35,641.12	26,234.83
Intangible assets under development		58.50	-
Financial Assets			
Investments	5	42,648.91	41,011.56
Loans	6	381.29	275.02
Other non current assets	7	4,067.97	4,987.52
Total Non-Current Assets		**1,05,652.73**	**91,288.77**
Current Assets			
Inventories	8	1,241.23	1,331.24
Financial Assets			
Investments	5	7,226.61	7,193.00
Trade receivables	9	1,344.85	1,111.76
Cash and cash equivalents	10A	530.72	363.58
Other balances with Banks	10B	150.96	112.74
Other financial assets	11	122.12	91.23
Assets for Current Tax (Net)	12	420.74	933.65
Other current assets	13	743.83	730.50
Total Current Assets		**11,781.06**	**11,867.70**
Total Assets		**1,17,433.79**	**1,03,156.47**
Equity and Liabilities			
Equity			
Equity share capital	14	1,409.20	1,409.20
Other equity	15	99,461.11	83,651.75
Total Equity		**1,00,870.31**	**85,060.95**
Liabilities			
Non-current Liabilities			
Financial Liabilities			
Other financial liabilities	16	1,199.10	7,213.41
Provisions	17	352.59	1,275.26
Deferred tax Liabilities(Net)	18	2,320.70	2,725.45
Other non-current Liabilities	19	339.47	767.78
Total Non-current Liabilities		**4,211.86**	**11,981.90**
Current Liabilities			
Financial Liabilities			
Trade Payables		1,821.84	2,205.71
Other Financial liabilities	20	6,623.65	813.16
Other current Liabilities	21	3,879.15	3,064.74
Provisions	22	26.98	30.01
Total Current Liabilities		**12,351.62**	**6,113.62**
Total - Equity and Liabilities		**1,17,433.79**	**1,03,156.47**

Notes forming part of the financial statements 1 to 41

As per our report of even date
For Manubhai & Shah LLP
Chartered Accountants
FRN: 106041W/W100136

Ashish Shah
Partner
Membership No: 103750

Mumbai, 16 May 2018

For and on behalf of the Board

Mr. Sumant J. Patel	Executive Chairman	DIN:00186976
Mr. Krishna S. Patel	Managing Director	DIN:01519572
Mr. Mahendra K. Chouhan	Director	DIN:00187253
Mr. Jai S. Diwanji	Director	DIN:00910410
Mrs. Sudha S. Patel	Director	DIN:00187055
Mr. Manu M. Parpia	Director	DIN:00118333
Mr. Dipesh R. Singhania	Chief Financial Officer	
Ms. Jinal J. Shah	Company Secretary and Compliance Officer	

Mumbai, 16 May 2018

CIN : L17100MH1946PLC004886

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2018

(₹ in Lakhs)

Particulars	Note No	Year	
		2017-18	2016-17
Revenue			
Revenue from operations	23	30,440.29	30,856.24
Other income	24	3,606.29	4,298.21
Total Income		**34,046.58**	**35,154.45**
Expenses			
Cost of materials consumed	25	1,096.67	1,535.11
Changes in inventories of finished goods and work in progress	26	(91.43)	16.74
Excise duty		75.51	281.44
Employee benefits expense	27	1,454.09	1,209.24
Finance costs	28	554.69	503.39
Depreciation	4	1,102.73	812.97
Other Expenses	29	6,344.72	6,423.25
Total Expenses		**10,536.98**	**10,782.14**
Profit before tax		**23,509.60**	**24,372.31**
Tax expense			
(1) Current tax		6,166.00	6,325.00
(2) Deferred tax		(407.67)	1,105.13
(3) Short provision of earlier year		82.00	-
Total tax expense		**5,840.33**	**7,430.13**
Profit after tax		**17,669.27**	**16,942.18**
Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss			
i) Remeasurement of defined employee benefit plans		8.56	(26.57)
Income tax expense on remeasurement of defined employee benefit plans		(2.92)	9.20
ii) Net fair value gain /(Loss) on investments in equity instruments through OCI.		0.14	3.18
Total Other Comprehensive Income		**5.78**	**(14.19)**
Total Comprehensive Income for the year		**17,675.05**	**16,927.99**
Earning Per Equity Share (face value of ₹ 2 each)			
Basic & Diluted (In ₹)	36	25.08	24.05

Notes forming part of the financial statements 1 to 41

As per our report of even date
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Mumbai, 16 May 2018

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Mumbai, 16 May 2018

CIN : L17100MH1946PLC004886

Statement of Changes in Equity

A) Equity Share Capital

(₹ in Lakhs)

Particulars	As at 31 March	
	2018	2017
Balance at the beginning of the reporting year	1,409.20	1,409.20
Changes in Equity Share capital during the year	-	-
Balance at the end of the reporting year	1,409.20	1,409.20

B) Other Equity

(₹ in Lakhs)

Particulars	Reserves and Surplus				Equity Instru-ments through OCI	Other items of Other Compre-hensive Income	Total Other Equity
	Retained Earnings	Preference Shares Redemp-tion Reserve	General Reserve	Revaluation Reserve			
Balance as at 01 April 2016	**2,388.16**	**9.56**	**63,684.74**	**640.11**	**10.10**	**(8.90)**	**66,723.76**
Changes in Other Equity for the year ended 31 March 2017:							
Profit for the year	16,942.18						16,942.18
Transfer to General Reserves	(19,280.33)		19,280.33				-
Other Comprehensive Income							
-Gain /(Loss) on remeasurement of employee benefits (Net of tax)	-	-	-	-	-	(17.37)	(17.37)
-Fair value gain on investment in Equity instruments	-	-	-	-	3.18	-	3.18
Balance as at 31 March 2017	**50.00**	**9.56**	**82,965.08**	**640.11**	**13.28**	**(26.27)**	**83,651.75**

(₹ in Lakhs)

Particulars	Reserves and Surplus				Equity Instru-ments through OCI	Other items of Other Compre-hensive Income	Total Other Equity
	Retained Earnings	Preference Shares Redemp-tion Reserve	General Reserve	Revaluation Reserve			
Balance as at 01 April 2017	**50.00**	**9.56**	**82,965.08**	**640.11**	**13.28**	**(26.27)**	**83,651.75**
Changes in Other Equity for the year ended 31 March 2018:							
Profit for the year	17,669.27						17,669.27
Transfer to General Reserves	(16,443.69)		16,443.69			-	-
Revaluation Reserve transferred to General Reserve	640.11			(640.11)			
Dividend for year 2016-17							
Dividend	(1,550.12)						(1,550.12)
Dividend Distribution Tax on Interim dividend	(315.57)						(315.57)
Other Comprehensive Income							
-Gain /(Loss) on remeasurement of employee benefits (Net of tax)						5.64	5.64
-Fair value gain on investment in Equity instruments					0.14		0.14
Balance as at 31 March 2018	**50.00**	**9.56**	**99,408.77**	**-**	**13.42**	**(20.63)**	**99,461.11**

Notes forming part of the financial statements 1 to 41

As per our report of even date
For Manubhai & Shah LLP
Chartered Accountants
FRN: 106041W/W100136

Ashish Shah
Partner
Membership No: 103750

Mumbai, 16 May 2018

For and on behalf of the Board

Mr. Sumant J. Patel	Executive Chairman	DIN:00186976
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Mr. Manu M. Parpia	Director	DIN:00118333
Mr. Dipesh R. Singhania	Chief Financial Officer	
Ms. Jinal J. Shah	Company Secretary and Compliance Officer	

Mumbai, 16 May 2018

CIN : L17100MH1946PLC004886

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31 MARCH 2018

(₹ in lakhs)

Particulars	Year			
	2017-2018		2016-2017	
A) Cash Flow from operating activities				
Net Profit before income tax		23,509.60		24,372.31
Add / (Less):				
Depreciation	1,102.73		812.97	
Interest income	(5.79)		(0.61)	
Dividend income	(207.34)		(296.35)	
Finance costs	40.33		8.48	
Assets written off	8.06		-	
Net gain arising on financial assets measured at FVTPL	(3,023.39)		(3,882.32)	
Unwinding of interest on security deposits	514.36		494.91	
Lease rental income	(450.33)		(497.83)	
Bad debts/sundry balance written off	118.79		54.73	
Allowance for Doubtful Bad Debts	18.16		-	
Sundry creditors/liabilities written back (net)	(158.71)	(2,043.13)	(5.98)	(3,312.00)
Operating profit before change in operating assets and liabilities		**21,466.47**		**21,060.31**
Add / (Less):				
(Increase)/Decrease in Inventory	90.01		(232.82)	
(Increase)/Decrease in Trade & other receivable	(370.05)		271.62	
(Increase)/Decrease in other operating assets	(82.43)		(167.21)	
Increase/(Decrease) in Trade payables	(224.50)		1,400.17	
Increase / (Decrease)in provisions	(925.70)		(111.32)	
Increase/(Decrease) in other operating liabilities	126.80	(1,385.87)	(197.85)	962.60
Cash generated from operations		**20,080.61**		**22,022.91**
Add / (Less):				
Income Tax paid (Net of refund)	(5,735.09)	(5,735.09)	(6,826.43)	(6,826.43)
Net Cash generated from operating activities - [A]		**14,345.52**		**15,196.48**
B) Cash Flow from investing activities				
Purchase of fixed assets /Capital Work in Progress / Capital Advances	(13,731.14)		(15,518.56)	
Purchase of investments	(21,610.68)		(15,275.53)	
Investments in deposits	(106.27)		(0.43)	
Proceeds from sale of investments	22,962.61		15,201.47	
Interest received	5.79		0.61	
Dividend received	207.34	(12,272.35)	296.35	(15,296.09)
Net Cash used in from investing activities - [B]		**(12,272.35)**		**(15,296.09)**
C) Net Cash used in financing activities				
Finance costs paid	(40.33)		(8.48)	
Dividend paid to shareholders' dividend FY 16-17	(1,550.12)		-	
Tax paid on dividend FY 16-17	(315.57)	(1,906.02)	-	(8.48)
Net Cash Flow used in financing activities - [C]		**(1,906.02)**		**(8.48)**
Net Increase / (Decrease in Cash / Cash Equivalents (A+B+C)		167.14		(108.09)
Cash/Cash Equivalent at the beginning of the year		363.58		471.67
Cash/Cash Equivalent at the end of the year		**530.72**		**363.58**

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31 MARCH 2018 (Contd..)

Notes:-

a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS- 7) Statement of Cash Flow

(₹ in lakhs)

Particulars	Year	
	2017-2018	2016-2017
b) Cash and Cash Equivalent comprises of		
Cash on hand	0.90	-
Balances with Banks in Current Acocunt	529.82	363.58
Cash and Cash Equivalents in Cash Flow Statements	530.72	363.58

c) The amendments to Ind AS 7 Cash Flow statements requires the entities to provide disclosures that enable users of the financial starements 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 Balacnce Sheet for liabilities arising from financiang activities, to meet the disclosure requitement.This amendment has become effective from 1 April 2017 and required disclosure is made below.There is no other impact on the financial statement due to this amendment.

(₹ in lakhs)

Particulars	As at 31 March 2017	Cash Flows	Non Cash Changes		As at 31 March 2018
			Fair Value Changes	Current/ Non Current classification	
Borrowings- Non Current	-	-	-	-	-
Other Financial Liabilities	7,213.41	-	-	6,014.31	1,199.10
Borrowings- Current	-	-	-	-	-

As per our report of even date
For Manubhai & Shah LLP
Chartered Accountants
FRN: 106041W/W100136

Ashish Shah
Partner
Membership No: 103750

Mumbai, 16 May 2018

For and on behalf of the Board

Mr. Sumant J. Patel	Executive Chairman	DIN:00186976
Mr. Krishna S. Patel	Managing Director	DIN:01519572
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Mr. Manu M. Parpia	Director	DIN:00118333
Mr. Dipesh R. Singhania	Chief Financial Officer	
Ms. Jinal J. Shah	Company Secretary and Compliance Officer	

Mumbai, 16 May 2018

Accounting Policies

Background

Nesco Limited ("Nesco" or "the Company") 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 Center, 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 buildings and providing rental services.
ii) Licencing other premises for exhibitions and providing services to the organisers.
iii) Manufacturing of machines and capital equipment.
iv) Hospitality and catering services

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 (as amended).

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 repotting 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.

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.

d) Impairment of PPE and Intangible Assets:

At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets 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.

In determining the cost of raw materials, packing material and stores and spares, weighted average method is used.

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. Transactions 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 in accordance with the option available in Ind AS 27, "Separate Financial Statements".

Investment in subsidiary and associate companies are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in economic environment.

(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 and contingencies :

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:-

1. 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.
2. 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.
3. 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.
4. Interest income is recognised using effective interest method and dividend income is recognised when the right to receive the payment is established.

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.

l) 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 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 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.

a. 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.

b. 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

Ind AS 115:- Revenue from Contract with Customers

Ind AS 21 :- Foreign Currency transactions and advance consideration.

These amendments are applicable to the Company from 01 April 2018. 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 financials 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 2018

Tangible Assets	Freehold land	Freehold building*	Plant and machinery	Electrical Installations	Furniture, fixture & office equipment	Vehicles	Total
Opening gross carrying amount	638.23	13,227.92	3,684.66	1,776.16	478.17	375.74	20,180.88
Additions	-	2,220.00	1,383.03	420.10	1,159.72	3.05	5,185.90
Deductions / Adjustments	-	-	-	(175.73)	-	-	(175.73)
Closing gross carrying amount	**638.23**	**15,447.92**	**5,067.69**	**2,020.53**	**1,637.89**	**378.79**	**25,191.05**
Opening accumulated depreciation	-	433.89	546.68	297.94	121.81	0.72	1,401.04
Depreciation during the year	-	298.14	373.04	221.91	164.25	45.38	1,102.73
Deductions / Adjustments	-	-	-	(167.67)	-	-	(167.67)
Closing accumulated depreciation and impairment	**-**	**732.03**	**919.72**	**352.18**	**286.06**	**46.10**	**2,336.10**
Net carrying amount	**638.23**	**14,715.89**	**4,147.97**	**1,668.36**	**1,351.83**	**332.68**	**22,854.94**

Changes in carrying value of Property, Plant and Equipment for the year ended 31 March 2017

(₹ in Lakhs)

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**
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**

*Freehold Building include Karamsad factory which is situated on land taken on rent from Mr Sumant J Patel, Executuve Chairman

Note 4a

(₹ in Lakhs)

Capital work-in-progress	As at 31 March	
	2018	2017
Building IT 4	34,894.58	25,665.17
Central Kitchen at Hall 3	-	224.15
BEC new hall	738.52	345.51
Food Court Dress Circle & Lounge	8.02	-
Total	**35,641.12**	**26,234.83**

Note no 5 - Investments

(₹ in Lakhs)

Non- Current Investments	As at 31 March 2018		As at 31 March 2017	
	No	Carrying Value	No	Carrying Value
Unquoted				
a) Investments in subsidiary carried at cost				
Nesco Hospitality Pvt Ltd.	2,49,900	24.99	2,49,900	24.99
Total		**24.99**		**24.99**
b) Investments carried at amortised cost				
5 1/2 years Kisan Vikas Patra	10	1.00	10	1.00
Total		**1.00**		**1.00**
c) Investments in equity instruments carried at FVTOCI				
Charotar Gas Sahakari Mandali	5	0.03	5	0.03
Total		**0.03**		**0.03**
Quoted				
Investments in equity instruments carried at FVTOCI				
Larsen & Toubro Limited	594	7.79	369	6.25
Ultra Tech Cement Ltd	79	3.12	79	3.15
Greaves Cotton Ltd	2,250	2.56	2,250	3.93
Total		**13.47**		**13.33**
Investments in Mutual Funds carried at FVTPL				
Fixed Maturity Plans				
Kotak FMP Series 189 - Growth	2,000,000	245.48	2,000,000	226.25
Total		**245.48**		**226.25**
Debt Funds - income funds				
Axis Income Fund - Direct Plan - Growth	-	-	1,477,541	243.01
Axis Regular Savings Fund (Income Fund) - Growth	2,255,385	382.03	2,255,385	355.12
Axis Fixed Income OpportunitiesFund - Direct Growth	5,093,539	725.09	5,093,539	671.94
Axis Fixed Income OpportunitiesFund - Growth	922,135	125.84	922,135	118.23
BNP Paribas Flexi Debt Fund - Growth	4,256,853	1,262.14	2,876,153	817.49
BNP Paribas Flexi Debt Fund - Direct Plan - Growth- Folio-328670	-	-	412,298	120.11
BNP Paribas Medium Term Income Fund - Growth	17,461,926	2,420.75	13,451,739	2,286.13
BOI AXA Corporate Credit Spectrum Fund - Direct Plan	7,563,552	1,013.45	4,367,681	536.79
Canara Robeco Medium Term Opportunities Fund - Regular Growth	3,465,911	483.06	15,803,010	2,088.76
Canara Robeco Dynamic Bond Fund - Direct Growth	-	-	3,918,706	1,005.78
DHFL Pramerica Medium Term Income Fund - Direct Plan - Growth	1,828,116	276.44	1,828,116	258.63
DHFL Pramerica Credit Opportunities Fund - Regular - Growth	7,733,653	1,064.87	3,178,545	408.62
HDFC Charity Fund for Cancer Cure - Debt Plan - Direct Option - 100% Dividend Donation	100,000	10.03	100,000	10.03
HDFC Medium Term Opportunities Fund - Direct Plan - Growth	1,319,340	256.05	1,319,340	239.82
ICICI Prudential Dynamic Bond Fund - Direct Plan - Growth	1,904,693	390.82	2,709,545	522.62
ICICI Prudential Regular Savings Fund - Growth	13,973,597	2,594.13	3,913,480	679.75
ICICI Prudential Regular Savings Fund - Direct Plan - Growth	1,331,957	259.22	1,331,957	240.38
ICICI Prudential Regular Income Fund - Growth	729,812	127.90	-	-
ICICI Prudential Income Regular Plan - Growth	-	-	341,960	119.60
ICICI Prudential Corporate Bond Fund - Growth	8,431,786	2,279.01	6,893,545	1,748.78

Non- Current Investments	**As at 31 March 2018**		**As at 31 March 2017**	
	No	**Carrying Value**	**No**	**Carrying Value**
IDFC Credit Opportunities Fund - Regular Plan - Growth	15,532,889	1,664.95	-	-
Invesco India Corporate Bond Opportunities Fund - Direct Plan	26,310	369.92	-	-
Invesco India Medium Term Bond Fund - Direct Plan - Growth	17,612	320.43	-	-
Kotak Medium Term Fund Direct Plan - Growth	3,501,711	524.91	3,501,711	488.25
L&T Income Opportunities Fund - Growth	11,547,322	2,298.77	10,477,105	1,955.71
L&T Income Opportunities Fund Direct Plan - Growth	599,086	122.12	599,086	113.81
L&T Resurgent India Corporate Bond Fund - Growth	17,249,256	2,242.32	15,616,070	1,912.92
L&T Triple Ace Bond Fund - Growth	237,617	103.14	-	-
SBI Magnum Income Fund - Regular Plan - Growth	1,420,855	602.93	-	-
SBI Corporate Bond Fund - Regular Plan - Growth	4,856,287	1,356.45	4,856,287	1,272.76
UTI Income (Credit) Opportunities Fund - Growth	9,423,560	1,493.36	7,189,015	1,068.64
UTI Dynamic Bond Fund - Growth	3,984,323	798.85	7,859,298	1,508.08
UTI Medium Term Fund - Growth Plan	1,726,683	221.10	1,726,683	206.42
Total		**25,790.09**		**20,998.21**
Debt funds - short term funds				
Axis Short Term Fund - Direct Plan - Growth	1,934,778	380.02	1,934,778	356.02
Axis Short Term Fund - Growth	655,252	123.50	655,252	116.51
Aditya Birla Sun Life Medium Term Plan - Growth - Direct Plan	4,074,678	925.73	2,223,390	465.48
Aditya Birla Sun Life Short Term Opportunities Fund - Growth - Regular Plan	2,567,588	740.89	2,567,588	696.68
Birla Sun Life Short Term Opportunities Fund - Growth-Direct Plan	-	-	738,476	205.09
BNP Paribas Short Term Income Fund - Growth	-	-	944,537	176.26
DSP BlackRock Short Term Fund - Direct Plan - Growth	824,967	252.16	824,967	236.23
DSP BlackRock Short Term Fund - Regular Plan - Growth	417,442	123.13	3,202,734	891.56
DSP BlackRock Banking & PSU Debt Fund - Direct - Growth	4,018,891	598.55	1,886,045	264.30
DSP BlackRock Banking & PSU Debt Fund - Regular - Growth	1,277,487	187.44	2,573,316	356.14
DHFL Pramerica Short Maturity Fund - Direct Plan - Growth	2,686,146	893.18	4,497,007	1,388.78
HDFC Regular Savings Fund (Short Term Plan) - Regular Plan - Growth	1,182,914	407.32	-	-
HDFC Short Term Plan - Growth	-	-	742,366	240.60
HDFC Short Term Opportunities Fund - Direct - Growth	-	-	8,612,979	1,558.99
HDFC Short Term Plan - Direct Plan - Growth	3,194,335	1,125.68	3,194,335	1,052.25
HSBC Short Duration Fund (Income Fund - Short Term Plan) - Direct Plan - Growth	845,276	251.45	845,276	236.07
ICICI Prudential Short Term - Regular Plan - Growth	1,405,541	508.74	3,599,275	1,228.15
ICICI Prudential Short Term - Direct Plan - Growth	341,960	128.18	341,960	119.79
IDFC SSIF- Medium Term Plan - Growth - Regular Plan	-	-	439,646	121.90
L&T Short Term Opportunities Fund - Growth	1,313,763	218.28	2,857,223	447.15
L&T Short Term Opportunities Fund - Direct Plan - Growth	1,474,611	250.76	11,457,408	1,825.92
L&T Short Term Income Fund - Growth	8,386,439	1,566.43	-	-
SBI Short Term Debt Fund - Regular Plan - Growth	3,267,364	654.33	2,496,939	471.94
Sundaram Select Debt Short Term Asset Plan - Regular Growth	3,124,148	930.51	2,890,372	812.50
TATA Short Term Bond Fund Plan A - Growth	840,148	271.28	840,148	256.82
TATA Short Term Bond Fund Plan A - Direct Plan - Growth	1,641,683	550.52	1,331,859	419.33
UTI Short Term Income Fund - Institutional - Growth	3,086,545	651.95	8,953,429	1,785.18
Total		**11,740.02**		**15,729.64**

Non- Current Investments	As at 31 March 2018		As at 31 March 2017	
	No	Carrying Value	No	Carrying Value
Debts funds - floating rate funds				
Canara Robeco Savings Plus Fund (Floating Rate) - Direct Growth	892,526	244.73	-	-
L&T Floating Rate Fund - Direct Plan - Growth	4,663,292	816.25	4,663,292	755.29
Total		**1,060.98**		**755.29**
Balance Funds				
BNP Paribas Balanced Fund - Regular - Growth	997,059	106.48	-	-
HDFC Prudence Fund Div. - Folio No.-2147186/18	372,011	109.55	372,011	115.71
JM Balanced Fund - Direct - Quarterly Dividend	357,222	42.12	-	-
L&T India Prudence Fund - Growth	847,693	216.77	-	-
UTI Balanced Fund - Growth	196,575	324.43	-	-
Total		**799.35**		**115.71**
Equity Funds				
BNP Paribas Dividend Yield Fund - Dividend Reinvestment	2,246,092	364.18	2,012,639	330.13
BNP Paribas Dividend Yield Fund - Growth	1,582,371	718.14	1,582,371	650.91
JM Balanced Fund - Direct - Quarterly Dividend	-	-	357,222	70.64
Kotak Equity Arbitrage Fund Direct Plan - Bimonthly Dividend	-	-	988,302	199.29
UTI - Long Term Advantage Fund - Series III - Regular Plan - Dividend Payout	4,500,000	575.49	4,500,000	561.71
UTI - Wealth Builder Fund - Growth Plan	2,274,873	752.08	2,274,873	703.65
UTI - Spread Fund - Dividend Payout	-	-	3,980,000	630.79
Total		**2,409.90**		**3,147.12**
Liquid Funds				
SBI Premier Liquid Fund - Direct Plan - DDR	24,956	250.37	-	-
Total		**250.37**	-	-
MIP Funds				
SBI Magnum Monthly Income Plan - Regular Plan - Growth	822,689	313.25	-	-
Total		**313.25**	-	-
Total Non Current Investments		**42,648.91**		**41,011.56**

Current Investments				(₹ in Lakhs)
	As at 31 March 2018		**As at 31 March 2017**	
	No	**Carrying Value**	**No**	**Carrying Value**
Investments in Mutual carried at FVTPL				
Debt funds - Ultra short term bond funds				
Aditya Birla Sun Life Treasury Optimizer Plan - Growth - Direct Plan	345,324	775.33	345,324	726.36
DSP BlackRock Low Duration Fund - Direct Plan - DDR	8,145,328	820.31	-	-
DSP BlackRock Low Duration Fund (Ultra Short Term Fund) - Direct Plan - Growth	3,405,966	434.03	3,405,966	405.57
HDFC Floating Rate Income Fund - Short Term Plan - Wholesale Option - Direct - DDR	19,028,720	1,918.27	-	-
Invesco India Credit Opportunities Fund - Direct Plan - DDR	-	-	35,799	358.10
ICICI Prudential Ultra Short Term - DDR	1,830,792	185.14	-	-
ICICI Prudential Ultra Short Term - Direct Plan - DDR	10,248,666	1,035.77	-	-
Sundaram Income Plus Regular Weekly Dividend - Reinvestment	-	-	3,605,735	397.16
UTI Treasury Advantage Fund - Institutional Plan - DDR	191,442	1,918.86	-	-
UTI Treasury Advantage Fund - Institutional Plan - Direct Plan - Growth	5,755	138.91	5,755	129.81
Total		**7,226.61**		**2,017.00**
Fixed Maturity Plans				
DHFL Pramerica (DWS) Fixed Maturity Plan Series 49 - Direct Plan - Growth	-	-	1,500,000	195.15
DHFL Pramerica (DWS) Fixed Maturity Plan Series 49 - Regular Plan - Growth	-	-	1,500,000	194.33
DHFL Pramerica (DWS) Fixed Maturity Plan Series 57 - Direct Plan - Growth	-	-	1,500,000	193.20
DSP BlackRock FMP - Series 155 - 12 M - Direct - Growth	-	-	3,091,748	395.78
DSP BlackRock FTP - Series 36 - 15 M - Direct - Growth	-	-	1,500,000	194.87
HDFC FMP 478D January 2014 (1) Series 29 - Direct - Growth	-	-	1,000,000	130.68
ICICI Prudential FMP Series 74 - 369 Days Plan F - Direct Growth	-	-	2,000,000	255.50
Kotak FMP Series 142 Direct - Growth	-	-	1,003,316	129.73
Reliance Fixed Horizon Fund - XXV Series 22 - Direct Plan Growth	-	-	2,000,000	260.24
Reliance Fixed Horizon Fund - XXVI Series 13 - Direct Plan Growth	-	-	1,026,354	130.92
Religare Invesco FMP - Series 22 - Plan F (15 Months) - Direct Plan Growth	-	-	1,000,000	129.87
Religare Invesco FMP - Series 22 - Plan L (14 Months) - Direct Plan Growth	-	-	1,030,442	133.67
SBI Debt Fund Series - A1 - 15 Months - Direct Plan - Growth	-	-	750,000	97.68
SBI Debt Fund Series - A11 - 385 Days - Direct Plan - Growth	-	-	771,954	99.35
SBI Debt Fund Series - A14 - 380 Days - Direct Plan - Growth	-	-	2,500,000	320.36
SBI Debt Fund Series - A18 - 366 Days - Direct Plan - Growth	-	-	1,335,551	169.74
SBI Debt Fund Series - A2 - 15 Months - Direct Plan - Growth	-	-	1,400,000	182.40
SBI Debt Fund Series - A5 - 411 Days - Direct Plan - Growth	-	-	5,000,000	648.51
UTI Fixed Maturity Plan - Yearly FMP Series - MAR 2014:YFMP(03/14)	-	-	6,245,245	795.31
UTI Fixed Term Income Fund Series XVII - VII (465 Days) Growth Plan	-	-	1,000,000	129.76
UTI Fixed Term Income Fund Series XVII - XIV (423 Days)	-	-	3,000,000	388.93
Total		**-**		**5,176.00**
Total Current Investments		**7,226.61**		**7,193.00**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017
Note 6 Loans (Unsecured, Considered good)		
Security Deposits with Public Bodies	381.29	275.02
	381.29	275.02
Note 7 Other non current assets		
Capital Advances	4,067.97	4,987.52
	4,067.97	4,987.52
Note 8 Inventories (At lower of cost and net realisable value)		
Raw Materials	520.65	649.17
Work in progress	715.91	624.48
Stores and spares	4.67	57.59
	1,241.23	1,331.24
Note 9 Trade Receivables		
a) Unsecured, Considered good	1,344.85	1,111.76
b) Unsecured, Considered doubtful	18.16	-
	1,363.01	1,111.76
Less Allowances for Unsecured doubtful debts	(18.16)	-
	1,344.85	1,111.76
Note 10 Cash and Bank Balances		
a) Cash and cash equivalents		
Balances with banks in Current Accounts	529.82	363.58
Cash on hand	0.90	-
	530.72	363.58
b) Other balances with banks		
Unclaimed dividend **	150.96	112.74

** The Company can utilise these balances only towards settlement of unclaimed dividend.

Note 11 Other financial assets		
Bank Deposits with more than 12 months of original maturity	57.19	42.88
Deposits (Others)	64.93	48.35
	122.12	91.23
Note 12 Assets for Current Tax (Net)		
Advance Tax, net of provisions	420.74	933.65
	420.74	933.65
Note 13 Other Current Assets		
Balances with Government Authorities		
Balance with Central Excise	-	37.01
Sales tax,GST and Service tax receivable	499.55	429.40
Advances to Suppliers	69.39	202.07
Advance to staff	5.61	12.95
Other receivables	169.28	49.07
	743.83	730.50

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 14

(₹ in Lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017
Share Capital		
Authorised		
7,37,50,000 Equity Shares of ₹2 each (Previous year 1,47,50,000 Equity Shares of ₹ 10 each)	1,475.00	1,475.00
2,50,000 Preference Shares of ₹10 each (Previous year 2,50,000 Preference Shares of ₹ 10 each)	25.00	25.00
Total	**1,500.00**	**1,500.00**
Issued, Subscribed and Paid up Capital		
7,04,59,960 Equity Shares of ₹ 2 each, fully paid up (Previous year 1,40,91,992 Equity Shares of ₹10 each)	1,409.20	1,409.20
Total	**1,409.20**	**1,409.20**

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

	As at 31 March 2018		As at 31 March 2017	
	Equity Shares		Equity Shares	
	Number **	₹	Number	₹
At the beginning of the year	1,40,91,992	14,09,19,920	1,40,91,992	14,09,19,920
At the end of the year	7,04,59,960	14,09,19,920	1,40,91,992	14,09,19,920

** Pursuant to the approval of the members at the 58th Annual General Meeting of the Company held on 14 August 2017 to the sub-division of the equity shares of the Company, each equity share of nominal face value of ₹ 10 each was sub-divided to 5 (five) equity share of ₹ 2 each.The effective date for the said sub-division was 15 September 2017.

b) Terms / Rights Atttached to Equity Shares The Company has only one class of equity shares having a par value of ₹ 2/- per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees.Payment of dividend is made in foreign currency to shareholders outside India.

The Board of Directors at its meeting held on 16 May 2018 have recommended a payment of dividend of ₹ 2.30/- per equity share of the face value of ₹ 2 each for the financial year ended 31 March 2018 subject to the approval of shareholders at the Annual General Meeting. If approved, the dividend would result in cash outflow of ₹ 1953.69 lakhs inclusive of dividend tax of ₹ 333.11 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	As at 31 March 2018		As at 31 March 2017	
	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
Chandler & Price India Pvt.Ltd.	1,94,38,327	27.59	38,86,112	27.58
Mr. Sumant J. Patel	90,07,335	12.78	18,01,467	12.78
Patel Consultancy Services Pvt. Ltd.	52,58,000	7.46	10,51,600	7.46
Mrs. Sudha S. Patel	45,74,720	6.49	9,14,944	6.49
Engineering Global Pte Limited	44,72,000	6.35	8,94,400	6.35

Note 15
Statement of Other Equity

(₹ in Lakhs)

Particulars	Reserves and Surplus				Equity Instru-ments through OCI	Other items of Other Compre-hensive Income	Total Other Equity
	Retained Earnings	Preference Shares Redemp-tion Reserve	General Reserve	Revaluation Reserve			
Balance as at 01 April 2016	**2,388.16**	**9.56**	**63,684.74**	**640.11**	**10.10**	**(8.90)**	**66,723.76**
Changes in Other Equity for the year ended 31 March 2017:							
Profit for the year	16,942.18						16,942.18
Transfer to General Reserves	(19,280.33)		19,280.33				-
Other Comprehensive Income							
-Gain /(Loss) on remeasurement of employee benefits (Net of tax)	-	-	-	-	-	(17.37)	(17.37)
-Fair value gain on investment in Equity instruments	-	-	-	-	3.18	-	3.18
Balance as at 31 March 2017	**50.00**	**9.56**	**82,965.08**	**640.11**	**13.28**	**(26.27)**	**83,651.75**

(₹ in Lakhs)

Particulars	Reserves and Surplus				Equity Instru-ments through OCI	Other items of Other Compre-hensive Income	Total Other Equity
	Retained Earnings	Preference Shares Redemp-tion Reserve	General Reserve	Revaluation Reserve			
Balance as at 01 April 2017	**50.00**	**9.56**	**82,965.08**	**640.11**	**13.28**	**(26.27)**	**83,651.75**
Changes in Other Equity for the year ended 31 March 2018:							
Profit for the year	17,669.27						17,669.27
Transfer to General Reserves	(16,443.69)		16,443.69			-	-
Revaluation Reserve transferred to General Reserve	640.11			(640.11)			
Dividend for year 2016-17							
Dividend	(1,550.12)						(1,550.12)
Dividend Distribution Tax on Interim dividend	(315.57)						(315.57)
Other Comprehensive Income							
-Gain /(Loss) on remeasurement of employee benefits (Net of tax)						5.64	5.64
-Fair value gain on investment in Equity instruments					0.14		0.14
Balance as at 31 March 2018	**50.00**	**9.56**	**99,408.77**	**-**	**13.42**	**(20.63)**	**99,461.11**

Description of nature and purpose of each reserve	
General Reserve	This reserve was created from time to time by way of transfer profits from retained earnings for appropriation purpose.General Reserve is created by a transfer from other component of equity to another and is not an item of other comprehensive income
Equity Instruments through Other Comprehensive Income	This represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, under an irrevicable option, net of amounts reclassified to retained earnings when such assets are disposed off
Preference Shares Redemption Reserve	This reserve was created for redemption of preference shares
Other Comprehensive Income	This represents cumulative gains and losses on revaluation of long term employee benefits
Revaulation Reserve	This reserve was created out of revaluation of Freehold Land and Building, which was transferred to General Reserve in Financial year 2017-2018

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017
Note 16 Other financial liabilities (Non Current)		
Security deposit from IT Park licencees and others	1,199.10	7,213.41
	1,199.10	7,213.41
Note 17 Provisions (Non Current)		
a) Provision for Employee benefits (Refer Note No 38)		
Gratuity	142.44	155.78
Leave Encashment	38.79	38.10
b) Compensation Payable	171.36	1,081.36
	352.59	1,275.26
Note 18 Deferred tax liabilities (Net)		
Opening Balance	2,725.45	1,629.53
Fair valuation of mutual fund	(445.35)	1,053.00
Security deposits carried at amortised cost	(35.20)	1.01
Difference between written down value of fixed assets as per the Companies Act, 2013 and Income tax Act,1961	87.45	69.24
Expenses claimed for tax purpose on payment basis	(11.65)	(27.32)
	2,320.70	2,725.45
(Refer note no 39 “Income Taxes” for further details)		
Note 19 Other non-current liabilities		
Advance Lease Rentals	339.47	767.78
	339.47	767.78
Note 20 Other financial liabilities (Current)		
Unclaimed dividend	150.96	112.74
Payable to Employees	81.39	28.43
Other Payables	310.26	307.07
Security Deposits	6,081.04	364.92
	6,623.65	813.16
Note 21 Other current liabilities		
a) Revenue received in advance		
Advance from customers	3,255.14	2,788.81
b) Others		
Statutory Payables		
Payable towards VAT	17.81	0.21
Payable towards GST	363.92	-
Payable towards TDS / TCS	229.97	254.88
Payable towards PF / ESIC /PT	12.31	20.84
	3,879.15	3,064.74
Note 22 Provisions (Current)		
Provision for Employee benefits (Refer Note No 38)		
Gratuity	22.37	25.58
Leave Encashment	4.61	4.43
	26.98	30.01

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in lakhs)

Particulars	Year	
	2017-2018	2016-2017
Note 23 Revenue from Operations.		
a) Sale of Products		
Sales of Machines and Spares (Including Excise)	2,484.28	2,725.44
b) Sale of Services		
Bombay Exhibition Centre (Rental and Services)	12,970.34	13,276.56
Nesco IT Park (Rental and Services)	14,544.33	14,191.14
Hospitality Services	287.49	-
Engineering fees, services and other charges	153.85	663.08
	30,440.29	30,856.24
Note 24 Other income		
Interest Income	5.79	0.61
Dividend from mutual fund investments	207.34	296.35
Net gain arising on financial assets measured at FVTPL	3,023.39	3,885.50
Others	211.06	109.77
Sundry Creditors/liabilities written back (net)	158.71	5.98
	3,606.29	4,298.21
Note 25 Cost of materials consumed		
Opening Stock	649.17	418.84
Add : Purchases	968.15	1,765.44
	1,617.32	2,184.28
Less: Closing Stock	520.65	649.17
	1,096.67	1,535.11
Note 26 Changes in Inventories of finished goods and work in progress		
Opening Stock of work-in-progress	624.48	641.22
Less: Closing Stock of work in progress	(715.91)	(624.48)
	(91.43)	16.74
Note 27 Employee Benefits expenses		
Salaries and Wages	1,309.81	1,074.63
Contribution to Provident and other funds	63.87	54.32
Gratuity (Refer note 38)	29.59	26.06
Staff welfare expenses	50.82	54.23
	1,454.09	1,209.24
Note 28 Finance Costs		
Interest on financial liabilities carried at amortised cost	514.36	494.91
Others	32.01	0.44
Bank charges & guarantee commission	8.32	8.04
	554.69	503.39

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 29 Other Expenses

(₹ in lakhs)

Particulars	Year			
	2017-2018		2016-2017	
Consumption of stores and spares		189.66		137.35
Power, Fuel & Electricity		1,260.92		1,198.94
Printing, Stationery, Postage and Communication expenses		89.05		88.85
Rent		46.63		59.96
Hire Charges		84.06		250.73
Rates and Taxes		494.49		629.33
Water Charges		82.31		78.39
Advertisement and Sales Promotion		97.08		24.65
Membership and Subscription		9.79		8.96
Insurance		31.89		15.83
Repairs and maintenance of :				
- Buildings & Property	479.84		1,066.24	
- Plant & Machinery	220.21		144.93	
- Other Assets	226.45	926.50	67.86	1,279.03
Assets written off		8.06		-
Exchange loss on foreign exchange transations		1.87		3.85
Travelling, Conveyance and vehicle expenses		191.71		184.57
Payment to Auditors:-				
- Audit Fees	16.00		13.75	
- Certification work	2.75	18.75	2.50	16.25
Legal & professional fees		1,017.44		966.33
CSR Expenses (Refer note 34)		411.47		320.42
Donation		8.25		-
Erection,fabrication and freight outward charges		488.00		392.98
Managerial remuneration		611.30		615.00
Directors' sitting fees		7.15		5.85
Security charges		65.55		58.49
Bad debts/sundry balance written off		118.79		54.73
Allowance for Doubtful Bad Debts		18.16		-
Miscellaneous expenses		65.84		32.76
		6,344.72		6,423.25

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 30

Category wise classification of financial instruments

The carrying value of financial instruments by categories as of 31 March 2018 is as follows **(₹ in lakhs)**

Financial Assets / Financial Liabilities	Amortised cost	Fair Value through profit or loss	Fair Value through other comprehensive income	Total carrying value
Financial Assets				
Investments				
Equity Instruments	-	-	13.50	13.50
Investments in Subsidiary	24.99	-	-	24.99
Mutual Funds	-	49,836.04	-	49,836.04
Government Securities	1.00	-	-	1.00
Trade Receivables	1,344.85	-	-	1,344.85
Cash and cash equivalents	530.72	-	-	530.72
Other balances with Banks	150.96	-	-	150.96
Loans and advances	381.29	-	-	381.29
Other financial assets	122.12	-	-	122.12
Total Financial Assets	**2,555.93**	**49,836.04**	**13.50**	**52,405.47**
Financial Liabilities				
Trade Payables	1,821.84	-	-	1,821.84
Other financial liabilities	7,822.75	-	-	7,822.75
Total Financial Liabilities	**9,644.59**	**-**	**-**	**9,644.59**

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

(₹ in lakhs)

Financial Assets / Financial Liabilities	Amortised cost	Fair Value through profit or loss	Fair Value through other comprehensive income	Total carrying value
Financial Assets				
Investments				
Equity Instruments	-	-	13.36	13.36
Investments in Subsidiary	24.99	-	-	24.99
Mutual Funds	-	48,165.22	-	48,165.22
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 and advances	275.02	-	-	275.02
Other financial assets	91.23	-	-	91.23
Total Financial Assets	**1,980.32**	**48,165.22**	**13.36**	**50,158.90**
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**

Note 30

Fair value hierarchy

Level 1 Quoted price (unadjusted) in active markets for identical assets or liabilities. 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 2018:

(₹ in lakhs)

Particulars	As of 31 March 2018	Fair value hierarchy at the end of the reporting period/year using		
		Level 1	Level 2	Level 3
Investments in Equity Instruments	13.50	13.47		0.03
Investments in Mutual Funds	49,836.04	49,836.04	-	-

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

(₹ in lakhs)

Particulars	As of 31 March 2017	Fair value hierarchy 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	-	-

NOTES TO STANDALONE FINANCIAL STATEMENTS

Note 31. Financial Risk Management:

Financial Risk Factors:

The Company's financial liabilities comprises mainly of trade payables and other payables. The company's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other receivables

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 minimize 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.

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 carrying amounts of the Company's foreign currency denominated monetary items are nil as on 31 March 2018 and 31 March 2017 respectively. The Company has not entered into any forward exchange contracts during the years ended on 31 March 2018 and 31 March 2017.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since the Company has NIL interest bearing borrowings, the exposure to risk of changes in market interest rate is NIL.The Company has not used any interest rate derivatives

Other Price risk is the risk that fair value or future cash flows of financial instrument will fluctuate due to 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 four operations Nesco IT Park lease, Bombay Exhibition Centre (BEC) revenue, sale of Industrial Capital Goods and Nesco Foods.

The maximum exposure to credit risk on account of trade receivables, at the reporting date is ₹ 1,344.85 lakhs and ₹ 1,111.76 lakhs as on 31 March 2018 and 31 March 2017 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 2018 and 31 March 2017 was ₹ 18.16 lakhs and Nil respectively.

(₹ In Lakhs)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Balance at the beginning	--	--
Loss allowance measured at lifetime expected credit losses	18.16	--
Balance at the end	18.16	--

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 believes that their working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

The Company manages the liquidity risk by maintaining adequate cash and cash equivalent ₹ 530.73 lakhs and ₹ 363.58 lakhs as on 31 March 2018 and 31 March 2017 respectively.

The table below provides details regarding the contractual maturities of significant financial liabilities as on 31 March 2018

(₹ 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	-	1,199.10	-	1,199.10
Other financial liabilities (current)				
• Security deposit from IT Park licensees and others	5,740.76	-	-	5,740.76
• Trade Payables	1,821.84	-	-	1,821.84
• Other financial liabilities	882.89	-	-	882.89

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):				
• Trade Payables	2,205.71	-	-	2,205.71
• Other financial liabilities	813.56	-	-	813.56

Note 32. Contingent Liabilities and Commitments

a. Income-tax demand disputed by the Company ₹ 213.23 lakhs (previous year ₹ 213.23 lakhs)

b. Claims against the Company not acknowledged as debts ₹ 1,462.97 lakhs (previous year ₹ 363.88 lakhs).

c. Estimated amount of contracts remaining to be executed on capital account and not provided for is ₹ 27,106.90 lakhs (previous year - ₹ 28,661.67 lakhs) against which an advance of ₹ 4,067.97 lakhs (previous year – ₹ 4,987.52 lakhs) has been paid.

d. Indian Bank Guarantees given by bank on Company's behalf ₹ 451.51 lakhs (Previous year – ₹ 639.99 lakhs). Foreign Bank Guarantees given by bank on Company's behalf US $2,400 (Previous year – US $2,387).

Note 33. Disclosure under the MSMED Act 2006 are provided as under for the year 2017-18, to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act

(₹ in Lakhs)

Particulars	As At	
	31 March 2018	31 March 2017
1) Principal amount and the interest due thereon remaining unpaid in each supplier at the end of each accounting year (but within due date as per the MSMED Act) Principal amount due to Micro and Small Enterprise Interest due on above	-	-
2) Interest paid by the company in terms of Section 16 of the MSMED Act 2006, along- with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
3) Interest due and payable for the period of the delay in making payment (which have been paid but beyond the appinted day during the period), but without adding interest specified under The MSMED Act 2006	-	-
4) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
5) Interest due and remaining payable even in the succeeding years, until such date when the interest dues as above are actually paid to the Small Enterprises	-	-

Note 34. Corporate Social Responsibility expense:

A) Gross amount required to be spent by the Company during the year 2017-18 – ₹ 409.48 lakhs (Previous year ₹ 313.53 lakhs) towards CSR activities prescribed under Schedule VII of the Companies Act, 2013.

B) Amounts spent during the year on:

(₹ in Lakhs)

Nature of activities	Year 2017-18			Year 2016-17		
	In Cash**	Yet to be paid in cash	Total	In Cash	Yet to be paid in cash	Total
Promoting Education i) Construction of School	381.99	-	381.99	320.42	-	320.42
ii) Purpose other than i) above	29.48	-	29.48	-	-	-
Total	**411.47**	**-**	**411.47**	**320.42**	**-**	**320.42**
C) Related party transactions in relation to Corporate Social Responsibility	**-**	**-**	**-**	**-**	**-**	**-**

Note 35 Leases:

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

Company as Lessor:

The Company has entered into operating leases on its Property, Plant and Equipment located at Byculla and Goregaon IT Park premises:
Future minimum rentals receivable under these non-cancellable operating leases are, as follows:

(₹ In Lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017
Within one year	7,535.69	11,361.44
After one year but not more than five years	8,544.93	9,953.13
More than 5 years	776.70	73.34

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

Company as Lessee:

The company has taken factory land at Karamsad, Gujarat and its corporate office at Mahalakshmi, Mumbai under non-cancellable Operating Lease The lease rentals are payables by the Company monthly. There is no contingent rent payable to lessors under the lease agreements.

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

(₹ In Lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017
Within one year	33.00	38.00
After one year but not more than five years	39.00	15.64
More than 5 years	--	--

Lease payment recognized in statement of profit and loss is ₹ 46.63 lakhs (Previous year ₹ 59.96 lakhs)

Note 36. Earnings per share

(₹ In Lakhs)

Particulars	2017-18	2016-17
Profit after tax attributable to Owners (₹ in lakhs)	17,669.27	16,942.18
Weighted average number of equity shares outstanding	7,04,59,960	7,04,59,960
Face value of each equity share (₹)	2	2
Basic and diluted earnings per share (₹)	25.08	24.05

With effect from 15 September 2017, face value of the Company's equity share has been subdivided from ₹ 10 each to ₹ 2 each fully paid up. In compliance with Ind AS 33- Earnings Per Share (EPS), the Company has given effect to the said sub-division of shares in computing the earnings per share for comparative periods.

Note 37. Related party disclosures

(a) List of related parties and relationships

Subsidiary	Nesco Hospitality Private Limited
Entities in which KMPs have significant influence	Patel Consultancy Pvt Ltd J V Patel Investment and Trading Co.Pvt.Ltd. Engineering Global Pte Limited Chandler and Price India Private Limited K S Patel Finance & Investment Company Pvt Ltd
Key Management Personnel	Mr. Sumant J. Patel – Chairman Mr. Krishna S. Patel – Managing Director Mr. Dipesh R. Singhania – Chief Financial Officer Ms. Jinal J. Shah - Company Secretary and Compliance Officer
Non – Executive Directors	Mr. Mahendra K. Chauhan Mr. Jai S. Diwanji Mr. K. S. Srinivasa Murty Mr. Manu M. Parpia
Relative of Key Management Personnel	Mrs. Sudha S. Patel - Director

(b) Related party transactions

(₹ in Lakhs)

Particulars	2017-2018	2016-2017
Brokerage Income		
K S Patel Finance & Investment Company Pvt Ltd	9.98	13.89
Chandler and Price India Private Limited	83.22	51.24
Rent Expense		
Mr. Sumant J. Patel	19.50	20.00
Remuneration, perquisites, commission		
Mr. Sumant J. Patel	434.00	410.00
Mr. Krishna S. Patel	215.00	205.00
Mr. Dipesh R. Singhania	80.16	74.75
Ms. Jinal J. Shah	7.17	5.85
Director sitting fees		
Mrs. Sudha S. Patel	1.40	1.50
Non-Executive Directors	5.75	5.70
Amounts Payable / Receivable		
Mr. Sumant J. Patel	231.13	222.22
Mr. Krishna S. Patel	85.38	70.05
Mr. Dipesh R. Singhania	9.58	4.88
Ms. Jinal J. Shah	0.53	0.43

Employee benefits for Key Management Personnel is as follows: -

(₹ in Lakhs)

Particulars	2017-18	2016-17
Short-term employee benefits	736.33	695.60
Post-employment benefits	55.08	54.42
Other long-term benefits	13.60	13.99

Note 38.

The following tables set out the status of gratuity plans and amounts recognized in the Company's financial statements as at 31 March 2018 and 31 March 2017.

(₹ in Lakhs)

Particulars	Gratuity (Unfunded)	
	As at 31 March 2018	As at 31 March 2017
Opening defined benefit obligation	181.35	145.58
Interest Cost	13.22	11.65
Current Service Cost	16.37	14.41
(Benefit Paid Directly by the Employer)	(37.58)	(16.85)
Actuarial (Gains)/Losses on Obligations - Due to Change in		
Financial Assumptions	(8.33)	10.87
Actuarial (Gains)/Losses on Obligations - Due to Experience	(0.22)	15.70
Closing defined benefit obligation	164.81	181.35

Amount Recognized in the Balance Sheet

Present Value of Benefit Obligation at the end of the Period	(164.81)	(181.35)
Funded Status (Surplus/ (Deficit))	(164.81)	(181.35)
Net (Liability)/Asset Recognized in the Balance Sheet	(164.81)	(181.35)

Net Interest Cost

Present Value of Benefit Obligation at the Beginning of the Period	181.35	145.58
Net Liability/(Asset) at the Beginning	181.35	145.58
Interest Cost	13.22	11.65
Net Interest Cost for Current Period	13.22	11.65

Expenses Recognized in the Statement of Profit or Loss

Current Service Cost	16.37	14.41
Net Interest Cost	13.22	11.65
Expenses Recognized	29.59	26.06

Expenses Recognized in the Other Comprehensive Income (OCI)

Actuarial (Gains)/Losses on Obligation For the Period	(8.56)	26.57
Net (Income)/Expense For the Period Recognized in OCI	(8.56)	26.57

Balance Sheet Reconciliation

Opening Net Liability	181.35	145.58
Expenses Recognized in Statement of Profit or Loss	29.59	26.06
Expenses Recognized in OCI	(8.56)	26.57
(Benefit Paid Directly by the Employer)	(37.58)	(16.85)
Net Liability/(Asset) Recognized in the Balance Sheet	164.80	181.35

Other Details

No of Active Members	147	144
Per Month Salary For Active Members	43.67	35.99
Weighted Average Duration of the Projected Benefit Obligation	11.00	10.59
Average Expected Future Service	16.00	15.47
Projected Benefit Obligation (PBO)	164.81	181.35

Net Interest Cost for Next Year

Present Value of Benefit Obligation at the End of the Period	164.81	181.35
Net Liability/(Asset) at the End of the Period	164.81	181.35
Interest Cost	12.90	13.22
Net Interest Cost for Next Year	12.90	13.22

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

Current Service Cost	18.30	16.38
Net Interest Cost	12.90	13.22
Expenses Recognized	31.20	29.60

Assumptions

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.**

Maturity Analysis of Projected Benefit Obligation: From the Employer

Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	22.36	25.59
2nd Following Year	12.84	19.24
3rd Following Year	18.57	14.34
4th Following Year	9.56	18.27
5th Following Year	6.52	8.85
Sum of Years 6 To 10	41.18	32.53
Sum of Years 6 To 10	296.50	306.64

Sensitivity Analysis

Projected Benefit Obligation on Current Assumptions	164.81	181.35
Delta Effect of +0.5% Change in Rate of Discounting	(7.11)	(7.78)
Delta Effect of -0.5% Change in Rate of Discounting	7.69	8.46
Delta Effect of +0.5% Change in Rate of Salary Increase	7.79	8.52
Delta Effect of -0.5% Change in Rate of Salary Increase	(7.26)	(7.91)
Delta Effect of +0.5% Change in Rate of Employee Turnover	1.04	0.87
Delta Effect of -0.5% Change in Rate of Employee Turnover	(1.11)	(0.93)

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

Note 39.Income Taxes:

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

(₹ in Lakhs)

Particulars	**2017-2018**	**2016-2017**
Current Taxes	**6.248.00**	**6,325.00**
Deferred Taxes	**(407.67)**	**1,105.13**
Income Tax Expenses	**5,840.33**	**7,430.13**

Tax expenses includes ₹ 82 lakhs provided during the year against earlier year liability.

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:

(₹ in Lakhs)

Particulars	**2017-2018**	**2016-2017**
Profit before tax	23,509.60	24,372.31
Enacted Tax rate in India	34.608%	34.608%
Computed enacted tax expenses	**8,136.20**	**8,434.76**
Add / (Less): Expenses not allowable for tax purposes	226.10	177.98
Add / (Less): Income not considered for tax purpose	(1,118.06)	(1,155.49)
Add / (Less):Effect of expenses, computed differently in tax	(158.24)	(24.12)
Add / (Less):Effect of expenses, which are allowed on payment basis	(3.75)	8.99
Add / (Less):Effect of income, considered under other head of income	(930.95)	(1,137.03)
Total of reconciliation items	(1,984.30)	(2,129.67)
Tax payable	6,151.31	6,305.09
Tax provision in current year	6,166.00	6,325.00
(Excess) / short provision of earlier years	82.00	-
Income Tax Expenses	**6,248.00**	**6,325.00**

The Applicable Statutory tax rate for financial year ended 31 March 2018 and 31 March 2017 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 2018 and 31 March 2017 are as follows:

(₹ in Lakhs)

Particulars	**As at 31 March 2018**	**As at 31 March 2017**
Income tax Assets	887.50	961.46
Current Income Tax Liabilities	(466.76)	(27.81)
Net current income tax Assets / (Liabilities)	420.74	933.65

Details of deferred tax assets and liabilities as of 31 March 2018 and 31 March 2017 are as follows:

(₹ in Lakhs)

Particulars	**As at 31 March 2018**	**As at 31 March 2017**
Deferred tax Liabilities	2,822.16	2,752.77
Deferred Tax Assets	(501.46)	(27.31)
Net deferred tax Assets / (Liabilities)	2,320.70	2,725.45

The gross movement in the Current Tax assets / (liabilities) for the year ended 31 March 2018 and 31 March 2017 is as follows:

(₹ in Lakhs)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Net current tax assets / (liabilities) at the beginning of the year	933.65	432.22
Income tax paid		
Advance tax and TDS	5,735.10	6,771.23
Self-Assessment Tax paid/Previous year adjustments	(82.00)	55.20
Current income tax expenses	(6,166.00)	(6,325.00)
Net current tax assets / (liabilities) at the end of the year	420.74	933.65

The gross movement in deferred income Tax account for the year ended 31 March 2018 and 31 March 2017 is as follows:

(₹ in Lakhs)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Net deferred tax assets / (liabilities) at the beginning	(2,725.45)	(1,629.53)
(Credit) / charge related to temporary differences	407.67	(1,105.12)
Temporary differences on other comprehensive income	(2.92)	9.20
Net deferred tax assets / (liabilities) at the end	(2,320.70)	(2,725.45)

The credits relating to temporary differences during the year ended 31 March 2018 and 31 March 2017 are primarily on account of - Other income due to fair valuation of investments on mutual funds.

Note 40. Proposed Dividend:- The Board of Directors at its meeting held on 16 May 2018, have recommended a payment of dividend of ₹ 2.30 (Rupees two and paise thirty) Per Equity Share of face value of ₹ 2 Each for the financial year ended 31 March 2018. The same amounts to ₹ 1,953.69 lakhs inclusive of Dividend Distribution Tax of ₹333.11 lakhs.

The above is subject to approval at the ensuing AGM of the Company and hence is not recognized as a liability

Note 41.Segment Reporting

(₹ in Lakhs)

Particulars	2017-18	2016-17
Revenue by Segment		
IT Park	14,544.33	14,191.14
Bombay Exhibition Centre	12,970.34	13,276.55
Industrial Capital Goods Division	2,638.13	3,388.55
Nesco Foods	287.49	-
Income from Investments/ Other Income	3,606.29	4,298.21
Total	**34,046.58**	**35,154.45**
Segment profit after tax and finance cost		
IT Park	12,680.63	12,534.04
Bombay Exhibition Centre	10,359.36	10,288.68
Industrial Capital Goods Division	17.87	34.14
Nesco Foods	30.22	-
Unallocable expenses net off unallocable income	421.52	1,515.45
Total Operating profit before tax	**23,509.60**	**24,372.31**
Segment Assets:-		
IT Park	52,560.42	44,255.52
Bombay Exhibition Centre	5,889.77	5,676.01
Industrial Capital Goods Division	3,415.45	3,737.36
Nesco Foods	3,168.02	-
Unallocable Assets	52,400.13	49,487.58
Total	**1,17,433.79**	**1,03,156.47**
Segment Liabilities:-		
IT Park	7,855.54	8,537.27
Bombay Exhibition Centre	3,861.40	3,677.27
Industrial Capital Goods Division	612.45	725.82
Nesco Foods	232.19	-
Unallocable Liabilities	4,001.90	5,155.16
Total	**16,563.48**	**18,095.52**

Capital Employed:-		
IT Park	44,704.88	35,718.25
Bombay Exhibition Centre	2,028.37	1,998.74
Industrial Capital Goods Division	2,803.00	3,011.54
Nesco Foods	2,935.83	-
Unallocable Assets net of Unallocable Liabilities	48,398.23	44,332.42
Total	**1,00,870.31**	**85,060.95**
Capital Expenditure		
IT Park	10,065.86	11,466.81
Bombay Exhibition Centre	2,869.58	3,092.09
Industrial Capital Goods Division	26.76	444.14
Unallocable Assets	185.65	-
Nesco Foods	1,502.84	-
Total	**14,650.69**	**15,003.04**

INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED IND AS FINANCIAL STATEMENTS

To

The Members of Nesco Limited

Report on the Consolidated Ind AS financial statements

We have audited the accompanying consolidated Ind AS financial statements of Nesco Limited (herein after referred to as "the Holding Company") and its subsidiary (the Holding company and its subsidiary together referred to as "the Group"), comprising of the consolidated balance sheet as at 31 March 2018, 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 (hereinafter referred to as "the 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 the 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 consolidated 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) specified under Section 133 of the Companies Act, 2013 (hereinafter referred to as "the Act") read with relevant rules issued thereunder.

The respective Board of Directors of the Company included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the 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 have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Board of Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on the consolidated Ind AS financial statements based on our audit. While conducting the 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 control 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 financial statements.

We believe that the audit evidence obtained by us 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, 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 including Ind AS, of the consolidated state of affairs of the Group as at 31 March 2018, and its consolidated profit (including other comprehensive income), its consolidated cash flows and its consolidated statement of changes in equity for the year ended on that date.

Other Matters

We did not audit the financial statements of a subsidiary, whose financial statements reflect total assets of ₹ 443.06 lakhs as at 31March 2018, total revenues of ₹ 1752.92 lakhs and net cash flows amounting to ₹ 262.62 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated 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-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary are based solely on the report of the other auditor.

Our opinion on the financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

1. As required by sub-section 3 of Section 143 of the Act, 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 Ind AS 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;

(c) The consolidated balance sheet, the consolidated statement of profit and loss, 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 Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder;

(e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2018 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor of the subsidiary company incorporated in India, none of the Directors of these companies is disqualified as on 31 March 2018 from being appointed as a Director of that company 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 report in “Annexure A”, which is based on the auditor’s reports of the Holding Company and Subsidiary Company incorporated in India;

(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 Consolidated financial statements disclose the impact of pending litigations on consolidated financial position of the Group and its associate company in its consolidated Ind AS financial statements – Refer Note 32 (a) and (b) to the consolidated Ind AS financial statements;

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

(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.

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

Ashish Shah
Partner
M. No.: 103750

Mumbai
16 May 2018

ANNEXURE 'A' 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")

In conjunction with our audit of the consolidated Ind AS Financial Statements of the Company for the year ended 31 March 2018, 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 of the Company and its subsidiary company incorporated in India.

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 2018, 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
ICAI FRN: 106041W / W100136

Ashish Shah
Partner
M. No.: 103750

Mumbai
16 May 2018

CIN : L17100MH1946PLC004886
CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2018

(₹ in lakhs)

Particulars	Note No	As at 31 March 2018	As at 31 March 2017
Assets			
Non-Current Assets			
Property, Plant and Equipment	4	22,854.94	18,779.84
Capital work-in-progress	4a	35,641.12	26,234.83
Intangible Assets under Development		58.50	-
Financial Assets			
Investments	5	42,623.92	40,986.57
Loans	6	390.59	275.02
Other non current assets	7	4,067.97	4,987.52
Total Non-Current Assets		**1,05,637.04**	**91,263.78**
Current Assets			
Inventories	8	1,241.23	1,339.32
Financial assets			
Investments	5	7,226.61	7,193.00
Trade receivables	9	1,414.31	1,211.60
Cash and cash equivalents	10a	883.80	453.98
Other balances with Banks	10b	150.96	112.74
Other financial assets	11	122.12	91.23
Assets for Current Tax (Net)	12	379.20	923.83
Other current assets	13	755.04	734.13
Total Current Assets		**12,173.27**	**12,059.83**
Total Assets		**1,17,810.31**	**1,03,323.61**
Equity and Liabilities			
Equity			
Equity share capital	14	1,409.20	1,409.20
Other equity	15	99,704.52	83,692.64
Equity attributable to owners of the company		**1,01,113.72**	**85,101.84**
Non-Controlling Interests	15	0.11	0.03
Total Equity		**1,01,113.83**	**85,101.87**
Liabilities			
Non-current liabilities			
Financial Liabilities			
Other financial liabilities	16	1,199.10	7,213.41
Provisions	17	352.59	1,275.26
Deferred tax liabilities	18	2,320.70	2,725.45
Other non-current liabilities	19	339.47	767.78
Total Non-current Liabilities		**4,211.86**	**11,981.90**
Current liabilities			
Financial Liabilities			
Trade Payables		1,861.92	2,289.68
Other financial liabilities	20	6,635.65	844.85
Other current liabilities	21	3,960.07	3,075.30
Provisions	22	26.98	30.01
Total Current Liabilities		**12,484.62**	**6,239.84**
Total Equity and Liabilities		**1,17,810.31**	**1,03,323.61**

Notes forming part of the financial statements 1 to 42

As per our report of even date
For Manubhai & Shah LLP
Chartered Accountants
FRN: 106041W/W100136

Ashish Shah
Partner
Membership No: 103750

Mumbai, 16 May 2018

For and on behalf of the Board

Mr. Sumant J. Patel	Executive Chairman	DIN:00186976
Mr. Krishna S. Patel	Managing Director	DIN:01519572
Mr. Mahendra K. Chouhan	Director	DIN:00187253
Mr. Jai S. Diwanji	Director	DIN:00910410
Mrs. Sudha S. Patel	Director	DIN:00187055
Mr. Manu M. Parpia	Director	DIN:00118333
Mr. Dipesh R. Singhania	Chief Financial Officer	
Ms. Jinal J. Shah	Company Secretary and Compliance Officer	

Mumbai, 16 May 2018

CIN : L17100MH1946PLC004886

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2018

(₹ in lakhs)

Particulars	Note No	Year 2017-18	Year 2016-17
Revenue			
Revenue from operations	23	32,193.02	31,424.55
Other income	24	3,606.48	4,298.21
Total Income		**35,799.50**	**35,722.76**
Expenses:-			
Cost of materials consumed	25	1,920.59	1,787.88
Changes in inventories of finished goods and work in progress	26	(91.43)	16.74
Excise duty		75.51	281.44
Employee benefits expense	27	1,821.22	1,360.70
Finance costs	28	559.72	504.84
Depreciation	4	1,102.73	812.97
Other Expenses	29	6,617.81	6,514.37
Total expenses		**12,006.15**	**11,278.94**
Profit before tax		**23,793.35**	**24,443.83**
Tax expense			
(1) Current tax		6,247.15	6,343.74
(2) Deferred tax		(407.67)	1,105.13
(3) Short provision of earlier year		82.00	-
Total tax expense		**5,921.48**	**7,448.87**
Profit after tax		**17,871.87**	**16,994.95**
Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss			
i) Remeasurement of defined employee benefit plans		8.56	(26.57)
Income tax expense on remeasurement of defined employee benefit plans		(2.92)	9.20
ii) Net fair value gain /(Loss) on investments in equity instruments through OCI.		0.14	3.18
Total Other Comprehensive Income		**5.78**	**(14.19)**
Total Comprehensive Income for the year		**17,877.65**	**16,980.76**
Profit for the year attributable to			
- Owners of the company		17,871.79	16,994.93
- Non Controlling interest		0.08	0.02
		17,871.87	16,994.95
Other Comprehensive for the year attributable to			
- Owners of the company		5.78	(14.19)
- Non Controlling interest		-	-
		5.78	(14.19)
Total Comprehensive for the year attributable to			
- Owners of the company		17,877.57	16,980.74
- Non Controlling interest		0.08	0.02
		17,877.65	**16,980.76**
Earning Per Equity Share (face value of ₹2 each)	36		
Profit attributable to shareholders		17,871.79	16,994.93
Basic & Diluted (In ₹.)		25.36	24.12

Notes forming part of the financial statements 1 to 42

As per our report of even date
For Manubhai & Shah LLP
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FRN: 106041W/W100136

Ashish Shah
Partner
Membership No: 103750

Mumbai, 16 May 2018

For and on behalf of the Board

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Mr. Manu M. Parpia	Director	DIN:00118333
Mr. Dipesh R. Singhania	Chief Financial Officer	
Ms. Jinal J. Shah	Company Secretary and Compliance Officer	

Mumbai, 16 May 2018

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

A) Equity Share Capital (₹ in lakhs)

Particurlars	As at 31 March	
	2018	2017
Balance at the beginning of the reporting year	1,409.20	1,409.20
Changes in Equity Share capital during the year	-	-
Balance at the end of the reporting year	**1,409.20**	**1,409.20**

B) Other Equity Share Capital (₹ in lakhs)

Particulars	Reserves and Surplus				Equity instruments through OCI	Other items of Other Comprehensive Income	Total atrributable to owners of the company	Non Controlling interest	Total Other Equity
	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**	**0.01**	**66,711.91**
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									0
-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	**4,256.45**	**9.56**	**78,799.82**	**640.11**	**13.28**	**(26.27)**	**83,692.64**	**0.03**	**83,692.67**

(₹ in lakhs)

Particulars	Reserves and Surplus				Equity instruments through OCI	Other items of Other Comprehensive Income	Total atrributable to owners of the company	Non Controlling interest	Total Other Equity
	Retained Earnings	Preference Shares Redemption Reserve	General Reserve	Revaluation Reserve					
Balance as at 01 April 2017	**4,256.45**	**9.56**	**78,799.82**	**640.11**	**13.28**	**(26.27)**	**83,692.64**	**0.03**	**83,692.67**
Changes in Equity for the year ended 31 March 2018:									
Profit for the year	17,871.87						17,871.79	0.08	17,871.87
Transfer to General Reserves	(20,852.74)		20,852.74						-
Revaluation Reserves Transfer to General Reserves	640.11			(640.11)					-
Dividend for year 2016-17									
Dividend	(1,550.12)						(1,550.12)		(1,550.12)
Dividend Distribution Tax on Interim dividend	(315.57)						(315.57)		(315.57)
Other Comprehensive Income									
-Gain on remeasurement of employee benefits	-	-	-	-	-	5.64	5.64	-	5.64
-Fair value gain on Equity instruments	-	-	-	-	0.14	-	0.14	-	0.14
Balance as at 31 March 2018	**50.00**	**9.56**	**99,652.56**	**-**	**13.42**	**(20.63)**	**99,704.52**	**0.11**	**99,704.63**

Notes forming part of the financial statements 1 to 41

As per our report of even date
For Manubhai & Shah LLP
Chartered Accountants
FRN: 106041W/W100136

Ashish Shah
Partner
Membership No: 103750

Mumbai, 16 May 2018

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Mr. Dipesh R. Singhania	Chief Financial Officer	
Ms. Jinal J. Shah	Company Secretary and Compliance Officer	

Mumbai, 16 May 2018

CIN : L17100MH1946PLC004886

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2018

(₹ in lakhs)

Particulars	Year			
		2017-18		2016-17
A) Cash Flow from operating activities				
Net Profit before income tax from continuing operations		23,793.35		24,443.83
Add / (Less):				
Depreciation	1,102.73		812.97	
Interest income	(5.79)		(0.61)	
Dividend income	(207.34)		(296.35)	
Finance costs	45.37		9.93	
Assets written off	8.06		-	
Net gain arising on financial assets measured at FVTPL	(3,023.39)		(3,882.32)	
Unwinding of interest on security deposits	514.36		494.91	
Lease rental income	(450.33)		(497.83)	
Bad debts/sundry balance written off	118.79		57.27	
Allowance for Doubtful Bad Debts	18.16		-	
Sundry creditors/liabilities written back (net)	(158.71)	(2,038.09)	(5.98)	(3,308.01)
Operating profit before change in operating assets and liabilities		**21,755.26**		**21,135.81**
Add / (Less):				
(Increase)/Decrease in Inventory	98.09		(235.85)	
(Increase)/Decrease in Trade & other receivable	(339.67)		193.78	
(Increase)/Decrease in other operating assets	(90.02)		(169.92)	
Increase/(Decrease) in Trade payables	(268.39)		1,361.68	
Increase / (Decrease)in provisions	(925.70)		(111.32)	
Increase/(Decrease) in other operating liabilities	177.47	(1,348.22)	(75.95)	962.42
Cash generated from operations		**20,407.05**		**22,098.24**
Add / (Less):				
Income Tax paid	(5,784.52)	(5,784.52)	(6,835.35)	(6,835.35)
Net Cash generated from operating activities - [A]		**14,622.53**		**15,262.89**
B) Cash Flow from investing activities				
Purchase of fixed assets / Capital Work In Progress / Capital Advances	(13,731.14)		(15,518.56)	
Purchase of investments	(21,610.68)		(15,275.53)	
Investments in deposits	(115.57)		(0.43)	
Proceeds from sale of investments	22,962.61		15,201.47	
Interest received	5.79		0.61	
Dividend received	207.34	(12,281.65)	296.35	(15,296.38)
Net Cash used in from investing activities - [B]		**(12,281.65)**		**(15,296.38)**
C) Net Cash used in financing activities				
Finance costs paid	(45.37)		(9.93)	
Dividend paid to shareholders' FY 16-17	(1,550.12)		-	
Tax paid on dividend FY 16-17	(315.57)	(1,911.06)	-	(9.93)
Net Cash used in financing activities - [C]		**(1,911.06)**		**(9.93)**
Net Increase / (Decrease in Cash / Cash Equivalents (A+B+C)		429.82		(43.43)
Cash/Cash Equivalent at the beginning of the year		453.98		497.41
Cash/Cash Equivalent at the end of the year		**883.80**		**453.98**

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31 MARCH 2018 (Contd..)

Notes:-

a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS- 7) Statement of Cash Flow

(₹ in lakhs)

Particulars	Year	
	2017-2018	2016-2017
b) Cash and Cash Equivalent comprises of		
Cash on hand	6.96	-
Balances with Banks in Current Acocunt	876.84	453.98
Cash and Cash Equivalents in Cash Flow Statements	883.80	453.98

c) The amendments to Ind AS 7 Cash Flow statements requires the entities to provide disclosures that enable users of the financial starements 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 Balacnce Sheet for liabilities arising from financiang activities, to meet the disclosure requitement.This amendment has become effective from 1 April 2017 and required disclosure is made below.There is no other impact on the financial statement due to this amendment.

(₹ in lakhs)

Particulars	As At 31 March 2017	Cash Flows	Non Cash Changes		As At 31 March 2018
			Fair Value Changes	Current/ Non Current classification	
Borrowings- Non Current	-	-	-	-	-
Other Financial Liabilities	7,213.41	-	-	6,014.31	1,199.10
Borrowings- Current	-	-	-	-	-

As per our report of even date
For Manubhai & Shah LLP
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FRN: 106041W/W100136

Ashish Shah
Partner
Membership No: 103750

Mumbai, 16 May 2018

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Mr. Dipesh R. Singhania	Chief Financial Officer	
Ms. Jinal J. Shah	Company Secretary and Compliance Officer	

Mumbai, 16 May 2018

Accouting Policies

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 Center, 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 buildings and providing rental services.

ii) Licencing other premises for exhibitions and providing services to the organisers.

iii) Manufacturing of machines and capital equipment.

iv) Hospitality and catering services

Note 1 - Basis of Preparation of Financial Statements:

a) Compliance with Ind AS

These consolidated 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 (as amended)

These consolidated 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 repotting 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 Group 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 Consolidated 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.

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 Consolidated 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.

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 Group 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.

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 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.

In determining the cost of raw materials, packing material and stores and spares, weighted average method is used.

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 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. Transactions 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 in accordance with the option available in Ind AS 27, “Separate Financial Statements”.

Investment in subsidiary and associate companies are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in economic environment.

(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 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 Company 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 group 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 and contingencies :

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 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 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:-

1. 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.
2. 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.
3. 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.
4. Interest income is recognised using effective interest method and dividend income is recognised when the right to receive the payment is established.

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.

1 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.

2 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.

l) 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 Company are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to consolidated statement of 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 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 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.

a. 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.

b. Defined contribution plans such as provident fund :

The Group 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 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) 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".

r) Recent Accounting pronouncements :

Standards issued but not yet effective

a) Recent Accounting pronouncements :

Ind AS 115:- Revenue from Contract with Customers

Ind AS 21 :- Foreign Currency transactions and advance consideration.

These amendments are applicable to the Group from 1 April 2018.The Group 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 Group'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 financials 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

Changes in carrying value of Property, Plant and Equipment for the year ended 31 March 2018

(₹ in Lakhs)

Tangible Assets	Freehold land	Freehold building*	Plant and machinery	Electrical Installations	Furniture, fixture & office equipment	Vehicles	Total
Opening gross carrying amount	638.23	13,227.92	3,684.66	1,776.16	478.17	375.74	20,180.88
Additions		2,220.00	1,383.03	420.10	1,159.72	3.05	5,185.90
Deductions / Adjustments	-	-	-	(175.73)	-		(175.73)
Closing gross carrying amount	**638.23**	**15,447.92**	**5,067.69**	**2,020.53**	**1,637.89**	**378.79**	**25,191.05**
Opening accumulated depreciation	-	433.89	546.68	297.94	121.81	0.72	1,401.04
Depreciation during the year	-	298.14	373.04	221.91	164.25	45.38	1,102.73
Deductions / Adjustments	-		-	(167.67)	-	-	(167.67)
Closing accumulated depreciation and impairment	-	732.03	919.72	352.18	286.06	46.10	2,336.10
Net carrying amount	**638.23**	**14,715.89**	**4,147.97**	**1,668.36**	**1,351.83**	**332.68**	**22,854.94**

Changes in carrying value of Property, Plant and Equipment for the year ended 31 March 2017

(₹ in Lakhs)

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**
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**

*Freehold Buildings include Karamsad factory which is situated on land taken on rent from Mr Sumant J Patel, Executuve Chairman

Note 4a

(₹ in Lakhs)

Capital work-in-progress	As at 31 March	
	2018	2017
Building IT 4	34,894.58	25,665.17
Central Kitchen at Hall 3	-	224.15
BEC new hall	738.52	345.51
Food Court Dress Circle & Lounge	8.02	-
Total	**35,641.12**	**26,234.83**

Note no 5 - Investments

(₹ in Lakhs)

Non - Current Investments	As at 31 March 2018		As at 31 March 2017	
	No	Carrying Value	No	Carrying Value
Unquoted				
a) Investments carried at amortised cost				
5 1/2 years Kisan Vikas Patra	10	1.00	10.00	1.00
Total		**1.00**		**1.00**
b) Investments in equity instruments carried at FVTOCI				
Charotar Gas Sahakari Mandali	5	0.03	5.00	0.03
Total		**0.03**		**0.03**
Quoted				
Investments in equity instruments carried at FVTOCI				
Larsen & Toubro Limited	369	7.79	369.00	6.25
Ultra Tech Cement Ltd	79	3.12	79.00	3.15
Greaves Cotton Ltd	2,250	2.56	2,250.00	3.93
Total		**13.47**		**13.33**
Investments in Mutual Funds carried at FVTPL				
Fixed Maturity Plans				
Kotak FMP Series 189 - Growth	2,000,000	245.48	2,000,000	226.25
Total		**245.48**		**226.25**
Debt Funds - income funds				
Axis Income Fund - Direct Plan - Growth	-	-	1,477,541	243.01
Axis Regular Savings Fund (Income Fund) - Growth	2,255,385	382.03	2,255,385	355.12
Axis Fixed Income OpportunitiesFund - Direct Growth	5,093,539	725.09	5,093,539	671.94
Axis Fixed Income OpportunitiesFund - Growth	922,135	125.84	922,135	118.23
BNP Paribas Flexi Debt Fund - Growth	4,256,853	1,262.14	2,876,153	817.49
BNP Paribas Flexi Debt Fund - Direct Plan - Growth- Folio-328670	-	-	412,298	120.11
BNP Paribas Medium Term Income Fund - Growth	17,461,926	2,420.75	13,451,739	2,286.13
BOI AXA Corporate Credit Spectrum Fund - Direct Plan	7,563,552	1,013.45	4,367,681	536.79
Canara Robeco Medium Term Opportunities Fund - Regular Growth	3,465,911	483.06	15,803,010	2,088.76
Canara Robeco Dynamic Bond Fund - Direct Growth	-	-	3,918,706	1,005.78
DHFL Pramerica Medium Term Income Fund - Direct Plan - Growth	1,828,116	276.44	1,828,116	258.63
DHFL Pramerica Credit Opportunities Fund - Regular - Growth	7,733,653	1,064.87	3,178,545	408.62
HDFC Charity Fund for Cancer Cure - Debt Plan - Direct Option - 100% Dividend Donation	100,000	10.03	100,000	10.03
HDFC Medium Term Opportunities Fund - Direct Plan - Growth	1,319,340	256.05	1,319,340	239.82
ICICI Prudential Dynamic Bond Fund - Direct Plan - Growth	1,904,693	390.82	2,709,545	522.62

Non- Current Investments	As at 31 March 2018		As at 31 March 2017	
	No	Carrying Value	No	Carrying Value
ICICI Prudential Regular Savings Fund - Growth	13,973,597	2,594.13	3,913,480	679.75
ICICI Prudential Regular Savings Fund - Direct Plan - Growth	1,331,957	259.22	1,331,957	240.38
ICICI Prudential Regular Income Fund - Growth	729,812	127.90	-	-
ICICI Prudential Income Regular Plan - Growth	-	-	341,960	119.60
ICICI Prudential Corporate Bond Fund - Growth	8,431,786	2,279.01	6,893,545	1,748.78
IDFC Credit Opportunities Fund - Regular Plan - Growth	15,532,889	1,664.95	-	-
Invesco India Corporate Bond Opportunities Fund - Direct Plan	26,310	369.92	-	-
Invesco India Medium Term Bond Fund - Direct Plan - Growth	17,612	320.43	-	-
Kotak Medium Term Fund Direct Plan - Growth	3,501,711	524.91	3,501,711	488.25
L&T Income Opportunities Fund - Growth	11,547,322	2,298.77	10,477,105	1,955.71
L&T Income Opportunities Fund Direct Plan - Growth	599,086	122.12	599,086	113.81
L&T Resurgent India Corporate Bond Fund - Growth	17,249,256	2,242.32	15,616,070	1,912.92
L&T Triple Ace Bond Fund - Growth	237,617	103.14	-	-
SBI Magnum Income Fund - Regular Plan - Growth	1,420,855	602.93	-	-
SBI Corporate Bond Fund - Regular Plan - Growth	4,856,287	1,356.45	4,856,287	1,272.76
UTI Income (Credit) Opportunities Fund - Growth	9,423,560	1,493.36	7,189,015	1,068.64
UTI Dynamic Bond Fund - Growth	3,984,323	798.85	7,859,298	1,508.08
UTI Medium Term Fund - Growth Plan	1,726,683	221.10	1,726,683	206.42
Total		**25,790.09**		**20,998.21**
Debt funds - short term funds				
Axis Short Term Fund - Direct Plan - Growth	1,934,778	380.02	1,934,778	356.02
Axis Short Term Fund - Growth	655,252	123.50	655,252	116.51
Aditya Birla Sun Life Medium Term Plan - Growth - Direct Plan	4,074,678	925.73	2,223,390	465.48
Aditya Birla Sun Life Short Term Opportunities Fund - Growth - Regular Plan	2,567,588	740.89	2,567,588	696.68
Birla Sun Life Short Term Opportunities Fund - Growth-Direct Plan	-	-	738,476	205.09
BNP Paribas Short Term Income Fund - Growth	-	-	944,537	176.26
DSP BlackRock Short Term Fund - Direct Plan - Growth	824,967	252.16	824,967	236.23
DSP BlackRock Short Term Fund - Regular Plan - Growth	417,442	123.13	3,202,734	891.56
DSP BlackRock Banking & PSU Debt Fund - Direct - Growth	4,018,891	598.55	1,886,045	264.30
DSP BlackRock Banking & PSU Debt Fund - Regular - Growth	1,277,487	187.44	2,573,316	356.14
DHFL Pramerica Short Maturity Fund - Direct Plan - Growth	2,686,146	893.18	4,497,007	1,388.78
HDFC Regular Savings Fund (Short Term Plan) - Regular Plan - Growth	1,182,914	407.32	-	-
HDFC Short Term Plan - Growth	-	-	742,366	240.60
HDFC Short Term Opportunities Fund - Direct - Growth	-	-	8,612,979	1,558.99
HDFC Short Term Plan - Direct Plan - Growth	3,194,335	1,125.68	3,194,335	1,052.25
HSBC Short Duration Fund (Income Fund - Short Term Plan) - Direct Plan - Growth	845,276	251.45	845,276	236.07
ICICI Prudential Short Term - Regular Plan - Growth	1,405,541	508.74	3,599,275	1,228.15
ICICI Prudential Short Term - Direct Plan - Growth	341,960	128.18	341,960	119.79
IDFC SSIF- Medium Term Plan - Growth - Regular Plan	-	-	439,646	121.90
L&T Short Term Opportunities Fund - Growth	1,313,763	218.28	2,857,223	447.15
L&T Short Term Opportunities Fund - Direct Plan - Growth	1,474,611	250.76	11,457,408	1,825.92

Non- Current Investments	As at 31 March 2018		As at 31 March 2017	
	No	Carrying Value	No	Carrying Value
L&T Short Term Income Fund - Growth	8,386,439	1,566.43	-	-
SBI Short Term Debt Fund - Regular Plan - Growth	3,267,364	654.33	2,496,939	471.94
Sundaram Select Debt Short Term Asset Plan - Regular Growth	3,124,148	930.51	2,890,372	812.50
TATA Short Term Bond Fund Plan A - Growth	840,148	271.28	840,148	256.82
TATA Short Term Bond Fund Plan A - Direct Plan - Growth	1,641,683	550.52	1,331,859	419.33
UTI Short Term Income Fund - Institutional - Growth	3,086,545	651.95	8,953,429	1,785.18
Total		**11,740.02**		**15,729.64**
Debts funds - floating rate funds				
Canara Robeco Savings Plus Fund (Floating Rate) - Direct Growth	892,526	244.73	-	-
L&T Floating Rate Fund - Direct Plan - Growth	4,663,292	816.25	4,663,292	755.29
Total		**1,060.98**		**755.29**
Balance Funds				
BNP Paribas Balanced Fund - Regular - Growth	997,059	106.48	-	-
HDFC Prudence Fund Div. - Folio No.-2147186/18	372,011	109.55	372,011	115.71
JM Balanced Fund - Direct - Quarterly Dividend	357,222	42.12	-	-
L&T India Prudence Fund - Growth	847,693	216.77	-	-
UTI Balanced Fund - Growth	196,575	324.43	-	-
Total		**799.35**		**115.71**
Equity Funds				
BNP Paribas Dividend Yield Fund - Dividend Reinvestment	2,246,092	364.18	2,012,639	330.13
BNP Paribas Dividend Yield Fund - Growth	1,582,371	718.14	1,582,371	650.91
JM Balanced Fund - Direct - Quarterly Dividend	-	-	357,222	70.64
Kotak Equity Arbitrage Fund Direct Plan - Bimonthly Dividend	-	-	988,302	199.29
UTI - Long Term Advantage Fund - Series III - Regular Plan - Dividend Payout	4,500,000	575.49	4,500,000	561.71
UTI - Wealth Builder Fund - Growth Plan	2,274,873	752.08	2,274,873	703.65
UTI - Spread Fund - Dividend Payout	-	-	3,980,000	630.79
Total		**2,409.90**		**3,147.12**
Liquid Funds				
SBI Premier Liquid Fund - Direct Plan - DDR	24,956	250.37	-	-
Total		**250.37**	**-**	**-**
MIP Funds				
SBI Magnum Monthly Income Plan - Regular Plan - Growth	822,689	313.25	-	-
Total		**313.25**	**-**	**-**
Total Non Current Investments		**42,623.92**		**40,986.57**

Note no 5- Current Investments

(₹ in lakhs)

Investment Particulars	As at 31 March 2018		As at 31 March 2017	
	Carrying Value	No	Carrying Value	No
Investments in Mutual carried at FVTPL				
Debt funds - ultra short term bond funds				
Aditya Birla Sun Life Treasury Optimizer Plan - Growth - Direct Plan	345,324	775.33	345,324	726.36
DSP BlackRock Low Duration Fund - Direct Plan - DDR	8,145,328	820.31	-	-
DSP BlackRock Low Duration Fund (Ultra Short Term Fund) - Direct Plan - Growth	3,405,966	434.03	3,405,966	405.57
HDFC Floating Rate Income Fund - Short Term Plan - Wholesale Option - Direct - DDR	19,028,720	1,918.27	-	-
Invesco India Credit Opportunities Fund - Direct Plan - DDR	-	-	35,799	358.10
ICICI Prudential Ultra Short Term - DDR	1,830,792	185.14	-	-
ICICI Prudential Ultra Short Term - Direct Plan - DDR	10,248,666	1,035.77	-	-
Sundaram Income Plus Regular Weekly Dividend - Reinvestment	-	-	3,605,735	397.16
UTI Treasury Advantage Fund - Institutional Plan - DDR	191,442	1,918.86	-	-
UTI Treasury Advantage Fund - Institutional Plan - Direct Plan - Growth	5,755	138.91	5,755	129.81
Total		**7,226.61**		**2,017.00**
Fixed Maturity Plans				
DHFL Pramerica (DWS) Fixed Maturity Plan Series 49 - Direct Plan - Growth	-	-	1,500,000	195.15
DHFL Pramerica (DWS) Fixed Maturity Plan Series 49 - Regular Plan - Growth	-	-	1,500,000	194.33
DHFL Pramerica (DWS) Fixed Maturity Plan Series 57 - Direct Plan - Growth	-	-	1,500,000	193.20
DSP BlackRock FMP - Series 155 - 12 M - Direct - Growth	-	-	3,091,748	395.78
DSP BlackRock FTP - Series 36 - 15 M - Direct - Growth	-	-	1,500,000	194.87
HDFC FMP 478D January 2014 (1) Series 29 - Direct - Growth	-	-	1,000,000	130.68
ICICI Prudential FMP Series 74 - 369 Days Plan F - Direct Growth	-	-	2,000,000	255.50
Kotak FMP Series 142 Direct - Growth	-	-	1,003,316	129.73
Reliance Fixed Horizon Fund - XXV Series 22 - Direct Plan Growth	-	-	2,000,000	260.24
Reliance Fixed Horizon Fund - XXVI Series 13 - Direct Plan Growth	-	-	1,026,354	130.92
Religare Invesco FMP - Series 22 - Plan F (15 Months) - Direct Plan Growth	-	-	1,000,000	129.87
Religare Invesco FMP - Series 22 - Plan L (14 Months) - Direct Plan Growth	-	-	1,030,442	133.67
SBI Debt Fund Series - A1 - 15 Months - Direct Plan - Growth	-	-	750,000	97.68
SBI Debt Fund Series - A11 - 385 Days - Direct Plan - Growth	-	-	771,954	99.35
SBI Debt Fund Series - A14 - 380 Days - Direct Plan - Growth	-	-	2,500,000	320.36
SBI Debt Fund Series - A18 - 366 Days - Direct Plan - Growth	-	-	1,335,551	169.74
SBI Debt Fund Series - A2 - 15 Months - Direct Plan - Growth	-	-	1,400,000	182.40
SBI Debt Fund Series - A5 - 411 Days - Direct Plan - Growth	-	-	5,000,000	648.51
UTI Fixed Maturity Plan - Yearly FMP Series - MAR 2014:YFMP(03/14)	-	-	6,245,245	795.31
UTI Fixed Term Income Fund Series XVII - VII (465 Days) Growth Plan	-	-	1,000,000	129.76
UTI Fixed Term Income Fund Series XVII - XIV (423 Days)	-	-	3,000,000	388.93
Total		**-**		**5,176.00**
Total Current Investments		**7,226.61**		**7,193.00**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017
Note 6 Loans (Unsecured, Considered good)		
Advances and deposit with public bodies	390.59	275.02
	390.59	275.02
Note 7 Other non current assets		
Capital Advances	4,067.97	4,987.52
	4,067.97	4,987.52
Note 8 Inventories (At lower of cost and net realisable value)		
Raw Materials	520.65	657.25
Work in progress	715.91	624.48
Stores and spares	4.67	57.59
	1,241.23	1,339.32
Note 9 Trade Receivables		
a) Unsecured, Considered good	1,414.32	1,211.60
b) Unsecured, Considered doubtful	18.16	-
	1,432.48	1,211.60
Less Allowances for Unsecured doubtful debts	(18.16)	-
	1,414.31	**1,211.60**
Note 10 Cash and Bank Balances		
a) Cash and cash equivalents		
Balances with banks in Current Accounts	876.84	453.98
Cash on hand	6.96	-
	883.80	453.98
b) Other balances with banks		
Unclaimed dividend **	150.96	112.74
**The Group can utilise these balances only towards settlement of unclaimed dividend.		
Note 11 Other financial assets		
Bank Deposits with more than 12 months of original maturity	57.19	42.88
Deposits (Others)	64.93	48.35
	122.12	91.23
Note 12 Assets for Current Tax (Net)		
Advance Tax, net of provisions	379.20	923.83
	379.20	923.83
Note 13 Other current assets		
Balances with Government Authorities		
Balance with Central Excise	-	37.01
Sales tax ,GST and Service tax receivable	516.33	433.03
Advances to Suppliers	69.39	202.07
Advance to staff	4.02	12.95
Other receivables	165.30	49.07
	755.04	734.13

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 14

(₹ in lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017
Share Capital		
Authorised		
7,37,50,000 Equity Shares of ₹2 each (Previous year 1,47,50,000 Equity Shares of ₹ 10 each)	1,475.00	1,475.00
2,50,000 Preference Shares of ₹10 each (Previous year 2,50,000 Preference Shares of ₹ 10 each)	25.00	25.00
Total	**1,500.00**	**1,500.00**
Issued, Subscribed and Paid up Capital		
7,04,59,960 Equity Shares of ₹ 2 each, fully paid up (Previous year 1,40,91,992 Equity Shares of ₹10 each)	1,409.20	1,409.20
Total	**1,409.20**	**1,409.20**

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

	As at 31 March 2018		As at 31 March 2017	
	Equity Shares		Equity Shares	
	Number **	₹	Number	₹
At the beginning of the year	1,40,91,992	14,09,19,920	1,40,91,992	14,09,19,920
At the end of the year	7,04,59,960	14,09,19,920	1,40,91,992	14,09,19,920

** Pursuant to the approval of the members at the 58th Annual General Meeting of the Company held on 14 August 2017 to the sub-division of the equity shares of the Company, each equity share of nominal face value of ₹ 10 each was sub-divided to 5 (five) equity share of ₹ 2 each.The effective date for the said sub-division was 15 September 2017.

b) Terms / Rights Atttached to Equity Shares : The Parent Company has only one class of equity shares having a par value of ₹ 2/- per share. Each holder of equity share is entitled to one vote per share. The Parent Company declares and pays dividend in Indian Rupees.Payment of dividend is made in foreign currency to shareholders outside India.

The Board of Directors at its meeting held on 16 May 2018 have recommended a payment of dividend of ₹ 2.30/- per equity share of the face value of ₹ 2 each for the financial year ended 31 March 2018 subject to the approval of shareholders at the Annual General Meeting. If approved, the dividend would result in cash outflow of ₹ 1953.69 lakhs inclusive of dividend tax of ₹ 333.11 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.

	As at 31 March 2018		As at 31 March 2017	
Details of Shareholders holding	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
Chandler & Price India Pvt.Ltd.	1,94,38,327	27.59	38,86,112	27.58
Mr. Sumant J. Patel	90,07,335	12.78	18,01,467	12.78
Patel Consultancy Services Pvt. Ltd.	52,58,000	7.46	10,51,600	7.46
Mrs. Sudha S. Patel	45,74,720	6.49	9,14,944	6.49
Engineering Global Pte Limited	44,72,000	6.35	8,94,400	6.35

STATEMENT OF OTHER EQUITY

Note 15

Other Equity

(₹ in lakhs)

Particulars	Reserves and Surplus				Equity instruments through OCI	Other items of Other Comprehensive Income	Total atrributable to owners of the company	Non Controlling interest	Total Other Equity
	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**	**0.01**	**66,711.91**
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									0
-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	**4,256.45**	**9.56**	**78,799.82**	**640.11**	**13.28**	**(26.27)**	**83,692.64**	**0.03**	**83,692.67**

(₹ in lakhs)

Particulars	Reserves and Surplus				Equity instruments through OCI	Other items of Other Comprehensive Income	Total atrributable to owners of the company	Non Controlling interest	Total Other Equity
	Retained Earnings	Preference Shares Redemption Reserve	General Reserve	Revaluation Reserve					
Balance as at 01 April 2017	**4,256.45**	**9.56**	**78,799.82**	**640.11**	**13.28**	**(26.27)**	**83,692.64**	**0.03**	**83,692.67**
Changes in Equity for the year ended 31 March 2017:									
Profit for the year	17,871.87						17,871.79	0.08	17,871.87
Transfer to General Reserves	(20,852.74)		20,852.74						-
Revaluation Reserves Transfer to General Reserves	640.11			(640.11)					-
Final Dividend for year 2016-17									
Final Dividend	(1,550.12)						(1,550.12)		(1,550.12)
Dividend Distribution Tax on Interim dividend	(315.57)						(315.57)		(315.57)
Other Comprehensive Income									
-Gain on remeasurement of employee benefits					-	5.64	5.64	-	5.64
-Fair value gain on Equity instruments	-	-	-	-	0.14	-	0.14	-	0.14
Balance as at 31 March 2018	**50.00**	**9.56**	**99,652.56**	**-**	**13.42**	**(20.63)**	**99,704.52**	**0.11**	**99,704.63**

Description of nature and purpose of each reserve	
General Reserve	This reserve was created from time to time by way of transfer profits from retained earnings for appropriation purpose.General Reserve is created by a transfer from other component of equity to another and is not an item of other comprehensive income
Equity Instruments through Other Comprehensive Income	This represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, under an irrevicable option, net of amounts reclassified to retained earnings when such assets are disposed off
Preference Shares Redemption Reserve	This reserve was created for redemption of preference shares
Other Comprehensive Income	This represents cumulative gains and losses on revaluation of long term employee benefits
Revaulation Reserve	This reserve was created out of revaluation of Freehold Land and Building, which was transferred to General Reserve in Financial year 2017-2018

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017
Note 16 Other financial liabilities (Non Current)		
Security deposit from IT Park licencees and others	1,199.10	7,213.41
	1,199.10	7,213.41
Note 17 Provisions (Non Current)		
a) Provision for Employee benefits (Refer Note No 38)		
Gratuity	142.44	155.78
Leave Encashment	38.79	38.10
b) Compensation Payable	171.36	1,081.36
	352.59	1,275.26
Note 18 Deferred tax liabilities (Net)		
Opening Balance	2,725.45	1,629.53
Fair valuation of mutual fund	(445.35)	1,053.00
Security deposits carried at amortised cost	(35.20)	1.01
Difference between written down value of fixed assets as per the Companies Act, 2013 and Income tax Act,1961	87.45	69.24
Expenses claimed for tax purpose on payment basis	(20.92)	-
	2,320.70	2,725.45
(Refer note no 39 “Income Taxes” for further details)		
Note 19 Other non-current liabilities		
Advance Lease Rentals	339.47	767.78
	339.47	767.78
Note 20 Other financial liabilities (Current)		
Unclaimed dividend	150.96	112.74
Payable to Employees	81.39	28.43
Other Payables	310.26	325.26
Security Deposits	6,093.04	378.42
	6,635.65	844.85
Note 21 Other current liabilities		
a) Revenue received in advance		
Advance from customers	3,333.49	2,788.81
b) Others		
Statutory Payables		
Payable towards VAT	20.38	10.77
Payable towards GST	363.92	-
Payable towards TDS / TCS	229.97	254.88
Payable towards PF / ESIC /PT	12.31	20.84
	3,960.07	3,075.30
Note 22 Provisions (Current)		
Provision for Employee benefits (Refer Note No 38)		
Gratuity	22.37	25.58
Leave Encashment	4.61	4.43
	26.98	30.01

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in lakhs)

Particulars	Year 2017-18	Year 2016-17
Note 23 Revenue from Operations		
a) Sale of Products		
Sales of Machines and Spares (Including Excise)	2,484.28	2,725.44
b) Sale of Services		
Bombay Exhibition Centre (Rental and Services)	12,970.34	13,276.56
Nesco IT Park (Rental and Services)	14,544.33	14,191.16
Hospitality Services	2,040.22	568.31
Engineering fees, services and other charges	153.85	663.08
	32,193.02	31,424.55
Note 24 Other income		
Interest Income	5.79	0.61
Dividend from mutual fund investments	207.34	296.35
Net gain arising on financial assets measured at FVTPL	3,023.39	109.77
Others	211.25	3,885.50
Sundry Creditors/liabilities written back (net)	158.71	5.98
	3,606.48	4,298.21
Note 25 Cost of materials consumed		
Opening Stock	657.25	423.89
Add : Purchases	1,783.99	2,021.24
	2,441.24	2,445.13
Less: Closing Stock	520.65	657.25
	1,920.59	1,787.88
Note 26 Changes in Inventories of finished goods and work in progress		
Opening Stock of work-in-progress	624.48	641.22
Less: Closing Stock of work in progress	(715.91)	(624.48)
	(91.43)	16.74
Note 27 Employee Benefits expenses		
Salaries and Wages	1,672.07	1,223.59
Contribution to Provident and other funds	68.74	56.82
Gratuity (Refer note 38)	29.59	26.06
Staff welfare expenses	50.82	54.23
	1,821.22	1,360.70
Note 28 Finance Costs		
Interest on financial liabilities carried at amortised cost	514.36	494.91
Others	31.79	0.44
Bank charges & guarantee commission	13.58	9.49
	559.72	504.84

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 29 Other Expenses

(₹ in lakhs)

Particulars	Year			
	2017-2018		2016-2017	
Consumption of stores and spares		189.66		137.35
Power, Fuel & Electricity		1,369.06		1,217.74
Printing, Stationery, Postage and Communication expenses		110.44		91.59
Rent		46.63		59.96
Hire Charges		84.06		250.73
Rates and Taxes		517.58		637.12
Water Charges		82.31		78.39
Advertisement and Sales Promotion		115.47		24.65
Membership and Subscription		9.79		8.96
Insurance		31.89		15.83
Repairs and maintenance of :				
- Buildings & Property	543.61		1,087.31	
- Plant & Machinery	220.21		144.93	
- Other Assets	226.45	990.27	67.86	1,300.10
Assets written off		8.06		-
Exchange loss on foreign exchange transations		1.87		3.85
Travelling, Conveyance and vehicle expenses		191.71		184.57
Payment to Auditors:-				
- Audit Fees	17.10		13.10	
- Certification work	2.75	19.85	2.50	15.60
Legal & professional fees		1,039.69		993.10
CSR Expenses (Refer note 34)		411.47		320.42
Donation		8.25		-
Erection & fabrication charges		488.00		392.98
Managerial remuneration		611.30		615.00
Directors' sitting fees		7.15		5.85
Security charges		71.79		58.49
Bad debts/sundry balance written off		118.79		57.27
Allowance for Doubtful Bad Debts		18.16		-
Miscellaneous expenses		74.56		44.82
		6,617.81		6,514.37

Note 30

Statement of Changes in Equity for the year ended 31 March 2018

Category wise classification of financial instruments

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 2018 is as follows

(₹ in Lakhs)

Financial Assets / Financial Liabilities	Amortised cost	Fair Value through profit or loss	Fair Value through other comprehensive income	Total carrying value
Financial Assets				
Investments				
Equity Instruments	-	-	13.50	13.50
Mutual Funds	-	49,836.04	-	49,836.04
Government Securities	1.00	-	-	1.00
Trade Receivables	1,414.31	-	-	1,414.31
Cash and cash equivalents	883.80	-	-	883.80
Other balances with Banks	150.96	-	-	150.96
Loans and advances	390.59	-	-	390.59
Other financial assets	122.12	-	-	122.12
Total Financial Assets	**2,962.78**	**49,836.04**	**13.50**	**52,812.32**
Financial Liabilities				
Trade Payables	1,861.92	-	-	1,861.92
Other financial liabilities	7,834.75	-	-	7,834.75
Total Financial Liabilities	**9,696.67**	**-**	**-**	**9,696.67**

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

(₹ in Lakhs)

Financial Assets / Financial Liabilities	Amortised cost	Fair Value through profit or loss	Fair Value through other comprehensive income	Total carrying value
Financial Assets				
Equity Instruments	-	-	13.36	13.36
Mutual Funds	-	48,165.22	-	48,165.22
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 and advances	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**

Note 30
Fair value hierarchy

Level 1 Quoted price (unadjusted) in active markets for identical assets or liabilities. 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 2018:

(₹ in lakhs)

Particulars	As of 31 March 2018	Fair value hierarchy at the end of the reporting period/year using		
		Level 1	Level 2	Level 3
Investments in Equity Instruments	13.50	13.47		0.03
Investments in Mutual Funds	49,836.04	49,836.04	-	-

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

(₹ in lakhs)

Particulars	As of 31 March 2017	Fair value hierarchy 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	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 31. Financial Risk Management:

Financial Risk Factors:

The Group's financial liabilities comprises mainly of trade payables and other payables. The Group's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other receivables

The Group's activities are exposed to Market risk, credit risk and liquidity risk. The parent Company has set up Risk Management Committee in order to minimize 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.

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 carrying amounts of the Company's foreign currency denominated monetary items are nil as on 31 March 2018 and 31 March 2017 respectively. The Group has not entered into any forward exchange contracts during the years ended on 31 March 2018 and 31 March 2017.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since the Company has NIL interest bearing borrowings, the exposure to risk of changes in market interest rate is NIL.The Company has not used any interest rate derivatives

Other Price risk is the risk that fair value or future cash flows of financial instrument will fluctuate due to changes 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. 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 four operations Nesco IT Park lease, Bombay Exhibition Centre (BEC) revenue ,sale of Industrial Capital Goods and Nesco Foods

The maximum exposure to credit risk on account of trade receivables, at the reporting date is ₹1,414.31 lakhs and ₹ 1,211.60 lakhs as on 31 March 2018 and 31 March 2017 respectively.

The parent Company minimises credit risk relating to IT Park lease and BEC business 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.

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 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 2018 and 31 March 2017 was ₹ 18.16 Lakhs and Nil respectively.

(₹ in Lakhs)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Balance at the beginning	--	--
Loss allowance measured at lifetime expected credit losses	18.16	--
Balance at the end	18.16	--

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, Balances and cash flows that are generated from business. The Group does not have any borrowings. The Group believes that their working capital is sufficient to meet its current requirements. Accordingly no liquidity risk is perceived.

The Group manages the liquidity risk by maintaining adequate cash and cash equivalent ₹ 883.80 lakhs and ₹ 453.98 lakhs as on 31 March 2018 and 31 March 2017 respectively.

The table below provides details regarding the contractual maturities of significant financial liabilities as on 31 March 2018

(₹ 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		1,199.10		1,199.10
Other financial liabilities (current)				
• Security deposit from IT Park licensees and others	5,740.76			5,740.76
• Trade Payables	1,861.92			1,861.92
• Other financial liabilities	882.89			882.89

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):				
• Trade Payables	2,289.68			2,289.68
• Other financial liabilities	844.85			844.85

Note 32. Contingent Liabilities and Commitments

a. Income-tax demand disputed by the parent Company ₹ 213.23 lakhs (previous year ₹ 213.23 lakhs)

b. Claims against the parent Company not acknowledged as debts ₹ 1,462.97 lakhs (previous year ₹ 363.88 lakhs).

c. Estimated amount of contracts remaining to be executed on capital account and not provided for is ₹ 27,106.90 lakhs (previous year - ₹ 28,661.67 lakhs) against which an advance of ₹ 4,067.97 lakhs (previous year – ₹ 4,987.52 lakhs) has been paid.

d. Indian Bank Guarantees given by bank on parent Company's behalf ₹ 451.51 lakhs (Previous year – ₹ 639.99 lakhs. Foreign Bank Guarantees given by bank on parent Company's behalf US $2,400 (Previous year – US $2,387)

Note 33. Disclosure under the MSMED Act 2006 are provided as under for the year 2017-18, to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act

(₹ in lakhs)

Particulars	As At	
	31 March 2018	31 March 2017
1) Principal amount and the interest due thereon remaining unpaid in each supplier at the end of each accounting year (but within due date as per the MSMED Act) Principal amount due to Micro and Small Enterprise Interest due on above	-	-
2) Interest paid by the company in terms of Section 16 of the MSMED Act 2006, along- with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
3) Interest due and payable for the period of the delay in making payment (which have been paid but beyond the appinted day during the period), but without adding interest specified under The MSMED Act 2006	-	-
4) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
5) Interest due and remaining payable even in the succeeding years, until such date when the interest dues as above are actually paid to the Small Enterprises	-	-

Note 34. Corporate Social Responsibility expense:

A) Gross amount required to be spent by the Company during the year 2017-18 – ₹ 409.48 lakhs (Previous year ₹ 313.53 lakhs) towards CSR activities prescribed under Schedule VII of the Companies Act, 2013.

B) Amounts spent during the year on:

(₹ in lakhs)

Nature of activities	Year 2017-18			Year 2016-17		
	In Cash	Yet to be paid in cash	Total	In Cash	Yet to be paid in cash	Total
Promoting Education i) Construction of School	381.99	-	381.99	320.42	-	320.42
ii) Purpose other than i) above	29.48	-	29.48	-	-	-
Total	**411.47**	**-**	**411.47**	**320.42**	**-**	**320.42**

C) Related party transactions in relation to Corporate Social Responsibility	-	-	-	-	-	-

Note 35 Leases:

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

Company as Lessor:

The parent company has entered into operating leases on its Property, Plant and Equipment located at Byculla and Goregaon IT Park premises:

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

(₹ in lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017
Within one year	7,535.69	11,361.44
After one year but not more than five years	8,544.93	9,953.13
More than 5 years	776.70	73.34

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

Company as Lessee:

The parent company has taken factory land at Karamsad, Gujarat and its corporate office at Mahalakshmi, Mumbai under non-cancellable Operating Lease The lease rentals are payables by the Company monthly. There is no contingent rent payable to lessors under the lease agreements.

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

(₹ in lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017
Within one year	33.00	38.00
After one year but not more than five years	39.00	15.64
More than 5 years	--	--

Lease payment recognized in statement of profit and loss is ₹ 46.63 lakhs (Previous year ₹ 59.96 lakhs)

Note 36. Earnings per share:

Particulars	2017-18	2016-17
Profit after tax attributable to Owners (₹ in lakhs)	17,871.79	16,994.93
Weighted average Number of equity shares outstanding	70,459,960	70,459,960
Face value of each equity share (₹)	2	2
Basic and diluted earnings per share (₹)	25.36	24.12

With effect from 15 September 2017, face value of the Company's Equity share has been subdivided from ₹ 10 each to ₹ 2 each fully paid up. In compliance with Ind AS 33- Earnings Per Share (EPS), the Company has given effect to the said sub-division of shares in computing the earnings per share for comparative periods.

Note 37. Related party disclosures:

(a) List of related parties and relationships

Entities in which KMPs have significant influence	Patel Consultancy Pvt Ltd J V Patel Investment and Trading Co.Pvt.Ltd. Engineering Global Pte Limited Chandler and Price India Private Limited K S Patel Finance & Investment Company Pvt Ltd
Key Management Personnel	Mr. Sumant J. Patel – Chairman Mr. Krishna S. Patel – Managing Director Mr. Dipesh R. Singhania – Chief Financial Officer Ms. Jinal J. Shah - Company Secretary and Compliance Officer
Non – Executive Directors	Mr. Mahendra K. Chauhan Mr. Jai S. Diwanji Mr. K. S. Srinivasa Murty Mr. Manu M. Parpia
Relative of Key Management Personnel	Mrs. Sudha S. Patel - Director

(b) Related party transactions

(₹ in Lakhs)

Particulars	2017-2018	2016-2017
Brokerage Income:-		
K S Patel Finance & Investment Company Pvt Ltd	9.98	13.89
Chandler and Price India Private Limited	83.22	51.24
Rent Expense:-		
Mr. Sumant J Patel	19.50	20.00
Remuneration, perquisites, commission		
Mr. Sumant J. Patel	434.00	410.00
Mr. Krishna S. Patel	215.00	205.00
Mr. Dipesh R. Singhania	80.16	74.75
Ms. Jinal J. Shah	7.17	5.85
Director sitting fees		
Mrs. Sudha S. Patel	1.40	1.50
Non-Executive Directors	5.75	5.70
Amounts Payable / Receivable		
Mr. Sumant J. Patel	231.13	222.22
Mr. Krishna S. Patel	85.38	70.05
Mr. Dipesh R. Singhania	9.58	4.88
Ms. Jinal J. Shah	0.53	0.43

Employee benefits for Key Management Personnel is as follows: -

(₹ in Lakhs)

Particulars	For the year 2017-18	For the year 2016-17
Short-term employee benefits	736.33	695.60
Post-employment benefits;	55.08	54.42
Other long-term benefits;	13.60	13.99

Note 38.The following tables set out the status of gratuity plans and amounts recognized in the Company's financial statements as at 31 March 2018 and 31 March 2017.

Particulars	Gratuity (Unfunded)	
	As at 31 March 2018	**As at 31 March 2017**
Opening defined benefit obligation	181.35	145.58
Interest Cost	13.22	11.65
Current Service Cost	16.37	14.41
(Benefit Paid Directly by the Employer)	(37.58)	(16.85)
Actuarial (Gains)/Losses on Obligations - Due to Change in		
Financial Assumptions	(8.33)	10.87
Actuarial (Gains)/Losses on Obligations - Due to Experience	(0.22)	15.70
Closing defined benefit obligation	164.81	181.35

Amount Recognized in the Balance Sheet

(Present Value of Benefit Obligation at the end of the Period)	(164.81)	(181.35)
Funded Status (Surplus/ (Deficit))	(164.81)	(181.35)
Net (Liability)/Asset Recognized in the Balance Sheet	(164.81)	(181.35)

Net Interest Cost

Present Value of Benefit Obligation at the Beginning of the Period	181.35	145.58
Net Liability/(Asset) at the Beginning	181.35	145.58
Interest Cost	13.22	11.65
Net Interest Cost for Current Period	13.22	11.65

Expenses Recognized in the Statement of Profit or Loss

Current Service Cost	16.37	14.41
Net Interest Cost	13.22	11.65
Expenses Recognized	29.59	26.06

Expenses Recognized in the Other Comprehensive Income (OCI)		
Actuarial (Gains)/Losses on Obligation For the Period	(8.56)	26.57
Net (Income)/Expense For the Period Recognized in OCI	(8.56)	26.57

Balance Sheet Reconciliation

Opening Net Liability	181.35	145.58
Expenses Recognized in Statement of Profit or Loss	29.59	26.06
Expenses Recognized in OCI	(8.56)	26.57
(Benefit Paid Directly by the Employer)	(37.58)	(16.85)
Net Liability/(Asset) Recognized in the Balance Sheet	164.80	181.35

Other Details

Present Value of Benefit Obligation at the End of the Period	164.81	181.35
Net Liability/(Asset) at the End of the Period	164.81	181.35
Interest Cost	12.90	13.22

Net Interest Cost for Next Year

No of Active Members	147	144
Per Month Salary For Active Members	43.67	35.99
Weighted Average Duration of the Projected Benefit Obligation	11.00	10.59
Average Expected Future Service	16.00	15.47
Projected Benefit Obligation (PBO)	164.81	181.35

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

Net Interest Cost for Next Year	12.90	13.22
Current Service Cost	18.30	16.38
Net Interest Cost	12.90	13.22
Expenses Recognized	31.20	29.60

Assumptions

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.
Maturity Analysis of Projected Benefit Obligation: From the Employer		
Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	22.36	25.59
2nd Following Year	12.84	19.24
3rd Following Year	18.57	14.34
4th Following Year	9.56	18.27
5th Following Year	6.52	8.85
Sum of Years 6 To 10	41.18	32.53
Sum of Years 6 To 10	296.50	306.64
Sensitivity Analysis		
Projected Benefit Obligation on Current Assumptions	164.81	181.35
Delta Effect of +0.5% Change in Rate of Discounting	(7.11)	(7.78)
Delta Effect of -0.5% Change in Rate of Discounting	7.69	8.46
Delta Effect of +0.5% Change in Rate of Salary Increase	7.79	8.52
Delta Effect of -0.5% Change in Rate of Salary Increase	(7.26)	(7.91)
Delta Effect of +0.5% Change in Rate of Employee Turnover	1.04	0.87
Delta Effect of -0.5% Change in Rate of Employee Turnover	(1.11)	(0.93)

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

Note 39.Income Taxes:

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

(₹ in lakhs)

Particulars	Year 2017-2018	Year 2016-2017
Current Taxes	6.329.15	6,343.74
Deferred Taxes	(407.67)	1,105.13
Income Tax Expenses	5,921.48	7,448.87

Tax expenses includes ` 82 Lakhs provided during the year against earlier year liability.

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:

(₹ in lakhs)

Particulars	Year 2017-2018	Year 2016-2017
Profit before tax	23,793.35	24,443.83
Enacted Tax rate in India	34.608%	34.608%
Computed enacted tax expenses	8,234.40	8,456.87
Add / (Less): Expenses not allowable for tax purposes	226.10	177.83
Add / (Less): Income not considered for tax purpose	(1,118.06)	(1,158.71)
Add / (Less):Effect of expenses, computed differently in tax	(158.24)	(24.12)
Add / (Less):Effect of expenses, which are allowed on payment basis	(3.75)	8.99
Add / (Less):Effect of income, considered under other head of income	(930.95)	(1,137.03)
Total of reconciliation items	(1,984.30)	6,323.83
Tax payable	6,249.50	6,323.83
Tax provision in current year	6,247.15	6,343.74
(Excess) / short provision of earlier years	82.00	-
Income Tax Expenses	6,329.15	6,343.74

The Applicable Statutory tax rate for financial year ended 31 March 2018 and 31 March 2017 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 2018 and 31 March 2017 are as follows:

(₹ in lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017
Income tax Assets	887.51	970.39
Current Income Tax Liabilities	(508.31)	(46.56)
Net current income tax Assets / (Liabilities)	379.20	923.83

Details of deferred tax assets and liabilities as of 31 March 2018 and 31 March 2017 are as follows:

(₹ in lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017
Deferred tax Liabilities	(2,822.16)	(2,752.77)
Deferred Tax Assets	501.46	27.31
Net deferred tax Assets / (Liabilities)	(2,320.70)	(2,725.45)

The gross movement in the Current Tax assets / (liabilities) for the year ended 31 March 2018 and 31 March 2017 is as follows:

(₹ in lakhs)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Net current tax assets / (liabilities) at the beginning of the year	923.83	432.22
Income tax paid		
Advance tax and TDS	5,784.63	6,780.35
Self-Assessment Tax paid/Previous year adjustments	(82.00)	54.69
Current income tax expenses	(6,247.15)	(6,343.73)
Net current tax assets / (liabilities) at the end of the year	379.20	923.83

The gross movement in deferred income Tax account for the year ended 31 March 2018 and 31 March 2017 is as follows:

(₹ in lakhs)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Net deferred tax assets / (liabilities) at the beginning	(2,725.45)	(1,629.53)
(Credit) / charge related to temporary differences	407.67	(1,105.12)
Temporary differences on other comprehensive income	(2.92)	9.20
Net deferred tax assets / (liabilities) at the end	(2,320.70)	(2,725.45)

The credits relating to temporary differences during the year ended 31 March 2018 and 31 March 2017 are primarily on account of - Other income due to fair valuation of investments on mutual funds.

Note 40.Segment Reporting:-

(₹ in lakhs)

Particulars	2017-18	2016-17
Revenue by Segment		
IT Park	14,544.33	14,191.14
Bombay Exhibition Centre	12,970.34	13,276.55
Industrial Capital Goods Division	2,638.13	3,388.55
Hospitality Services	2040.22	568.31
Income from Investments/ Other Income	3,606.48	4,298.21
Total	**35,799.50**	**35,722.76**
Segment profit after tax and finance cost		
IT Park	12,680.63	12,534.04
Bombay Exhibition Centre	10,359.36	10,288.68
Industrial Capital Goods Division	17.87	34.12
Hospitality Services	314.11	71.52
Income from Investments/ Other Income	421.38	1,515.46
Total Operating profit before tax	**23,793.35**	**24,443.82**
Segment Assets:-		
IT Park	52,560.42	44,255.52
Bombay Exhibition Centre	5,889.77	5,676.01
Industrial Capital Goods Division	3,415.45	3,737.36
Hospitality Services	3,569.54	192.16
Income from Investments/ Other Income	52,375.13	49,462.56
Total	**1,17,810.32**	**1,03,323.61**
Segment Liabilities:-		
IT Park	7,855.54	8,537.27
Bombay Exhibition Centre	3,861.40	3,677.27
Industrial Capital Goods Division	612.45	725.82
Hospitality Services	365.2	126.27
Income from Investments/ Other Income	4,001.89	5,155.16
Total	**16,696.49**	**18,221.74**
Capital Employed:-		
IT Park	44,704.88	35,718.25
Bombay Exhibition Centre	2,028.37	1,998.74
Industrial Capital Goods Division	2,803.00	3,011.54
Hospitality Services	3,204.34	65.89
Income from Investments/ Other Income	48,373.24	44,307.45
Total	**1,01,113.83**	**85,101.87**
Capital Expenditure		
IT Park	10,065.86	11,466.81
Bombay Exhibition Centre	2,869.58	3,092.09
Industrial Capital Goods Division	26.76	444.14
Unallocable Assets	185.65	-
Hospitality Services	1,502.84	-
Total	**14,650.69**	**15,003.04**

Note 41. Proposed Dividend:- The Board of Directors at its meeting held on 16 May 2018, have recommended a payment of dividend of ₹ 2.30 (Rupees two and paise thirty) Per Equity Share of face value of ₹ 2 Each for the financial year ended 31 March 2018. The same amounts to ₹ 1,953.69 lakhs inclusive of Dividend Distribution Tax of ₹ 333.11 lakhs.

The above is subject to approval at the ensuing AGM of the Company and hence is not recognized as a liability

Note 42

Disclosure of additional information pertaining to the and Subsidiary as per Schedule III of Companies Act, 2013

Name of the entity in the Group	2017-18		2017-18		2017-18		2017-18	
	Net Assets i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	Amount	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
Parent:-								
Nesco Limited	1,00,870.32	99.76%	17,669.27	98.87%	5.78	100%	17,675.05	98.87%
Subsidiary:-								
Indian:-								
Nesco Hospitality Pvt Ltd	243.41	0.24%	202.52	1.13%	-	0%	202.52	1.13%
Non controlling interest	0.11	0.00%	0.08		-	0%	0.08	0%
Total	**1,01,113.83**		**17,871.87**		**5.78**		**17,877.65**	

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	
	Amount	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
Parent:-								
Nesco Limited	85,060.95	99.95%	16,942.18	99.69%	(14.19)	100%	16,927.99	99.69%
Subsidiary:-								
Indian:-								
Nesco Hospitality Pvt Ltd	40.89	0.05%	52.75	0.31%	-	0%	52.75	0.31%
Non controlling interest	0.03	0.00%	0.02	0%	-	0%	0.02	0%
Total	**85,101.87**		**16,994.95**		**(14.19)**		**16,980.76**	

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

(₹ in Lakhs)

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 2018
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 : 100.00 Paid up Capital : 25.00
5.	Reserves & surplus	243.51
6.	Total Assets	443.05
7.	Total Liabilities	443.05
8.	Investments	NIL
9.	Turnover	1752.92
10.	Profit before taxation	283.74
11.	Provision for taxation	81.51
12.	Profit after taxation	202.59
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	DIN:00186976
Mr. Krishna S. Patel	Managing Director	DIN:01519572
Mr. Mahendra K. Chouhan	Director	DIN:00187253
Mr. Jai S. Diwanji	Director	DIN:00910410
Mrs. Sudha S. Patel	Director	DIN:00187055
Mr. Manu M. Parpia	Director	DIN:00118333
Mr. Dipesh R. Singhania	Chief Financial Officer	
Ms. Jinal J. Shah	Company Secretary and Compliance Officer	

Mumbai, 16 May 2018

NOTICE

Notice is hereby given that 59th Annual General Meeting of Nesco Limited will be held on Wednesday, 08 August 2018 at 3.30 p.m. at the registered office of the Company at Nesco Center, 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 2018, 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.

Special Business

4. 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, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the members be and is hereby accorded to the reappointment of Mr. Sumant J. Patel as the Executive Chairman of the Company for a period of five (5) years commencing from 01 April 2018 to 31 March 2023.

   RESOLVED FURTHER THAT approval be and is hereby accorded to the remuneration, perquisites, allowances, benefits and amenities payable to Mr. Sumant J. Patel as set out below:

   Remuneration:

   a) Salary : upto ₹12,00,000/- per month
   b) Commission : upto 3.00% of net profit
   c) Perquisites : such benefits, perquisites and allowances as may be determined by the Board from time to time.

   Within the outer limit specified above Mr. Sumant J. Patel be paid the following remuneration and perquisites with effect from 01 April 2018.

   a) Salary : ₹8,00,000/- per month
   b) Commission : upto 3.00% of net profit
   c) Perquisites :

   i. Medical and personal insurance expenses and reimbursement of medical expenses;

   ii. Club membership fees, fees of associations and organizations;

   iii. Leave travel allowance for self and family;

   iv. Payment of utility expenses;

   v. Company cars for official and for personal purpose including maintenance expenses;

   vi. Telephones including internet, broadband, and reimbursement of internet, mobile and telephone expenses.

   The Company shall pay or reimburse to the Executive Chairman and he shall be entitled to be paid and / or to be reimbursed by the Company all costs, charges and expenses that may have been or may be incurred by him for the purpose of or on behalf of the Company.

   RESOLVED FURTHER THAT in the event of no profits or inadequacy of profits in any financial year during the tenure of Executive Chairman, the Company will pay Mr. Sumant J. Patel remuneration, perquisites and allowances not exceeding the limit laid down in Schedule V of the Companies Act, 2013, as may be decided by the Board, subject to necessary sanctions and approvals.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to alter and/ or vary the terms and conditions of the said appointment and/ or enhance, alter or vary the scope and quantum of remuneration, perquisites, allowances, benefits and amenities payable to Mr. Sumant J. Patel in the light of further progress of the Company which shall be in accordance with the prescribed 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).

RESOLVED FURTHER THAT the Board of Directors or Company Secretary of the Company be and are hereby jointly or severally authorized 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."

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 Sections 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the members be and is hereby accorded to the reappointment of Mr. Krishna S. Patel as Managing Director of the Company for a period of five (5) years, commencing from 01 July 2018 to 30 June 2023.

RESOLVED FURTHER THAT approval be and is hereby accorded to the remuneration, perquisites, allowances, benefits and amenities payable to Mr. Krishna S. Patel as set out below:

Remuneration:

a) Salary : upto ₹15,00,000/- per month
b) Commission : upto 3.00% of net profit
c) Perquisites : such benefits, perquisites and allowances as may be determined by the Board from time to time.

Within the outer limit specified above Mr. Krishna S. Patel be paid the following remuneration and perquisites with effect from 01 July 2018.

a) Salary : ₹8,50,000/- per month
b) Commission : upto 3.00% of net profit
c) Perquisites :

i. Company's contribution to Provident fund, gratuity fund as per rules of the Company;
ii. Medical and personal insurance expenses and reimbursement of medical expenses;
iii. Club membership fees, fees of associations and organizations;
iv. Leave travel allowance for self and family;
v. Payment of utility expenses;
vi. Company cars for official and for personal purpose including maintenance expenses.
vii. Telephones including internet, broadband, and reimbursement of internet, mobile and telephone expenses.

The Company shall pay or reimburse to the Managing Director and he shall be entitled to be paid and / or to be reimbursed by the Company all costs, charges and expenses that may have been or may be incurred by him for the purpose of or on behalf of the Company.

RESOLVED FURTHER THAT in the event of no profits or inadequacy of profits in any financial year during the tenure of Managing Director, the Company will pay Mr. Krishna S. Patel remuneration, perquisites and allowances not exceeding the limit laid down in Schedule V of the Companies Act, 2013, as may be decided by the Board, subject to necessary sanctions and approvals.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to alter and/ or vary the terms and conditions of the said appointment and/or enhance, alter or vary the scope and quantum of remuneration, perquisites, allowances, benefits and amenities payable to Mr. Krishna S. Patel in the light of further progress of the Company which shall be in accordance with the prescribed 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).

RESOLVED FURTHER THAT the Board of Directors or Company Secretary of the Company be and are hereby jointly or severally authorized 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, 16 May 2018

Registered Office:
Nesco Center,
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 Thursday, 02 August 2018 to Wednesday, 08 August 2018 (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 01 August 2018.

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 2009-10 and is in process to transfer the unpaid/ unclaimed dividend for the year 2010-11. The due date for transfer of the unpaid/unclaimed dividend for the year 2010-11 is 18 September 2018. 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

    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 advice 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 59th 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	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders) 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. 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.
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	Enter the dividend bank details as recorded in your demat account or in the company records for the said demat account or folio. 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).

(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 Sunday, 05 August 2018 at 09.00 a.m. and ends on Tuesday, 07 August 2018 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 01 August 2018, 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 paidup equity share capital of the Company as on the cut-off date (record date) of 01 August 2018.

(d) Ms. Neeta H. Desai, ND & Associates, Practising Company Secretaries has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

(e) The scrutinizer 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.

(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 59th 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 31.03.2018	NIL
Inter-se relationship between directors	Wife of Mr. Sumant J. Patel Mother of Mr. Krishna S. Patel
Number of Shares held in the Company	45,74,720 Equity shares

Item No. 4

At the fifty fourth Annual General Meeting of the Company held on 08 August 2013 the shareholders, pursuant to the provisions of Sections 198, 269, 309, 310 and Schedule XIII and such other applicable provisions, if any, of the Companies Act, 1956, accorded their approval through a Special Resolution to the appointment of Mr. Sumant J. Patel as the Managing Director of the Company for a period of five (5) years commencing from 01 April 2013 to 31 March 2018.

At the fifty eighth Annual General Meeting of the Company held on 14 August 2017 the shareholders, pursuant to the provisions of Sections 196, 197, 198, 203 and such other applicable provisions, if any, of the Companies Act, 2013, accorded their approval through a Special Resolution to designate Mr. Sumant J. Patel as the Executive Chairman of the Company with effect from 01 August 2016 till completion of his tenure.

The Board of Directors at their meeting held on 13 February 2018 based on the recommendations of the Nomination and Remuneration Committee, approved the re-appointment of Mr. Sumant J. Patel as the Executive Chairman of the Company for a period of five (5) years commencing from 01 April 2018 to 31 March 2023, not liable to retire by rotation.

The Board also approved the terms and conditions of his appointment including remuneration, as recommended by the Nomination and Remuneration Committee, in accordance with the provisions of Sections 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment

The Board of Directors are of the opinion that the re-appointment of Mr. Sumant J. Patel as the Executive Chairman is in the best interest of the Company and accordingly, recommend the resolution set out in Item No. 4 for approval of the members.

As 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.

Item No. 5

At the fifty fourth Annual General Meeting of the Company held on 08 August 2013 the shareholders, pursuant to the provisions of Sections 198, 269, 309, 310 and Schedule XIII and such other applicable provisions, if any, of the Companies Act, 1956, accorded their approval through an Ordinary Resolution to the appointment of Mr. Krishna S. Patel as the Executive Director of the Company for a period of five (5) years commencing from 01 July 2013 to 30 June 2018.

At the fifty sixth Annual General Meeting of the Company held on 03 August 2015 the shareholders, pursuant to the provisions of Sections 196, 197, 198, 203 and such other applicable provisions, if any, of the Companies Act, 2013, accorded their approval through an Ordinary Resolution to the appointment of Mr. Krishna S. Patel as the Joint Managing Director with effect from 01 April 2015 till completion of his tenure.

At the fifty eighth Annual General Meeting of the Company held on 14 August 2017 the shareholders, pursuant to the provisions of Sections 196, 197, 198, 203 and such other applicable provisions, if any, of the Companies Act, 2013, accorded their approval through an Ordinary Resolution to designate Mr. Krishna S. Patel as the Managing Director of the Company with effect from 01 August 2016 till completion of his tenure.

The Board of Directors at their meeting held on 13 February 2018 based on the recommendations of the Nomination and Remuneration Committee, approved the re-appointment of Mr. Krishna S. Patel as the Managing Director of the Company for a period of five (5) years commencing from 01 July 2018 to 30 June 2023, not liable to retire by rotation.

The Board also approved the terms and conditions of his appointment including remuneration, as recommended by the Nomination and Remuneration Committee, in accordance with the provisions of Sections 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment.

The Board of Directors are of the opinion that the re-appointment of Mr. Krishna S. Patel as the Managing Director is in the best interest of the Company and accordingly, recommend the resolution set out in Item No. 5 for approval of the members.

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.

By Order of the Board of Directors

Jinal J. Shah
Company Secretary and
Compliance Officer

Mumbai, 16 May 2018

Registered Office:
Nesco Center,
Western Express Highway,
Goregaon (East), Mumbai – 400063.
CIN No. – L17100MH1946PLC004886

The Grande

Hall 4

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