



NESCO LIMITED
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25 May 2019

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

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

Ref : 505355

Ref : NESCO

Sub: Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of Scheme of Amalgamation of wholly owned subsidiary

The Board of Directors of the Company, at its meeting held on 24 May 2019 have approved the Scheme of Amalgamation ("Scheme") 2013 for amalgamation of Nesco Hospitality Private Limited, a wholly owned subsidiary of the Company, with the Company, under the provisions of Section 233 of the Companies Act, and subject to such approvals as may be required.

The details required under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 09 September 2015 are given in the enclosed Annexure I.

This is for your information and record.

Thanking you

Yours faithfully,

For Nesco Limited

Jinal J. Shah
Company Secretary and
Compliance Officer



Encl: As above

ANNEXURE I

Disclosure of information pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 09 September 2015.

a) Name of the entities forming part of the amalgamation/merger, details in brief such as, size, turnover etc.:

The scheme of arrangement provides for the merger of Nesco Hospitality Private Limited, (Transferor Company) with Nesco Limited (Transferee Company) under Section 233 of the Companies Act, 2013 read with Rule 25 of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 under the fast track route.

The brief details of the entities forming part of scheme of arrangement as on 31 March 2019 are as follows —

Particulars	Name of the Companies	(Rs. in Lakhs)	
		Revenue	Net Worth
Transferee Company	Nesco Limited	39,206.18	116,779.28
Transferor Company	Nesco Hospitality Private Limited	60.24	268.09

b) Whether the transaction would fall within related party transactions? If yes, whether the same is done at 'arm's length':

The Transferor Company is a wholly owned subsidiary of the Transferee Company. Hence, the transaction falls within the ambit of related party transaction.

However, the Ministry of Corporate Affairs has clarified vide its General Circular No. 30/2014 dated July 17, 2014 that transactions arising out of Compromise, Arrangements and Amalgamations dealt with under specific provisions of the Companies Act, 2013, will not fall within the purview of related party transaction in terms of Section 188 of the Companies Act, 2013.

Further, pursuant to Regulation 23(5)(b) of the Listing Regulations, the related party transaction provisions are not applicable to the proposed Scheme.

c) Area of business of the entities:

Name of the Company	Area of Business
Nesco Limited (Transferee Company)	The Transferee Company is engaged in diversified business including - developing IT Park and providing space therein on lease and license basis, providing space for trade fairs, exhibitions, conventions and conferences; operating food kitchens, Food Courts, Food Kiosks, Mass Catering, etc; manufacturing of surface preparation equipment's and spares. The Company holds 100% equity shares in Transferor Company.



Nesco Hospitality Private Limited (Transferor Company)	The Transferor Company is engaged in the business of Food Kitchens, Food Courts, Food Kiosks, Mass Catering, etc. Nesco Hospitality Private Limited is a wholly owned subsidiary of Transferee Company.
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d) Rationale for Amalgamation or Merger:

1. The Transferor Company is wholly owned subsidiary of Transferee Company. In order to consolidate and effectively manage both the Companies as a single entity, which will help in provide several benefits including streamlined group structure by reducing the number of legal entities, reducing the multiplicity of legal and regulatory compliances, rationalizing costs, it is intended that the Transferor Company be amalgamated with Transferee Company.
2. The independent operations of the Transferor Company and Transferee Company leads to incurrance of significant costs and the amalgamation would enable economies of scale by attaining critical mass and achieving cost saving. The amalgamation will thus eliminate a multi-layered structure and reduce managerial overlaps, which are necessarily involved in running multiple entities and will also prevent cost duplication that can erode financial efficiencies of a holding structure and the resultant operations would be substantially cost-efficient.
3. The Merger will help in elimination of administrative functions and multiple record-keeping, thus reducing expenditure considerably.

e) Consideration:

The Transferor Company is wholly owned subsidiary of Transferee Company hence, upon the Scheme coming into effect, all equity shares of the Transferor Company held by the Transferee Company (either directly or through nominees) shall stand cancelled without any further application, act or deed. It is clarified that no new shares shall be issued or payment made in cash whatsoever by the Transferee Company in lieu of shares of the Transferor Company pursuant to the Scheme of Arrangement.

f) Pre and post shareholding pattern:

There shall be no change in the Shareholding Pattern of the Listed Company.

Particulars	Pre-merger (% Holding)	Post-merger (% Holding)
-Promoters	68.20	68.20
-Non-Promoters	31.80	31.80
Total	100.00	100.00

