

14<sup>th</sup> August 2023

BSE Limited  
Corporate Relationship Dept  
1<sup>st</sup> Floor, New Trading Ring,  
Rotunda Building,  
P.J. Towers, Fort,  
Mumbai – 400 001

National Stock Exchange of India Limited  
5<sup>th</sup> floor, Exchange Plaza, Plot No.C-1  
Block “G” Bandra Kurla Complex  
Bandra (East)  
Mumbai – 400 051

BSE Code : 504112

NSE Code : Nelco EQ

Dear Sirs,

Sub: Disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 30 (4) read with Para B of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023, details of continuing event or information are enclosed herewith as ‘Annexure A’ which now became material as per the revised materiality criterion pursuant to notification of SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023.

This intimation is also being uploaded on Company’s website [www.nelco.in](http://www.nelco.in).

Please take the above on record.

Yours faithfully,  
NELCO Limited

Girish V. Kirkinde  
Company Secretary & Head – Legal

Annexure A

- 1) Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact. :-  
These were also disclosed as a part of Annual Audited Accounts for the year ended 31<sup>st</sup> March 2023 which were approved by the shareholders at the 80<sup>th</sup> Annual General Meeting held on 22<sup>nd</sup> June 2023 and updated till date.

Sr. No.	Brief details of litigation			Expected financial implications, if any, due to compensation, penalty etc.	Quantum of claims, if any;
	Name(s) of the opposing party	Court/tribunal/agency where litigation is filed	brief details of dispute/litigation		
1.	Income tax	Income Tax Appellate Tribunal,	For AY 2011-12, dispute about Gain on calculation of Slump Sale under Income Tax Act 1961. The Company received penalty & interest demand against which Company has filed appeal.	The expected financial implication not ascertainable at this stage.	Rs. 1,095 Lakhs
2.	Income tax	National Faceless Appeal Centre	For Previous Year 2020-21 and 21-22 (Assessment Year 2021-22 and 22-23), notice received u/s 143(1) read with sec 154, not giving TDS credit in respect of subsidiary company which was amalgamated with the Company. The Company has filed appeal.	The expected financial implication not ascertainable at this stage.	Aggregate Rs 622 Lakhs.
3.	Goods and Service Tax Department	GST (Commissioner)	In GST assessment from Jul 2017 to Mar 2019, the liability under Reverse Charge Mechanism on license fees to DoT has been calculated considering the revenue of Group Company. Against this claim the Company has filed reply with GST (Commissioner).	The expected financial implication not ascertainable at this stage.	Rs. 103 Lakhs
4.	Sales tax	Bombay High Court and Joint Commissioner of Sales Tax (JCST)	DCST passed an Order based on contention that "The facility to provide bandwidth service is a property of commercial in nature and goods, therefore, transaction of lease of facility is a deemed sale and accordingly MVAT is applicable on entire turnover. (Year 2006-07 to 2010-11). The Company has filed appeals.	The expected financial implication not ascertainable at this stage.	Rs. 3,836 Lakhs

5.	Service tax	Customs Excise & service tax appellate tribunal (CESTAT)	Service tax demand on Consulting Engineer's service provided during Mar 2001 to Mar 2005. The Company has filed appeal.	The expected financial implication not ascertainable at this stage.	Rs. 179 Lakhs
6.	Service tax	Commissioner CGST	In service tax assessment for period Apr 2016 to Jun 2017, service tax RCM liability on license fees already paid and derived license fees payable to DOT considering revenue of group Company. Against this order Company has filed reply with GST (Commissioner).	The expected financial implication not ascertainable at this stage.	Rs. 407 Lakhs
7.	Service tax	Commissioner CGST	Demand towards mismatch in revenue as per service tax records and Income tax records. Against this order Company has filed reply with GST (Commissioner).	The expected financial implication not ascertainable at this stage.	Rs. 640 Lakhs
8.	Antrix Corporation Limited	Telecom Disputes Settlement and Appellate Tribunal (TDSAT)	Antrix retrospectively revised charges from 1 <sup>st</sup> April 2016 to 31 <sup>st</sup> August 2017 to which Company has opposed and refused to pay. Against this Antrix has filed appeal in TDSAT and hearing in this matter is awaited.	The expected financial implication not ascertainable at this stage.	Rs. 167 Lakhs
9.	Mahendra Valji Rathod Deceased through heirs and legal representatives	The Court of Small Causes at Bandra, Mumbai.	An Application has been filed claiming mesne profit from the Company for the period 1/10/2000 to 29/08/2019. The Company has challenged the application including the amount of claim.	The expected financial implication not ascertainable at this stage.	Rs. 557 Lakhs plus interest

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2) Giving guarantees for any third party:-

These are also disclosed in the Annual Report of FY 2021-22 and FY 2022-23 and updated till date.

Sr. No.	name of party for which such guarantees or indemnity or surety was given	whether the promoter/ promoter group/ group companies have any interest in this transaction? If yes, nature of interest and details thereof and whether the same is done at "arm's length";	brief details of such guarantee or indemnity or becoming a surety viz. brief details of agreement entered (if any) including significant terms and conditions, including amount of guarantee;	impact of such guarantees or indemnity or surety on listed entity.
1.	Nelco Network Products Ltd. (Wholly owned subsidiary)	No	Rs. 2,700 lakhs Corporate Guarantee given in respect term loan from Bajaj Finance Ltd.	These Corporate Guarantee(s) issued shall continue to be the contingent liability in the books of the Company.
2.	Nelco Network Products Ltd. (Wholly owned subsidiary)	No	Rs. 4,500 lakhs Corporate Guarantee given in respect working capital and non-funded PBG facility from ICICI Bank Ltd.	
3.	Nelco Network Products Ltd. (Wholly owned subsidiary)	No	Rs. 4,500 lakhs Corporate Guarantee given in respect working capital and non-funded PBG facility from IDFC First Bank Ltd.	
4.	Nelco Network Products Ltd. (Wholly owned subsidiary)	No	Rs. 2,000 lakhs Corporate Guarantee given in respect of revolving line of Credit for discounting Bill of exchange.	

3) Granting of key licenses or regulatory approvals.

name of the regulatory or licensing authority;	Government of India, Ministry of Communications Department of Telecommunications
brief details of the approval/license obtained/ <del>withdrawn/ surrendered</del> ;	Unified License for VNO ISP-VNO, Category-"A" National Area Service Area
impact/relevance of such approval/license to the Company;	ISP VNO will help Company to provide internet connectivity in other circles by partnering with other Internet Service Providers
withdrawal/cancellation or suspension of licence/approval by the regulatory or licensing authority, with reasons for such action, estimated impact (monetary or otherwise) on the listed entity and penalty, if any;	Not Applicable
period for which such approval/license is <del>was</del> valid;	10 (Ten) Years effective from 30 <sup>th</sup> May 2023.
Subsequently, the Company shall inform the stock exchange(s), the actual impact (monetary or otherwise) along with corrective actions taken by the listed entity pursuant to the withdrawal, cancellation or suspension of the key license/ approval.	Not Applicable