

11th July 2024

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

National Stock Exchange of India Limited
5th 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: Outcome of Board Meeting
Unaudited Financial Results for the quarter ended 30th June 2024

In terms of Regulations 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended from time to time, ('Listing Regulations'), and further to our letter dated 4th July 2024, we are submitting: -

1. Unaudited Consolidated Financial Results for the quarter ended 30th June 2024 along with the Limited Review Report by the Statutory Auditors.
2. Unaudited Standalone Financial Results for the quarter ended 30th June 2024 along with the Limited Review Report by the Statutory Auditors.

Both the above have been approved by the Board of Directors at its meeting held on 11th July 2024 which commenced at 11.00 a.m. and concluded at 1.00 p.m.

The said Results are also available on Company's website www.nelco.in

The Company will publish the Unaudited Consolidated Financial Results in the prescribed format.

Please take the aforesaid on record.

Thanking you

Yours faithfully,
NELCO Limited

Ritesh N. Kamdar
Company Secretary
ACS 20154

Encl: As above.

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**Review Report to
The Board of Directors
Nelco Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Nelco Limited (the "Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") and its associate for the quarter ended June 30, 2024 and year to date from April 1, 2024 to June 30, 2024 (the "Statement") attached herewith being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The Holding Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Holding Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Master Circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:

Holding Company

- Nelco Limited

Subsidiary Company

- Nelco Network Products Limited

Associate Company

- Piscis Networks Private Limited

5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations including the manner in which it is to be disclosed or that it contains any material misstatement.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

Nelco Limited
Limited Review Report on Consolidated Financial Results– June 30, 2024

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6. The accompanying Statement includes unaudited interim financial results and other unaudited financial information in respect of an associate whose interim financial results includes the Group's share of net profit of Rs. 5 lakhs and Group's share of total comprehensive income of Rs. 5 lakhs for the quarter ended June 30, 2024 and for the period ended on that date.

The unaudited interim financial results and other unaudited financial information of the associate has not been reviewed by their auditor and have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of this associate is based solely on such unaudited interim financial results and other unaudited financial information. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

Our conclusion on the Statement in respect of matters stated in para 6 is not modified with respect to our reliance on the financial results certified by the Management.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004




per Aniket Sohani
Partner
Membership No.: 117142
UDIN: 24117142BKDIAM6764
Mumbai
July 11, 2024



Statement of Consolidated Unaudited Financial Results for the quarter ended June 30, 2024

(Rs. in Lakhs)

Sr.No.	Particulars	3 Months ended	Preceding	Corresponding	Previous Year ended
		30-Jun-2024	3 Months ended	3 Months ended	31-Mar-2024
		Unaudited	Audited	Unaudited	Audited
			(Refer note 6)		
1	Income				
	a) Income from operations	7,408	8,161	7,880	32,030
	b) Other income	11	73	38	236
	Total income	7,419	8,234	7,918	32,266
2	Expenses				
	a) Purchase of stock-in-trade	555	1,342	975	3,989
	b) Changes in Inventories of stock-in-trade	(36)	(440)	(167)	(460)
	c) Operating expenses	3,542	3,672	3,516	14,522
	d) Employee benefits expenses	1,205	1,103	1,119	4,304
	e) Other expenses	910	1,012	993	3,736
	Total expenses	6,176	6,689	6,436	26,091
3	Profit before finance cost, depreciation, amortisation, share of profit from associate and tax (1-2)	1,243	1,545	1,482	6,175
4	Finance cost, depreciation and amortisation				
	a) Finance cost (refer note 3)	108	144	154	657
	b) Depreciation and amortisation expense	529	595	522	2,214
	Total finance cost, depreciation and amortisation	637	739	676	2,871
5	Profit before share of profit from associate and tax (3-4)	606	806	806	3,304
6	Add: Share of profit from associate (refer note 2)	5	15	-	47
7	Profit before tax (5+6)	611	821	806	3,351
8	Tax expense (refer note 3)				
	a) Current tax	252	320	205	1,427
	b) Deferred tax (net)	(97)	(109)	28	(551)
	c) Tax adjustment for earlier years (including deferred tax)	-	-	-	108
	Total tax expenses	155	211	233	984
9	Net profit for the period/year (7-8)	456	610	573	2,367
10	Other comprehensive income/(expenses)				
	Items that will not be reclassified to profit or loss (net of tax)				
	-Net fair value gain on investments in equity shares at FVTOCI	-	-	-	-
	-Remeasurement of post employment benefit obligations (net of tax)	(30)	12	(48)	(8)
	Other comprehensive income/(expenses)	(30)	12	(48)	(8)
11	Total comprehensive income for the period/year (9+10)	426	622	525	2,359
12	Paid up equity share capital (face value Rs.10/- each)	2,282	2,282	2,282	2,282
13	Other equity				10,076
14	Earnings per share (Basic and diluted) (Face value Rs. 10/-each) (not annualised)	2.00	2.67	2.51	10.37
15	Dividend per share (Par Value Rs. 10/- each)				
	Final dividend on equity shares (in Rs.)	2.20	-	2.00	2.00
	Total equity dividend percentage (%)	22	-	20	20

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 BY 
 S.R. BATLIBOI & ASSOCIATES LLP
 MUMBAI



Notes to the Consolidated Unaudited Financial Results for the quarter ended June 30, 2024

- 1 The Consolidated financial results of Nelco Limited ("the Holding Company"), its subsidiary Nelco Network Products Limited (together referred to as "Group") and its associate Piscis Networks Private Limited have been prepared in accordance with Indian Accounting Standards ('IND AS') notified under Section 133 of the Companies Act 2013, read together with the Companies (Indian Accounting standard) Rules, 2015 (Amended). These have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at its meeting held on July 11, 2024.
- 2 During the quarter ended June 30, 2023, the Holding Company made an investment of Rs. 100 Lakhs in 9.09% equity shares of Piscis Networks Private Limited. During the quarter ended September 30, 2023, the Holding Company made further investment of Rs. 204 Lakhs to acquire additional 22.63% of equity shares. As at June 30, 2024 and March 31, 2024 the Holding Company held 31.72% stake in Piscis Networks Private Limited. As per provisions of Ind AS 28 -Investment in Associates and Joint ventures, Piscis Networks Private Limited has been treated as an associate.
- 3(a) Effective April 1, 2023, the Holding Company exercised the option provided under Section 115 BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 for the lower tax rate. Accordingly, tax expense for the current quarter and year ended March 31, 2024 is based on revised tax rate. The deferred tax assets as at April 01, 2023 have also been revalued based on the revised rate.
- (b) On October 16, 2023, the Honourable Supreme Court of India pronounced a judgement regarding treatment of Variable License Fee paid to Department of Telecommunication under New Telecom Policy 1999, since July 1999, to be treated as capital in nature and not revenue expenditure for the purpose of computation of taxable income. Even though the Company was not a party to the above judgement, as a matter of prudence, the Company assessed and recorded a provision of Rs. 102 lakhs towards tax (net of deferred tax) and Rs. 46 lakhs towards interest which was treated as finance cost for the year ended March 31, 2024.

On May 17, 2024, the Honourable Supreme Court of India, while disposing Miscellaneous Application, waived the interest liability that would have arisen as a result of the order dated October 16, 2023. Considering the Order dated May 17, 2024 and based on the assessment of present position, during the current quarter, management reversed the liability amounting to Rs 22 Lakhs relating to Interest pertaining to the period before October 16, 2023.
- 4 For the financial year ended March 31, 2024, the Holding Company has paid final dividend of Rs. 2.20 (22%) per equity share which was recommended by the Board and approved by Shareholder at the Annual General Meeting of the Company held on June 25, 2024.
- 5 Based on evaluation of key financial parameters, the Group believes that it operates in only one reportable segment i.e. Network Systems and accordingly the financial results are reported as single reportable segment.
- 6 The figures of the quarters ended March 31, 2024 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2024 and the unaudited published figures of nine months ended December 31, 2023 respectively, which were subjected to limited review by the statutory auditors.
- 7 The Unaudited Standalone and Consolidated financial results for the quarter ended June 30, 2024, of the Holding Company are available on the Company's website 'www.nelco.in', Bombay Stock Exchange's website "www.bseindia.com" and National Stock Exchange's website "www.nseindia.com".

For Nelco Limited

P. J. Nath

Managing Director & CEO

DIN :- 05118177



Place :- Mumbai
Date :- July 11, 2024




Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**Review Report to
The Board of Directors
Nelco Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Nelco Limited (the "Company") for the quarter ended June 30, 2024 and year to date from April 01, 2024 to June 30, 2024 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed or that it contains any material misstatement.

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004



per Aniket Sohani
Partner

Membership No.: 117142
UDIN: 24117142BKDIAL9481
Mumbai
July 11, 2024



NELCO LIMITED

REGD. OFFICE :- EL-6, TTC INDUSTRIAL AREA, MIDC, ELECTRONIC ZONE, MAHAPE, NAVI MUMBAI - 400 710, CIN: L32200MH1940PLC003164

Statement of Standalone Unaudited Financial Results for the quarter ended June 30, 2024

(Rs in Lakhs)

Sr. No.	Particulars	3 Months ended 30-Jun-2024	Preceding 3 Months ended 31-Mar-2024	Corresponding 3 Months ended 30-Jun-2023	Previous Year ended 31-Mar-2024
		Unaudited	Audited (Refer note 6)	Unaudited	Audited
1	Income				
	a) Income from operations	5,328	5,521	5,562	22,268
	b) Other income	11	64	35	236
	Total income	5,339	5,585	5,597	22,504
2	Expenses				
	a) Cost of materials consumed	-	16	3	19
	b) Operating expenses	3,065	3,204	3,074	12,645
	c) Employee benefits expenses	763	733	710	2,785
	d) Other expenses	599	681	688	2,498
	Total expenses	4,427	4,634	4,475	17,947
3	Profit before finance cost, depreciation, amortisation and tax (1-2)	912	951	1,122	4,557
4	Finance cost, depreciation and amortisation				
	a) Finance cost (refer note 3)	9	53	55	249
	b) Depreciation and amortisation expense	350	340	291	1,284
	Total finance cost, depreciation and amortisation	359	393	346	1,533
5	Profit before tax (3-4)	553	558	776	3,024
6	Tax expense (refer note 3)				
	a) Current tax	247	249	205	1,344
	b) Deferred tax (net)	(107)	(109)	14	(549)
	c) Tax adjustment for earlier years (including deferred tax)	-	-	-	102
	Total tax expense	140	140	219	897
7	Net profit for the period/year (5-6)	413	418	557	2,127
8	Other comprehensive income/(expenses)				
	Items that will not be reclassified to profit or loss (net of tax)				
	- Net fair value gain on investments in equity shares at FVTOCI	-	-	-	-
	- Remeasurement of post employment benefit obligations (net of tax)	(22)	7	(31)	(10)
	Other comprehensive income/(expenses)	(22)	7	(31)	(10)
9	Total comprehensive income for the period/ year (7+8)	391	425	526	2,117
10	Paid up equity share capital (face value Rs.10/- each)	2,282	2,282	2,282	2,282
11	Other equity				9,493
12	Earnings per share (Basic and diluted) (Face value Rs. 10/-each) (not annualised)	1.81	1.83	2.44	9.32
13	Dividend per share (Par value Rs. 10/- each)				
	Final dividend on equity shares (in Rs.)	2.20	-	2.00	2.00
	Total equity dividend percentage (%)	22	-	20	20

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 BY 
 S.R. BATLIBOI & ASSOCIATES LLP
 MUMBAI



Notes to the Standalone Unaudited Financial Results for the quarter ended June 30, 2024

- 1 The results have been prepared in accordance with Indian Accounting Standards ('IND AS') notified under Section 133 of the Companies Act 2013, read together with the Companies (Indian Accounting standard) Rules, 2015 (Amended). These have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at its meeting held on July 11, 2024.
- 2 During the quarter ended June 30, 2023, Nelco Limited ('Company') made an investment of Rs. 100 Lakhs in 9.09% equity shares of Piscis Networks Private Limited. During the quarter ended September 30, 2023, the Company made further investment of Rs. 204 Lakhs to acquire additional 22.63% of equity shares. As at June 30, 2024 and March 31, 2024 the Company held 31.72% stake in Piscis Networks Private Limited. As per provisions of Ind AS 28 -Investment in Associates and Joint ventures, Piscis Networks Private Limited has been treated as an associate.
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Place :- Mumbai
Date :- July 11, 2024

For Nelco Limited

P. J. Nath

Managing Director & CEO
DIN :- 05118177



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S.R. BATLIBOI & ASSOCIATES LLP
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