

19th October 2021

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 & Limited Review Report for the Quarter ended 30th September 2021

Further to our letter dated 8th October 2021, we are submitting: -

1. Unaudited Standalone Financial Results for the quarter ended 30th September 2021 along with the Limited Review Report by the Statutory Auditors.
2. Unaudited Consolidated Financial Results for the quarter ended 30th September 2021 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 19th October 2021 which commenced at 2.45 p.m. and concluded at 6.15 p.m.

The said Results along with the Unaudited Standalone Financial Results will be 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



Girish V. Kirkinde
Company Secretary & Head legal

Encl: As above.

Nelco Limited, EL-6, Electronics Zone, MIDC, Mahape,
Navi Mumbai - 400 710, India. Tel: +91 22 6791 8728, 6739 9100
Fax: +91 22 6791 8787 Web: www.nelco.in

NELCO LIMITED

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

Statement of Consolidated Unaudited Financial Results for the quarter and six months ended September 30, 2021

(Rs. In Lakhs)

Sr.No.	Particulars	3 Months ended	Preceding 3 Months	Corresponding 3	6 Months ended	6 Months ended	Previous year
		30.09.2021	ended 30.06.2021	Months ended	30.09.2021	30.09.2020	ended 31.03.2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
	a) Income from Operations (Refer note 5)	6,122	5,510	5,322	11,632	10,274	22,612
	b) Other Income	24	152	92	176	172	284
	Total Income (a+b)	6,146	5,662	5,414	11,808	10,446	22,896
2	Expenses						
	a) Purchase of stock- in-trade	593	802	742	1,395	1,167	2,889
	b) Changes in Inventories of stock-in-trade	229	(337)	(159)	(108)	(369)	(86)
	c) Employee Benefits Expense	844	876	762	1,720	1,653	3,411
	d) Finance Cost	166	182	245	348	539	953
	e) Depreciation and amortization expense	552	571	546	1,123	1,086	2,230
	f) Transponder Charges	1,435	1,388	1,410	2,823	2,856	5,493
	g) Other expenses (Refer note 4)	1,873	1,568	1,559	3,441	2,956	6,418
	Total Expenses	5,692	5,050	5,105	10,742	9,888	21,308
3	Profit before exceptional item and tax (1-2)	454	612	309	1,066	558	1,588
4	Tax expense						
	a) Current Tax (Refer note 3)	154	216	52	370	108	597
	b) Deferred Tax (net) (Refer note 3)	(40)	(42)	35	(82)	44	(245)
5	Net Profit for the period/year (3-4)	340	438	222	778	406	1,236
6	Other Comprehensive Income/(expenses)						
	Items that will not be reclassified to Profit or Loss:						
	Remeasurement of post employment benefit obligations (net of tax)	1	(64)	10	(63)	3	28
7	Total Comprehensive Income for the period/year (5+6)	341	374	232	715	409	1,264
8	Paid up equity share capital (face value Rs.10/- each)	2,282	2,282	2,282	2,282	2,282	2,282
9	Other Equity						5,319
10	Earnings Per Share (Basic and Diluted) (Face value Rs. 10/-each) (not annualised)	1.49	1.92	0.97	3.41	1.78	5.42
11	Dividend Per Share (Par Value Rs 10 each)						
	Final Dividend on Equity Shares (in Rs)	-	1.20	1.20	1.20	1.20	1.20
	Total Equity Dividend percentage (%)	-	12	12	12	12	12



Notes :-

- 1 The Company vide its letter dated September 1, 2017 informed the stock exchange about the approval of the Board of Directors to
- (i) transfer by way of slump sale on a going concern basis, for a lump sum consideration to its wholly owned subsidiary, Nelco Network Products Ltd (NNPL) of the following :
- (a) Integrated Security and Surveillance Solution ('ISSS') business and
- (b) Very Small Aperture Terminals ("VSAT") hardware business and allied services consisting of network management, project management, infrastructure services, turnkey solutions for satellite communication systems, and co-location services to customers other than Tatanet Services Ltd (TNSL); and
- (ii) the amalgamation of TNSL with the Company, through a composite scheme of Arrangement and Amalgamation (Proposed Scheme).
- The Proposed Scheme has been approved by National Company Law Tribunal ('NCLT') on November 2, 2018. During the quarter ended June 2021 the Company has received approval from Department of Telecommunications (DoT) on June 9, 2021. The scheme is effective from appointment date i.e. April 1, 2017.
- Since, the above reorganisation is between the Company (holding company) and its two wholly owned subsidiaries, this has no implication on consolidated financial results of the Company along with its wholly owned subsidiaries.

(Rs. In Lakhs)

Standalone Financial details	3 Months ended 30.09.2021	Preceding 3 Months ended 30.06.2021	Corresponding 3 Months ended 30.09.2020	6 Months ended 30.09.2021	6 Months ended 30.09.2020	Previous year ended 31.03.2021
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Income from Continuing Operations	3,328	3,415	3,164	6,743	6,545	13,112
Profit before Tax- Continuing and Discontinued Operations	10	559	310	569	556	1,579
Profit after Tax- Continuing and Discontinued Operations	7	398	222	405	403	1,227
Total Comprehensive Income- Continuing and Discontinued Operations	(6)	334	322	328	406	1,255

- 3 As mentioned in Note 1 above, the Group Companies are in the process of finalising revised tax accounts and returns from April 1, 2017 till March 31, 2021 and upon finalisation of the same, any tax impact pursuant to the above will be accounted. Group believes that there will be no material impact on account of tax provisions related to revised tax accounts and returns.
- 4 During the quarter ended September 30, 2021, the Group has made provision aggregating to Rs 162 Lakhs pertaining to earlier years towards legal dispute and interest liability related to statutory dues.
- 5 During the quarter ended September 30, 2021, the Group has recognised revenue of Rs 186 Lakhs pertaining to earlier years based on certainty of collection during the quarter.
- 6 Based on evaluation of key financial parameters, the Company believes that it operates in only one reportable segment i.e. Network Systems and accordingly the financial results are reported as single reportable segment.
- 7 As a part of transition to Goods Services Tax (GST) in June 2017, the Company carried forward the Cenvat/Service tax/Sales tax input credit balance of Rs 31 Lakhs as on September 30, 2021 for future set-off against GST payable. However, due to technical glitch on the GSTN portal, the Company could not file the Tran 1 Form within the prescribed period including the extended filing period. A writ petition filed by the Company in the Hon'ble High Court of Bombay for allowing the carry forward of the input credit balances was dismissed vide its order dated March 20,2020. Thereby the petition and the claim of the Company of Rs. 31 Lakhs was disallowed. The Company has filed Special Leave Petition in Hon'ble Supreme Court and which is admitted by Supreme Court. Similar writ petition filed by subsidiary which merged with the Company for claim of Rs. 85 Lakhs with Hon'ble High Court of Bombay is pending for hearing. In view of the multiple judgements by various High Courts in India on this matter which supports the Company's claim and based on the advice received from independent legal counsel, the Company expects to recover this input credit balance. In view of this, no provision has been made in the books of account against the recoverability of these balances.



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- 8 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- 9 Previous period / year figures have been re-grouped or reclassified, to conform to such current period's classification.
- 10 The Unaudited Standalone and Consolidated financial results for the quarter ended September 30, 2021, of the 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".
- 11 The above 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 and have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at its meeting held on October 19, 2021.

Place :- Mumbai
Date :- October 19, 2021



For Nelco Limited

R.R.Bhinge

Chairman

DIN :- 00036557



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Nelco Limited
Consolidated Statement of Assets and Liabilities



(Rs. in Lakhs)

Particulars	As at September 30, 2021 (Unaudited)	As at March 31, 2021 (Audited)
ASSETS		
Non-current assets		
(a) Property, plant and equipment	8,113	8,340
(b) Capital work-in-progress	298	406
(c) Right-of-use assets	2,014	2,264
(d) Intangible assets	167	178
(e) Financial assets		
(i) Investments	16	16
(ii) Loans	-	1
(iii) Other financial assets	515	509
(f) Deferred tax assets (net)	819	737
(g) Income tax assets (net)	691	1,535
(h) Other non-current assets	988	721
Total non current assets	13,621	14,707
Current assets		
(a) Inventories	1,246	1,138
(b) Financial assets		
(i) Trade receivables	8,198	6,326
(ii) Cash and cash equivalents	1,002	916
(iii) Bank balances other than (ii) above	42	35
(iv) Loans	4	4
(v) Other financial assets	318	337
(c) Other current assets	503	347
Total current assets	11,313	9,103
TOTAL ASSETS	24,934	23,810
EQUITY AND LIABILITIES		
EQUITY		
(a) Equity share capital	2,282	2,282
(b) Other equity		
Reserves and surplus	5,748	5,307
Other reserves	12	12
Total equity	8,042	7,601
LIABILITIES		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	-	1,514
(ia) Lease liabilities	1,643	1,864
(ii) Trade payables	167	167
(b) Provisions	379	307
(c) Other non-current liabilities	4	8
Total non-current liabilities	2,193	3,860
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	5,170	5,168
(ia) Lease liabilities	431	416
(ii) Trade payables	5,575	3,494
(iii) Other financial liabilities	888	1,435
(b) Provisions	409	325
(c) Contract liabilities	1,715	1,216
(d) Other current liabilities	511	295
Total current liabilities	14,699	12,349
Total liabilities	16,892	16,209
TOTAL EQUITY AND LIABILITIES	24,934	23,810



(Rs. In Lakhs)

Particulars	Six months ended September 30, 2021	Six months ended September 30, 2020
	Unaudited	Unaudited
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	1,066	558
Adjustments to reconcile profit before tax to net cash flows		
Depreciation and amortisation expense	1,123	1,086
Finance Costs	348	539
Unrealised mark to market (gain) / loss on forward contracts	(32)	72
Unrealised foreign exchange (gain) / loss (net)	21	(129)
Impairment allowance (allowance for bad and doubtful debts)	59	50
Gain on disposal of property, plant and equipment (net)	(4)	(33)
Unwinding of discount on financial asset measured at amortised cost	(8)	(5)
Interest Income classified as investing cash flow	(8)	(2)
Interest income	(156)	(80)
Operating Profit Before Working Capital Changes	2,409	2,056
Movement in working capital		
- (Increase) / Decrease in trade receivables	(1,930)	242
- (Increase) / Decrease in other current assets	(156)	(595)
- (Increase) / Decrease in other non current assets	(259)	479
- (Increase) / Decrease in inventories	(108)	(369)
- (Increase) / Decrease in other financial assets - current	19	72
- (Increase) / Decrease in other financial assets - non current	(6)	(52)
- (Increase) / Decrease in other bank balances	(7)	-
- (Decrease) / Increase in trade payables	2,059	805
- (Decrease) / Increase in other financial liabilities - non current	-	(1)
- (Decrease) / Increase in other liabilities - non current	(4)	(4)
- (Decrease) / Increase in provisions - non current	72	129
- (Decrease) / Increase in other financial liabilities - current	(310)	(346)
- (Decrease) / Increase in current contract liabilities	499	761
- (Decrease) / Increase in other current liabilities	216	76
- (Decrease) / Increase in provisions - current	21	(263)
Cash generated from operations	2,515	2,990
- Direct taxes paid (net of refunds)	474	566
Net cash flow generated from / (used in) operating activities (A)	2,989	3,556
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment / intangible assets/Capital work-in-progress	(750)	(476)
Proceeds from sale of property, plant and equipment / intangible assets	14	33
Interest received	164	82
Net cash flow generated from / (used in) investing activities (B)	(572)	(361)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings		
- Receipts	6,600	3,812
- Payments	(7,386)	(6,845)
Proceeds from sales and lease back	-	1,549
Payment of principal portion of lease liabilities	(206)	(168)
Payment of interest portion of lease liabilities	(53)	(38)
Finance costs paid	(289)	(495)
Dividend Paid (including divided distribution tax)	(271)	(275)
Net cash flow generated from / (used in) financing activities (C)	(1,605)	(2,460)
Net (Decrease) / increase in Cash & Cash Equivalents [(A)+(B)+(C)]	812	735
Cash and cash equivalents at the beginning of the year	190	253
Cash and cash equivalents at the end of the year	1,002	988



b

Nelco Limited

Consolidated Statement of Cash Flow for the six months ended September 30, 2021



(Rs. In Lakhs)

Cash and Cash Equivalents Comprise of :	As at September 30, 2021	As at September 30, 2020
a) Balance with scheduled banks in current accounts	578	574
b) Cash on Hand	-	1
c) Cheques on Hand	424	413
Total	1,002	988



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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" or "the Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") for the quarter ended September 30, 2021 and year to date from April 1, 2021 to September 30, 2021 (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. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared 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. 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 Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 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 subsidiary Nelco Network Products 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

6. We draw your attention to Note 7 to the consolidated financial results regarding the Company's claim to carry forward of input tax credit balances availed under the CENVAT/ Service Tax/ Sales Tax act, upon transition to The Goods and Services Tax Act (GST) and the Company's claim to set-off such input tax credit availed against GST payable. The Company based on external legal advice obtained has filed a petition with courts in this regard.

Our conclusion is not modified in respect of this matter.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

**VINEET
KEDIA**

Digitally signed by VINEET KEDIA
DN: cn=VINEET KEDIA, c=IN,
o=Personal,
email=vineet.kedia@srb.in
Date: 2021.10.19 16:14:11 +05'30'

per Vineet Kedia

Partner

Membership No.: 212230

UDIN: 21212230AAAADZ5967



Place: Mumbai

Date: October 19, 2021

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 and six months ended September 30, 2021

(Rs in Lakhs)

Sr.No.	Particulars	3 Months ended	Preceding 3 Months	Corresponding 3	6 Months ended	6 Months ended	Previous Year ended
		30.09.2021	ended 30.06.2021	Months ended	30.09.2021	30.09.2020	31.03.2021
		Unaudited	Unaudited	30.9.2020 Unaudited	Unaudited	Unaudited	Audited (Refer note 1)
A	Continuing Operations						
1	Income						
	a) Income from Operations	3,328	3,415	3,164	6,743	6,545	13,112
	b) Other Income	11	138	44	149	80	152
	Total Income (a+b)	3,339	3,553	3,208	6,892	6,625	13,264
2	Expenses						
	a) Operating expenses	1,932	1,874	1,831	3,806	3,715	7,181
	b) Employee Benefits Expense	533	554	405	1,087	905	1,899
	c) Finance Cost	43	61	122	104	268	438
	d) Depreciation and amortization expense	212	213	205	425	399	809
	e) Sub Contracting Expenses	57	32	28	89	53	129
	f) Other expenses (Refer note 4)	552	376	376	928	737	1,559
	Total Expenses	3,329	3,110	2,967	6,439	6,077	12,015
3	Profit before tax from continuing operations (1-2)	10	443	241	453	548	1,249
4	Tax expense						
	a) Current Tax (Refer note 3)	6	140	99	146	155	346
	b) Deferred Tax (Refer note 2 and 3)	(3)	(8)	(14)	(11)	(5)	(21)
5	Net Profit from Continuing Operations (3-4)	7	311	156	318	398	924
B	Discontinued Operations (Refer note 1)						
6	Profit before tax from discontinued operations	-	116	69	116	8	330
7	Tax Expense of discontinued operations						
	a) Current Tax	-	55	3	55	3	251
	b) Deferred Tax (Refer note 2)	-	(26)	-	(26)	-	(224)
8	Net Profit from Discontinued Operations (6-7)	-	87	66	87	5	303
9	Net Profit for the period/year (5+8)	7	398	222	405	403	1,227
10	Other Comprehensive Income/(expenses)						
	Items that will not be reclassified to Profit or Loss- Continuing Operations (net of tax)	(13)	(72)	5	(85)	3	13
	Items that will not be reclassified to Profit or Loss- Discontinued Operations (net of tax)	-	8	5	8	-	15
	Other Comprehensive Income/(expenses)	(13)	(64)	10	(77)	3	28
11	Total Comprehensive Income for the period/ year (9+10)	(6)	334	232	328	406	1,255
12	Paid up equity share capital (face value Rs.10/- each)	2282	2282	2282	2282	2282	2,282
13	Other Equity						5,394
14	Earnings Per Share (Basic and Diluted) (Face Value Rs. 10/-each) (not annualised)						
	From Continuing Operations	0.03	1.36	0.68	1.39	1.74	4.05
	From Discontinued Operations	-	0.38	0.29	0.38	0.02	1.33
	From Continuing and Discontinued Operations	0.03	1.74	0.97	1.77	1.76	5.38
15	Dividend Per Share (Par Value Rs 10 each)						
	Final Dividend on Equity Shares (in Rs)	-	1.20	1.20	1.20	1.20	1.20
	Total Equity Dividend percentage (%)	-	12	12	12	12	12

Notes :-

- 1 The Company vide its letter dated September 1, 2017 informed the stock exchange about the approval of the Board of Directors to
- (i) transfer by way of slump sale on a going concern basis, for a lump sum consideration to its wholly owned subsidiary, Nelco Network Products Ltd (NNPL) of the following :
- (a) Integrated Security and Surveillance Solution ('ISSS') business and
- (b) Very Small Aperture Terminals ("VSAT") hardware business and allied services consisting of network management, project management, infrastructure services, turnkey solutions for satellite communication systems, and co-location services to customers other than Tatanet Services Ltd (TNSL); and
- (ii) the amalgamation of TNSL with the Company, through a composite scheme of Arrangement and Amalgamation (Proposed Scheme).

The Proposed Scheme has been approved by National Company Law Tribunal ("NCLT") on November 2, 2018. During the quarter ended June 2021 the Company has received approval from Department of Telecommunications (DoT) on June 9, 2021 on Proposed Scheme. The scheme is effective from appointment date i.e. April 1, 2017. Pursuant to approval, the Proposed Scheme has been accounted for as follows:

- Discontinued operations has been transferred to NNPL in accordance with IND AS 105. Considering the materiality and convenience reason, demerger impact is given from June 1, 2021; and
- TNSL merger has been accounted in accordance with Appendix C of IND AS 103 "Business Combination" and accordingly, results of all the previous periods have been restated by including results of the Transferor Company from the beginning of the previous year i.e. April 1, 2020.

Particulars	3 Months ended 30.09.2021	Preceding 3 Months ended 30.06.2021	Corresponding 3 Months ended 30.9.2020	6 Months ended 30.09.2021	6 Months ended 30.09.2020	Previous Year ended 31.03.2021
	Unaudited (Refer note above)	Unaudited (Refer note above)	Unaudited	Unaudited	Unaudited	Audited
Income from Operations including other income	-	1,419	2,220	1,419	3,834	9,657
Expenses	-	1,303	2,151	1,303	3,826	9,327
Profit before Tax	-	116	69	116	8	330
Tax Expense	-	-	-	-	-	-
a) Current Tax	-	55	3	55	3	251
b) Deferred Tax	-	(26)	-	(26)	-	(224)

- 2 Deferred tax credit has been reclassified from continued operations to discontinued operations during the quarter and year ended March 31, 2021. Deferred tax pertaining to discontinued operations has been recognised under tax expense of discontinued operations.
- 3 As mentioned in Note 1 above, the Company is in the process of finalising revised tax accounts and returns from April 1, 2017 till March 31, 2021 and upon finalisation of the same, any tax impact pursuant to the above will be accounted. Company believes that there will be no material impact on account of revised tax provisions related to revised tax accounts and returns.
- 4 During the quarter ended September 30, 2021, the Company has made provision aggregating to Rs 162 Lakhs pertaining to earlier years towards legal dispute and interest liability related to statutory dues.
- 5 As a part of transition to Goods Services Tax (GST) in June 2017, the Company carried forward the Cenvat/Service tax/Sales tax input credit balance of Rs 31 Lakhs as on September 30, 2021 for future set-off against GST payable. However, due to technical glitch on the GSTN portal, the Company could not file the Tran 1 Form within the prescribed period including the extended filing period. A writ petition filed by the Company in the Hon'ble High Court of Bombay for allowing the carry forward of the input credit balances was dismissed vide its order dated March 20, 2020. Thereby the petition and the claim of the Company of Rs. 31 Lakhs was disallowed. The Company has filed Special Leave Petition in Hon'ble Supreme Court and which is admitted by Supreme Court. Similar writ petition filed by subsidiary which merged with the Company for claim of Rs. 85 Lakhs with Hon'ble High Court of Bombay is pending for hearing. In view of the multiple judgements by various High Courts in India on this matter which supports the Company's claim and based on the advice received from independent legal counsel, the Company expects to recover this input credit balance. In view of this, no provision has been made in the books of account against the recoverability of these balances.
- 6 Based on evaluation of key financial parameters, the Company believes that it operates in only one reportable segment i.e. Network Systems and accordingly the financial results are reported as single reportable segment.



- 7 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- 8 As stated in note 1, previous period / year figures have been re-grouped or reclassified, to conform to such current period's classification.
- 9 The above 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 and have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at its meeting held on October 19, 2021.

For Nelco Limited
R.R.Bhinge



Chairman
DIN :- 00036557



Place :- Mumbai
Date :- October 19, 2021



Nelco Limited
Standalone Statement of Assets and Liabilities

(Rs. In Lakhs)

Particulars	As at September 30, 2021	As at March 31, 2021
	Unaudited	Audited
ASSETS		
Non-current assets		
(a) Property, plant and equipment	3,494	3,642
(b) Capital work-in-progress	273	362
(c) Right-of-use assets	359	421
(d) Intangible assets	161	170
(e) Financial assets	2,894	2,799
(i) Investments	-	1
(ii) Loans	274	135
(iii) Other financial assets	361	350
(f) Deferred tax assets (net)	779	1,535
(g) Income tax assets (net)	980	713
(h) Other non-current assets		
Total non-current assets	9,575	10,128
Current assets		
(a) Financial assets		
(i) Trade receivables	3,812	5,443
(ii) Cash and cash equivalents	529	912
(iii) Bank balances other than (ii) above	42	35
(iv) Loans	2	1
(v) Other financial assets	3,530	2,620
(b) Other current assets	415	288
Total current assets	8,330	9,299
TOTAL ASSETS	17,905	19,427
EQUITY AND LIABILITIES		
EQUITY		
(a) Equity share capital	2,282	2,282
(b) Other equity		
Reserve and surplus	5,439	5,384
Other reserves	10	10
Total equity	7,731	7,676
LIABILITIES		
Non-current liabilities		
(a) Financial liabilities		
(i) Lease liabilities	261	326
(b) Provisions	221	159
Total non-current liabilities	482	485
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	1,470	1,867
(ii) Lease liabilities	127	119
(iii) Trade payables	3,625	3,799
(iv) Other financial liabilities	2,292	3,173
(b) Provisions	283	175
(c) Contract Liabilities	1,423	1,848
(d) Other current liabilities	472	285
Total Current liabilities	9,692	11,266
Total liabilities	10,174	11,751
TOTAL EQUITY AND LIABILITIES	17,905	19,427



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Particulars	Year ended	Year ended
	September 30, 2021	September 30, 2020
	Unaudited	Unaudited
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax from		
Continuing operations	453	548
Discontinued operations (Refer note 1 of results)	116	8
Profit before tax	569	556
Adjustments to reconcile profit before tax to net cash flows		
Depreciation and amortisation expense	425	399
Finance costs	104	268
Interest income	(136)	(47)
Impairment allowance (allowance for bad and doubtful debts)	-	43
Unrealised foreign exchange (gain) / loss (net)	(1)	(7)
Operating profit before working capital changes	961	1,212
Movement in working capital		
- (Increase) / decrease in trade receivables	1,631	(1,019)
- (Increase) / decrease in financial assets - current - Loans	(1)	6
- (Increase) / decrease in financial assets - non-current - Loans	1	-
- (Increase) / decrease in other financial assets - current	(1,005)	138
- (Increase) / decrease in other financial assets - Non Current	(139)	(92)
- (Increase) / decrease in other current assets	(127)	(52)
- (Increase) / decrease in other non current assets	(267)	2
- (Decrease) / increase in trade payables	(173)	1,505
- (Decrease) / increase in other financial liabilities - non current	-	(1)
- (Decrease) / increase in provisions - non current	62	(90)
- (Decrease) / increase in other financial liabilities - current	(545)	692
- (Decrease) / increase in contract liabilities	(425)	561
- (Decrease) / increase in other current liabilities	187	76
- (Decrease) / increase in provisions - current	31	(9)
Cash generated from operations	191	2,929
- Direct taxes paid (net of refunds)	581	565
Net cash flow generated from operating activities (A)	772	3,494
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment / intangible assets/Capital work-in-progress	(455)	(1,299)
Interest received	136	47
Bank Balance not considered as cash and cash equivalents- deposits placed	(7)	-
Net cash flow generated from / (used in) investing activities (B)	(326)	(1,252)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	2,400	2,000
Repayment of borrowings	(2,070)	(2,925)
Payment of principal portion of lease liabilities	(57)	(51)
Payment of interest portion of lease liabilities	(19)	(24)
Finance costs paid	(86)	(235)
Dividend paid (including dividend distribution tax)	(271)	(275)
Net cash flow generated from / (used in) financing activities (C)	(103)	(1,510)
Net (decrease)/increase in cash & cash equivalents [(A)+(B)+(C)]	343	732
Cash and cash equivalents at the beginning of the year	186	253
Cash and cash equivalents at the end of the year	529	985



Nelco Limited

Standalone Statement of Cash Flows for the six months ended September 30, 2021



(Rs. In Lakhs)

Cash and cash equivalents comprise of :	As at September 30, 2021	As at September 30, 2020
a) Balance with scheduled banks in current accounts	480	571
b) Cash on hand	1	1
c) Cheques on hand	48	413
Total	529	985



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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 September 30, 2021 and year to date from April 1, 2021 to September 30, 2021 (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. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared 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. 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.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

5. We draw your attention to Note 5 to the standalone financial results regarding the Company's claim to carry forward of input tax credit balances availed under the CENVAT/ Service Tax/ Sales Tax act, upon transition to The Goods and Services Tax Act (GST) and the Company's claim to set-off such input tax credit availed against GST payable. The Company, based on external legal advice obtained, has filed a petition with courts in this regard.

Our conclusion is not modified in respect of this matter

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

**VINEET
KEDIA**

Digitally signed by VINEET KEDIA
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Date: 2021.10.19 16:13:14 +05'30'

per Vineet Kedia
Partner

Membership No.: 212230

UDIN: 21212230AAAADY4908



Place: Mumbai

Date: October 19, 2021