



unlock potential

77th Annual Report 2019-20

A **TATA** Enterprise



Launch of Maritime Communication Services : Sep'19

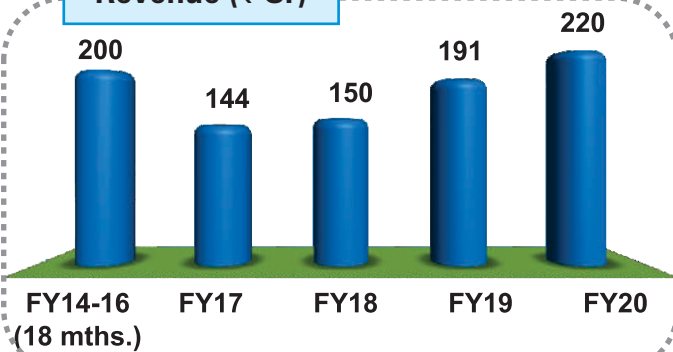


Launch of Aero In-Flight Communication Service : Feb'20

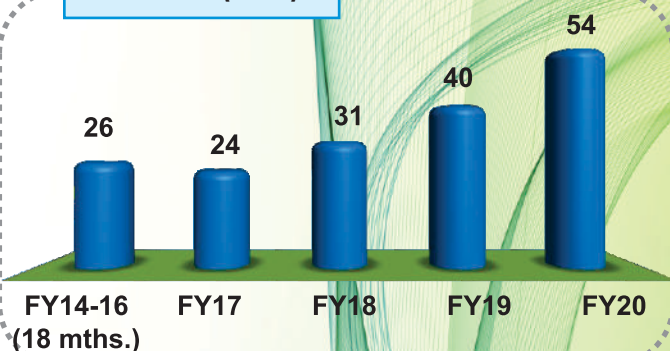


HIGHLIGHTS OF NELCO-CONSOLIDATED

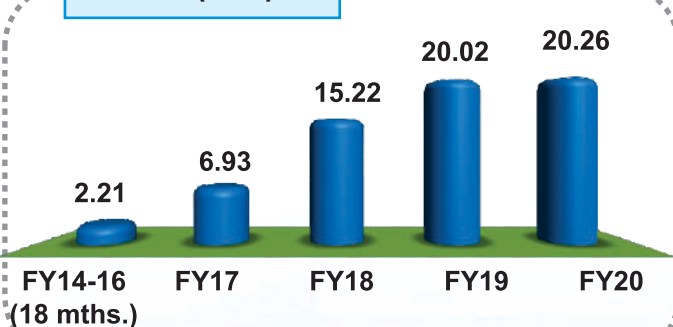
Revenue (₹ Cr)



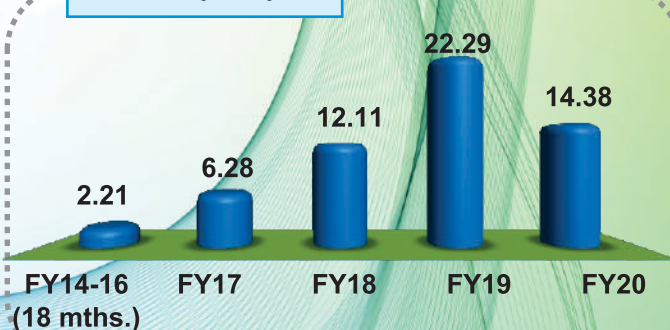
EBIDTA (₹ Cr)



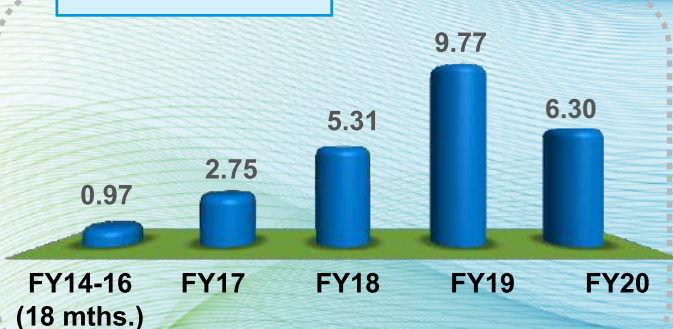
PBT (₹ Cr)



PAT (₹ Cr)



EPS (₹ Cr)



OUR PURPOSE : Bringing the benefits of the digital revolution to unserved and under-served customers

Leading Satellite Communication Service Provider



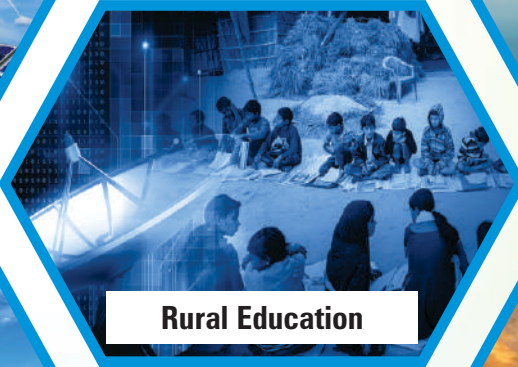
Banking



Renewable Energy



Aero In-Flight



Rural Education



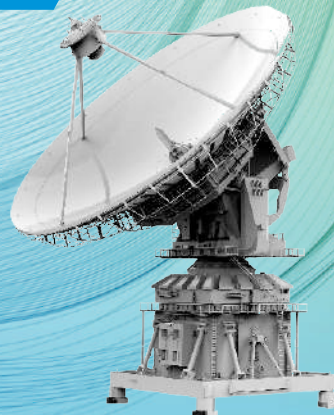
Maritime



Mining & Construction



Oil & Gas Exploration



Nelco IFMC Services Operational



Serving Indian and International Vessels and Aircrafts in India

**GLOBAL
PARTNERSHIPS**

**STATE OF THE ART
TECHNOLOGY**

**COMPREHENSIVE
SERVICES**

CORPORATE INFORMATION

(As on 16th May, 2020)

| | |
|---|--|
| Chairman Emeritus | R. N. Tata |
| Board of Directors | Mr. R.R.Bhinge, Chairman Mr. P.J.Nath, Managing Director & CEO Mr. Anand Agarwal Mr. K.N.Murthy Dr. Lakshmi Nadkarni Mr. Ajay Kumar Pandey |
| Chief Financial Officer | Mr. Uday Banerjee |
| Company Secretary & Head - Legal | Mr. Girish V Kirkinde |
| Share Registrars | TSR Darashaw Consultants Private Limited (formerly known as TSR Darashaw Limited) 6-10, Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Mahalaxmi, Mumbai – 400 011. Tel : 022 66568484, Fax : 022 66568494 Email: csg-unit@tsrdarashaw.com Website: www.tsrdarashaw.com |
| Statutory Auditors | Price Waterhouse Chartered Accountants LLP |
| Bankers | Bank of India Union Bank of India The Zoroastrian Co-Op. Bank Ltd. ICICI Bank Ltd. South Indian Bank Ltd. IDFC Bank Shinhan Bank |
| Registered Office | EL-6, TTC Industrial Area, MIDC Electronics Zone, Mahape, Navi Mumbai – 400 710 Email: services@nelco.in Investor relations : girish.kirkinde@nelco.in Website: www.nelco.in Tel: +91 22 6739 9100 |
| Corporate Identity No. (CIN) | L32200MH1940PLC003164 |

SAVE TREES, SAVE THE EARTH

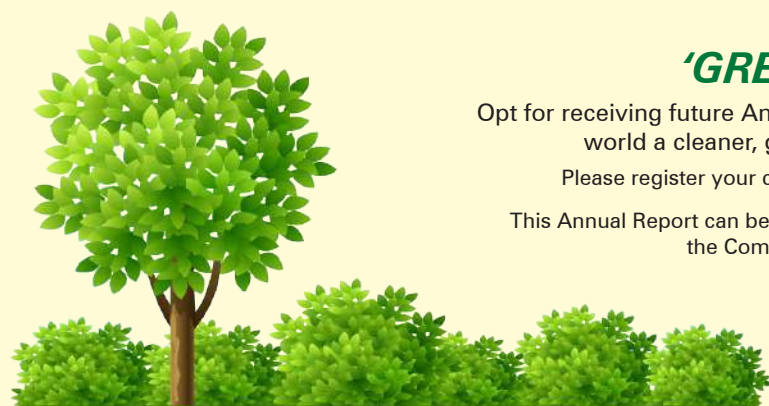
SUPPORT

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This Annual Report can be viewed under the 'Investor Relations' section on the Company's website: www.nelco.in



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77th Annual General Meeting (through Video Conferencing)

Date : Thursday, 13th August 2020

Time : 3.30 p.m. (IST)

NOTICE

The SEVENTY SEVENTH ANNUAL GENERAL MEETING of NELCO LIMITED will be held on Thursday, the 13th day of August, 2020 at 3.30 p.m. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended 31st March, 2020 together with the Reports of the Board of Directors and the Auditors thereon.
2. To receive, consider and adopt the Audited Consolidated Financial Statements for the financial year ended 31st March, 2020 together with the Report of the Auditors thereon.
3. To declare a dividend on Equity Shares for the financial year ended 31st March, 2020.
4. To appoint a Director in place of Mr. R.R. Bhinge (DIN 00036557) who retires by rotation and being eligible, offers himself for re-appointment.
5. Appointment of Statutory Auditors of the Company

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") (including any statutory modification or re-enactment thereof for the time being in force) and Companies (Audit & Auditors) Rules, 2014, as amended from time to time, and on the recommendation of the Audit Committee and the Board of Directors, S.R. Batliboi & Associates LLP, Chartered Accountants, (ICAI Firm Registration No. 103162W/E300004) be and are hereby appointed as the Statutory Auditors of the Company in place of the existing Auditors, Price Waterhouse Chartered Accountants LLP, Chartered Accountants, (ICAI Firm Registration No. 012754N/N500016), [whose resignation as the Statutory Auditors will be effective from the conclusion of this 77th Annual General Meeting ("AGM")], to hold the office for a period of five years from the conclusion of this 77th AGM till the conclusion of 82nd AGM of the Company, to be held in the year 2025 to examine and audit the accounts of the Company, on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors.

RESOLVED FURTHER THAT the Board of Directors (including any Committee thereof) be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

SPECIAL BUSINESS:

6. Appointment of Mr. Anand Agarwal as a Director

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

"RESOLVED that Mr. Anand Agarwal (DIN 06398370), who was appointed as an Additional Director of the Company with effect from 24th October 2019 by the Board of Directors and who holds office up to the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 (the Act) but who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation".

7. Appointment of Mr. K. Narasimha Murthy as a Director and as an Independent Director

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

"RESOLVED that Mr. K. Narasimha Murthy (DIN 00023046), who was appointed as an Additional Director of the Company with effect from 28th January 2020 by the Board of Directors and who holds office up to the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 (the Act) but who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule IV to the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended from time to time, the appointment of Mr. K. Narasimha Murthy (DIN 00023046), who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations, as amended, and who is eligible for appointment, as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 (five) consecutive years commencing from 28th January 2020 up to 27th January 2025 (both days inclusive), be and is hereby approved."

8. Appointment of Dr. Lakshmi Nadkarni as a Director and as an Independent Director

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

"RESOLVED that Dr. Lakshmi Nadkarni (DIN 07076164), who was appointed as an Additional Director of the Company with effect from 28th January 2020 by the Board of Directors and who holds office up to the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 (the Act) but who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule IV to the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended from time to time, the appointment of Dr. Lakshmi Nadkarni (DIN 07076164), who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations, as amended, and who is eligible for appointment, as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 (five) consecutive years commencing from 28th January 2020 up to 27th January 2025 (both days inclusive), be and is hereby approved."

9. Appointment of Mr. Ajay Kumar Pandey as a Director and as an Independent Director

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

"RESOLVED that Mr. Ajay Kumar Pandey (DIN 00065622), who was appointed as an Additional Director of the Company with effect from 28th January 2020 by the Board of Directors and who holds office up to the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 (the Act) but who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed a Director of the Company.

RESOLVED FURTHER that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule IV to the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended from time to time, the appointment of Mr. Ajay Kumar Pandey (DIN 00065622), who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations, as amended, and who is eligible for appointment, as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 (five) consecutive years commencing from 28th January 2020 up to 27th January 2025 (both days inclusive), be and is hereby approved."

NOTES:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated 5th May 2020 read with circulars dated 8th April 2020 and 13th April 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM" or "Meeting") through Video Conferencing ("VC") facility or Other Audio Visual Means ("OAVM") without the physical presence of the Members at a common venue. Further, Securities and Exchange Board of India ('SEBI') vide its Circular dated 12th May 2020 ('SEBI Circular') has also granted certain relaxations. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the 77th AGM of the Company is being held through VC / OAVM on Thursday, 13th August 2020 at 3.30 p.m. IST. The deemed venue for the AGM will be the place from where the Chairman of the Board conducts the meeting.

2. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS AND THE SEBI CIRCULAR, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF THE AGM VENUE ARE NOT ANNEXED TO THIS NOTICE.**
3. The relative Explanatory Statement pursuant to Section 102 of the Act setting out material facts concerning the business under Item Nos. 5 to 9 of the Notice, is annexed hereto. As per the provisions of Clause 3.A.III. of the General Circular No. 20/ 2020 dated 5th May 2020, the matters of Special Business as appearing at Item Nos. 6 to 9 of the accompanying Notice, are considered to be unavoidable by the Board and hence, forming part of this Notice. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this AGM are also annexed.
4. The Members can join the AGM in the VC/OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The Members will be able to view the proceedings on the National Securities Depository Limited's ('NSDL') e-Voting website at www.evoting.nsdl.com. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars. The detailed instructions for joining the Meeting through VC/OAVM form part of the Notes to this Notice.
5. Institutional Investors, who are Members of the Company, are encouraged to attend the 77th AGM through VC / OAVM mode and vote electronically. Corporate Members intending to appoint their authorised representatives pursuant to Sections 112 and 113 of the Act, as the case may be, to attend the AGM through VC / OAVM or to vote through remote e-Voting are requested to send a certified copy of the Board Resolution to the Scrutiniser by e-mail at nelco.scrutinizer@gmail.com with a copy marked to evoting@nsdl.co.in.
6. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. In compliance with the aforesaid MCA Circulars and SEBI Circular dated 12th May 2020, Notice of the 77th AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.nelco.in, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL at <https://www.evoting.nsdl.com>.
8. **Book Closure and Dividend:**
 - i) **The Register of Members and the Share Transfer Books of the Company will be closed from Thursday, 6th August 2020 to Thursday, 13th August 2020, both days inclusive.** The dividend of ₹ 1.20 per equity share of ₹ 10 each (i.e.12%), if declared by the Members at the AGM, will be paid subject to deduction of income-tax at source ('TDS') on or after Monday, 17th August, 2020 as under:

To all Beneficial Owners in respect of **shares held in dematerialized form** as per the data as may be made available by National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") (both collectively referred to as 'Depositories') as of the close of business hours on **Wednesday, 5th August 2020;**

To all Members in respect of **shares held in physical form** after giving effect to valid transmission and transposition requests lodged with the Company/Registrar and Share Transfer Agent on or before the close of business hours on **Wednesday, 5th August 2020.**
 - ii) Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of the Shareholders w.e.f. 1st April 2020 and the Company is required to deduct TDS from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 ('the IT Act'). In general, to enable compliance with TDS requirements, Members are requested to complete and/or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants ('DPs') or in case shares are held in physical form, with the Company by sending documents through e-mail by **Saturday, 25th July 2020**. For the detailed process, please click here <https://www.nelco.in/pdf/disclosure-of-events/tax-deduction-18jun20.pdf>