



nelco

unlock potential

A **TATA** Enterprise

78TH ANNUAL
REPORT 2020-21

LEADING

SATELLITE COMMUNICATION SERVICE

PROVIDER

AERO IN-FLIGHT



MARITIME



OIL & GAS
EXPLORATION



BANKING



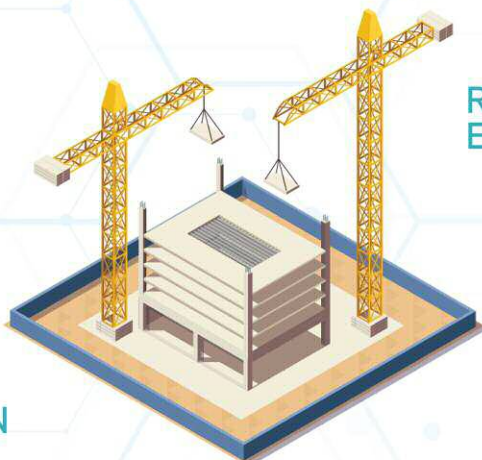
RENEWABLE ENERGY



RURAL
EDUCATION



MINING &
CONSTRUCTION



HIGHLIGHTS OF NELCO-CONSOLIDATED



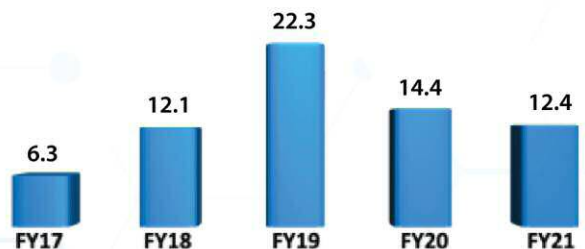
REVENUE (₹ Cr)

EBIDTA (₹ Cr)



PBT (₹ Cr)

PAT (₹ Cr)



EPS (₹)

OUR PURPOSE

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

CORPORATE INFORMATION

(As on 28th April, 2021)

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)
C-101, 1st Floor, 247 Park,
Vikhroli West, Mumbai 400 083.
Tel : 022 66568484, Fax : 022 66568494
Email: csg-unit@tcplindia.co.in
Website: www.tcplindia.co.in

Statutory Auditors

S.R. Batliboi & Associates LLP, Chartered Accountants

Bankers

Bank of India
Union Bank of India
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

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



Contents	Page no.
Notice and Explanatory Statement	2
Directors' Report	21
Annexures to Directors' Report	33
Management Discussion and Analysis	40
Report on Corporate Governance	46
Business Responsibility Report	65
Standalone Financial Statements	
Auditors' Report	74
Annexure to the Auditors' Report	79
Balance Sheet	84
Statement of Profit and Loss	85
Cash Flow Statement	86
Changes in Equity	88
Notes forming part of the Financial Statements	89
Consolidated Financial Statements	
Auditors' Report	142
Annexure to the Auditors' Report	148
Consolidated Balance Sheet	150
Consolidated Statement of Profit and Loss	151
Consolidated Cash Flow Statement	152
Changes in Equity	154
Notes forming part of the Consolidated Financial Statements	155
Statement of salient features of financial statement of Subsidiaries Company and Associate Company (Form AOC -1)	211

78th Annual General Meeting (through Video Conferencing)

Date : Tuesday, 22nd June 2021

Time : 4.30 p.m. (IST)

NOTICE

The SEVENTY EIGHTH ANNUAL GENERAL MEETING of NELCO LIMITED will be held on Tuesday, the 22nd day of June, 2021 at 4.30 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, 2021 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, 2021 together with the Report of the Auditors thereon.
3. To declare a dividend on Equity Shares for the financial year ended 31st March, 2021.
4. To appoint a Director in place of Mr. Anand Agarwal (DIN 06398370) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

5. Reappointment of Mr. P. J. Nath as Managing Director & CEO

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED that pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, the consent of the Company be and is hereby accorded for the re-appointment and terms of remuneration of Mr. P. J. Nath (DIN: 05118177) as the Managing Director & Chief Executive Officer of the Company for the period of 3 years commencing from 13th June 2021 to 12th June 2024, not liable to retire by rotation, upon the terms and conditions including remuneration set out in the Explanatory Statement annexed to the Notice convening this meeting (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his re-appointment), with liberty to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and the terms of remuneration in such manner as may be agreed to between the Board of Directors and Mr. Nath.

RESOLVED FURTHER that the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution), be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

NOTES:

1. In view of the global outbreak of the Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 20/2020 dated May 5, 2020 in relation to "Clarification on holding of Annual General Meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" read with General Circular No. 14/2020 dated April 8, 2020, the General Circular No. 17/2020 dated April 13, 2020, No. 33/2020 dated September 28, 2020 and General Circular No. 39/2020 dated December 31, 2020 in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19" and General Circular No.02/2021 dated January 13, 2021 (collectively referred to as "MCA Circulars") and SEBI vide its circular dated May 12, 2020 in relation to "Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 – Covid-19 pandemic" and circular dated January 15, 2021 ("SEBI Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM on Tuesday, 22nd June, 2021 at 4.30 p.m. (IST). The deemed venue for the AGM will be EL-6, TTC Industrial Area, Electronics Zone, MIDC, Mahape, Navi Mumbai - 400 710.

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 CIRCULARS, 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 No. 5 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 matter of Special Business as appearing at Item No. 5 of the accompanying Notice, is 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. Requisite declarations have been received from Director/s for seeking re-appointment.
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. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. Institutional Investors, who are Members of the Company, are encouraged to attend the 78th 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 line with the MCA Circulars dated May 5, 2020 and January 13, 2021 and SEBI Circulars dated May 12, 2020 and January 15, 2021, the Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories. The Notice convening the 78th AGM has been uploaded on the website of the Company at www.nelco.in and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e. BSE Limited and the National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also available on the website of NSDL at 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 Wednesday, 9th June 2021 to Monday, 14th June 2021, 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'), wherever applicable, on or after Friday, 25th June, 2021 as under:

To all the Beneficial Owners as at the end of the day on **Tuesday, 8th June 2021** as per the list of beneficial owners to be furnished by the National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form; and

To all Members in respect of **shares held in physical form** after giving effect to valid transmission and transposition in respect of valid requests lodged with the Company/Registrar and Share Transfer Agent on or before the close of business hours on **Tuesday, 8th June 2021**.
 - 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 Wednesday, 2nd June 2021. For the detailed process, please click here <https://www.nelco.in/pdf/disclosure-of-events/tax-deduction-20may21.pdf>

- iii) Further, in order to receive the dividend in a timely manner, Members holding shares in physical form who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other means are requested to mail the following documents to Company's Registrars and Transfer Agents, TSR Darashaw Consultants Private Limited, so that it reaches them latest by Wednesday, 2nd June 2021:
- a. signed request letter mentioning their name, folio number, complete address and following details relating to bank account in which the dividend is to be received:
 - Name and Branch of Bank and Bank Account type;
 - Bank Account Number & Type allotted by the Bank after implementation of Core Banking Solutions;
 - 11 digit IFSC Code.
 - b. self-attested copy of cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly;
 - c. self-attested copy of the PAN Card; and
 - d. self-attested copy of any document (such as Aadhaar Card, Driving License, Election Identity Card, Passport) in support of the address of the Member as registered with the Company.

Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividend as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for change/addition/deletion in such bank details. Accordingly, the Members holding shares in demat form are requested to update their Electronic Bank Mandate with their respective DPs.

Further, please note that instructions, if any, already given by Members in respect of shares held in physical form, will not be automatically applicable to the dividend paid on shares held in electronic form.

- iv) The Members who are unable to receive the dividend directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrant/Bankers' cheque/demand draft to such Members, upon normalization of postal services and other activities.
 - v) Members are requested to note that, dividends, if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (IEPF). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members/Claimants are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in. The Members/Claimants can file only one consolidated claim in a financial year as per the IEPF Rules. For details of unclaimed dividend and shares transferred to IEPF, please refer to Company's website viz. www.nelco.in. Members who have not yet encashed their dividend warrant(s) for the financial year 2018-19 & 2019-20, are requested to make their claims to the Company accordingly, without any delay.
9. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1st April 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's Registrars and Transfer Agents, TSR Darashaw Consultants Private Limited ("TSRDCPL") at csg-unit@tcplindia.co.in for assistance in this regard.
 10. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held in electronic form and to TSRDCPL at csg-unit@tcplindia.co.in in case the shares are held in physical form, quoting their folio no. Further, Members may note that SEBI has mandated the submission of PAN by every participant in securities market.

11. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record a fresh nomination, he may submit the same in Form SH-14. The said forms can be downloaded from the Company's website at www.nelco.in. Members are requested to submit the said form to their DP in case the shares are held in electronic form and to the RTA at <mailto:csg-unit@tcplindia.co.in> in case the shares are held in physical form, quoting your folio no.
12. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or TSRDCPL, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
- 13.(i) Members who wish to inspect the relevant documents referred to in the Notice can send an e-mail to girish.kirkinde@nelco.in by mentioning their DP ID & Client ID/Physical Folio Number.
- (ii) Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 19th June, 2021 through email on girish.kirkinde@nelco.in. The same will be replied by the Company suitably.
14. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DPs and holdings should be verified from time to time.
15. To support the 'Green Initiative', the Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with TSRDCPL in case the shares are held by them in physical form.

Process for registering e-mail addresses to receive this Notice electronically and cast votes electronically:

- i. **Registration of e-mail addresses with TSRDCPL :** The Company has made special arrangements with TSRDCPL for registration of e-mail addresses of those Members (holding shares either in electronic or physical form) who wish to receive this Notice electronically and cast votes electronically. Eligible Members whose e-mail addresses are not registered with the Company/DPs are required to provide the same to TSR on or before **5.00 p.m. (IST) on Monday, 7th June 2021.**

Process to be followed for registration of e-mail address is as follows:

- a. Visit the link https://tcpl.linkintime.co.in/EmailReg/Email_Register.html
- b. Select the Name of the Company from dropdown
- c. Enter the Folio No./DP ID, Client ID, Shareholder Name, PAN details, Mobile no. and E-mail id. Shareholders holding shares in physical form are required to additionally enter one of their share certificate numbers.
- d. System will send OTP on mobile no and email id.
- e. Enter OTP received on mobile no and email id.
- f. The system will then confirm the e-mail address for the limited purpose of service of Notice of AGM and Annual Report 2020-21.

The above system also provides a facility to the Members holding shares in physical form to upload a self-attested copy of their PAN Card, if the PAN details are not updated in accordance with the requirements prescribed by SEBI.

After successful submission of the e-mail address, NSDL will e-mail a copy of this AGM Notice and Annual Report for FY 2020-21 along with the e-Voting user ID and password. In case of any queries, Members may write to csg-unit@tcplindia.co.in or evoting@nsdl.co.in.

- ii. **Registration of e-mail address permanently with Company/DP:** Members are requested to register the same with their concerned DPs, in respect of electronic holding and with TSR, in respect of physical holding, by writing to them at csg-unit@tcplindia.co.in. Further, those Members who have already registered their e-mail addresses are requested to keep their e-mail addresses validated/updated with their DPs/TSR to enable servicing of notices/documents/Annual Reports and other communications electronically to their e-mail address in future.

- iii. Alternatively, Members may also send an e-mail request to evoting@nsdl.co.in along with the following documents for procuring user id and password and registration of e-mail addresses for e-Voting for the resolutions set out in this Notice:
 - **In case shares are held in physical form**, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), self-attested scanned copy of PAN card, self-attested scanned copy of Aadhaar Card.
 - **In case shares are held in demat form**, please provide DP ID-Client ID (8 digit DP ID + 8 digit Client ID or 16 digit Beneficiary ID), Name, client master or copy of Consolidated Account statement, self-attested scanned copy of PAN card, self-attested scanned copy of Aadhaar Card.
 - iv. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
16. Remote e-Voting before/during the AGM:
- i. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations (as amended) and the MCA Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a Member using remote e-Voting system as well as remote e-Voting during the AGM will be provided by NSDL.
 - ii. Members of the Company holding shares either in physical form or in electronic form as on the cut-off date of Tuesday, 15th June 2021 may cast their vote by remote e-Voting. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting before the AGM as well as remote e-Voting during the AGM. Any person who acquires shares of the Company and becomes a Member of the Company after the dispatch of the Notice and holding shares as on the cut-off date i.e. Tuesday, 15th June 2021, may obtain the User ID and Password by sending a request at evoting@nsdl.co.in.
 - iii. The remote e-Voting period commences on Saturday, 19th June 2021 at 9.00 a.m. (IST) and ends on Monday, 21st June 2021 at 5.00 p.m. (IST). The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting rights of the Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date i.e. Tuesday, 15th June 2021.
 - iv. Members will be provided with the facility for voting through electronic voting system during the VC proceedings at the AGM and Members participating at the AGM, who have not already cast their vote by remote e-Voting, will be eligible to exercise their right to vote at the end of discussion on the resolutions on which voting is to be held, upon announcement by the Chairman. Members who have cast their vote on resolution(s) by remote e-Voting prior to the AGM will also be eligible to participate at the AGM through VC/OAVM but shall not be entitled to cast their vote on such resolution(s) again.
 - v. The remote e-Voting module on the day of the AGM shall be disabled by NSDL for voting 15 minutes after the conclusion of the Meeting.
17. **Other instruction**
- (i) Mr. P. N. Parikh, Company Secretary (FCS No. 327) or failing him Mr. Mitesh Dhabliwala, Company Secretary (FCS No. 8331) of M/s. Parikh and Associates, Practicing Company Secretaries, have been appointed as the Scrutinizer by the Board for providing facility to the Members of the Company to scrutinize remote e-Voting process before the AGM as well as remote e-Voting during the AGM in a fair and transparent manner.
 - (ii) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, by use of remote e-voting system for all those Members who are present during the AGM through VC/OAVM but have not cast their votes by availing the remote e-Voting facility.