

28th January 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
Listing Dept, 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 and Nine Months ended 31st December 2020

Further to our letter dated 15th January 2021, we are submitting: -

- i) Unaudited Standalone Financial Results; and
- ii) Unaudited Consolidated Financial Results

for the quarter and Nine Months ended 31st December 2020 which were approved by the Board of Directors of the Company at its meeting held today. The Board meeting commenced at 3.45 pm and concluded at 5.45 pm.

Also enclosed copy each of the Limited Review reports on the aforesaid results.

These are also being made available on the website of the Company at www.nelco.in.

The consolidated results shall be published in one English and one vernacular newspaper as required.

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
CIN No.L32200MH1940PLC003164; Email ID:-services@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 nine month ended December 31, 2020

(Rs. In Lakhs)

Sr.No.	Particulars	3 Months ended	Preceding 3 Months	Corresponding 3	9 Months ended	9 Months ended	(Rs. In Lakhs)
		31.12.2020	ended 30.09.2020	Months ended	31.12.2020	31.12.2019	Previous
		Unaudited	Unaudited	Months ended	Unaudited	Unaudited	Year ended
				30.12.2019			31.03.2020
				Unaudited			Audited
1	Income						
	a) Income from Operations	5,855	5,322	5,636	16,129	15,870	21,993
	b) Other Income	29	92	74	201	213	259
	Total Income (a+b)	5,884	5,414	5,710	16,330	16,083	22,252
2	Expenses						
	a) Purchase of stock- in-trade	793	742	778	1,960	2,869	3,374
	b) Changes in Inventories of stock-in-trade	112	(159)	1	(257)	(438)	(263)
	c) Employee Benefits Expense	812	762	849	2,465	2,508	3,361
	d) Finance Cost	222	245	344	761	956	1,323
	e) Depreciation and amortization expense	555	546	510	1,641	1,467	2,002
	f) Transponder Charges	1,332	1,410	1,042	4,188	2,864	4,241
	g) Other expenses	1,658	1,559	1,611	4,614	4,646	6,303
	Total Expenses	5,484	5,105	5,135	15,372	14,872	20,341
3	Profit before exceptional item and tax (1-2)	400	309	575	958	1,211	1,911
4	Exceptional Item (Refer note 3)	-	-	-	-	115	115
5	Profit before tax (3+4)	400	309	575	958	1,326	2,026
6	Tax expense						
	a) Current Tax	196	52	74	304	341	499
	b) Deferred Tax (net) (Refer note 4)	(178)	35	136	(134)	129	89
7	Net Profit for the period (5-6)	382	222	365	788	856	1,438
8	Other Comprehensive Income						
	Items that will not be reclassified to Profit or Loss:						
	Remeasurement of post employment benefit obligations (net of tax)	7	10	9	10	(25)	(31)
9	Total Comprehensive Income for the period (7+8)	389	232	374	798	831	1,407
10	Paid up equity share capital (face value Rs.10/- each)	2,282	2,282	2,282	2,282	2,282	2,282
11	Other Equity						4,307
12	Earnings Per Share (Basic and Diluted) (Face value Rs. 10/-each) (not annualised)	1.67	0.97	1.60	3.45	3.75	6.30
13	Dividend Per Share (Par Value Rs 10 each)						
	Final Dividend on Equity Shares (in Rs)	-	1.20	-	1.20	1.50	1.50
	Total Equity Dividend percentage (%)	-	12	-	12	15	15

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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 and approval from Department of Telecommunications (DoT) is awaited. 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.
- 2 NCLT approved the Proposed Scheme on November 2, 2018. As per the NCLT Order, this Scheme is effective only on receiving the written approval from the Department of Telecommunications (DoT) for transfer of licenses. The NCLT Order required the Company to file the Order with the Registrar of Companies (RoC) within 30 days. Upon filing, RoC updated the records to reflect the Scheme as effective and TNSL as "amalgamated" even though DoT approval is awaited. Based on legal advice, the Company has approached NCLT to direct the RoC to amend their records to reinstate TNSL to its earlier status and cancel the effect of the scheme with immediate effect. The decision of NCLT is awaited. Pending necessary approvals, the Scheme has not been given effect to in the financial results for the for the quarter and nine month ended December 31, 2020.
- In addition to standalone financial results the board of directors has also approved the consolidated financial results of the Group wherein the results of TNSL are included in the consolidated financial results.
- 3 During the year ended March 31, 2020, the Company sold investments in Nelito Systems Limited (associate company), which was classified as assets held for sale in the previous year. The resultant gain on sale of investments has been disclosed as an exceptional item in the financial results of the quarter and half year ended September 30, 2019 and year ended March 31, 2020.
- 4 Out of net deferred tax of Rs 178 lakhs recognised for the quarter ended December 31, 2020 and Rs. 134 lakhs for nine months ended December 31, 2020 includes Rs. 94 lakhs pertains to earlier periods.

Standalone Financial details	3 Months ended 31.12.2020	Preceding 3 Months ended 30.09.2020	Corresponding 3 Months ended 30.12.2019	9 Months ended 31.12.2020	9 Months ended 31.12.2019	Previous Year ended 31.03.2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Income from Continuing Operations	948	922	979	2,801	2,816	3,833
Profit before Tax- Continuing and Discontinued Operations	324	230	335	610	1,629	1,793
Profit after Tax- Continuing and Discontinued Operations	331	162	205	522	1,199	1,368
Total Comprehensive Income- Continuing and Discontinued Operations	338	172	214	532	1,174	1,337

- 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 Company and its subsidiaries ("the Group") has considered the possible effects that may result from COVID-19 in the preparation of these interim financial results. The Group continued to provide VSAT connectivity and maintenance services and VSAT equipment on lease, however the deployment of new VSATs was lower than previous year due to slower economic revival across various sectors and restrictions in movement during in the past nine months. Considering the revival of economic activity in the current quarter, improvement in customer order flow and based on the information available, the management has evaluated and considered the possible impact of the aforesaid situation on the business of the Group, including adjustment to the financial results. Considering the above and Group's current financial position, there is no material uncertainty on the Group's ability to do business as a going concern and there are no impairment indicators for any of the assets of the Group. The Group continues to monitor any material changes to future economic conditions and they may be different from the estimates made as on the date of the financial results.
- 8 As a part of transition to Goods and Services Tax (GST) in June 2017, the Company and its subsidiary carried forward the Cenvat/Service tax/Sales tax input credit balance for future set-off against GST payable aggregating to Rs. 116 Lakhs. However, due to technical glitch on the GSTN portal, the Company and its subsidiary could not file the Tran 1 Form within the prescribed period including the extended filing period. The Company and its subsidiary filed a writ petition in the Hon'ble High Court of Bombay for allowing the carry forward of the input credit balances. However, vide its order dated March 20, 2020, the petition was dismissed and the claim of the Company was disallowed. With respect to its subsidiary, the petition is pending for hearing with the Hon'ble High Court of Bombay. 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. The Company has filed Special Leave Petition in Hon'ble Supreme Court and which has been admitted by Supreme Court. In view of this, no provision has been made in the books of account against the recoverability of these balances.

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- 9 The Unaudited Standalone and Consolidated financial results for the quarter and nine month ended December 31, 2020, 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" .
- 10 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.
- 11 Previous period / year figures have been re-grouped or reclassified, to conform to such current period's classification.
- 12 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 January 28, 2021.

Place :- Mumbai
Date :- January 28, 2021

For Nelco Limited



R.R. Bhinge
Chairman
DIN :- 00036557



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 subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") for the quarter ended December 31, 2020 and year to date from April 1, 2020 to December 31, 2020 (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 following subsidiaries: (a) Tatanet Services Limited and (b) 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.
6. We draw your attention to the following:



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- a) Note 2 to the financial results regarding composite scheme of arrangement between the Company, Tatanet Services Limited (TNSL) and Nelco Network Products Limited which was approved by the National Company Law Tribunal ("NCLT") vide its order dated November 2, 2018 (the "Scheme"). As per the NCLT Order, the Company intimated the Registrar of the Companies ("RoC") about the approval of the Scheme by NCLT, stating that Department of Telecommunications ("DoT") approval was not yet obtained. The RoC records were, however, updated to reflect the Scheme as effective and TNSL as "amalgamated" with the Company. Based on legal advice obtained by the Company, the Company has approach NCLT to direct the RoC to amend their records to reinstate TNSL to its earlier status and cancel the effect of the Scheme with immediate effect. The decision of NCLT is awaited. The scheme will be given effect to in the financial results on receipt of all necessary approval.
- b) Note 8 to the financial results regarding the input tax credit balances under the Cenvat/Service tax/Sales tax considered fully recoverable by the management and no provision made against the same in the books based on the legal advice obtained and the special leave petition filed by the Company with the Hon'ble Supreme Court of India against the order passed by the Hon'ble High Court of Bombay disallowing the Company's claim to carry forward these balances on transition to Goods and Services Tax (GST) for future set-off against GST payable. With respect to its subsidiary, the petition is pending for hearing with the Hon'ble High Court of Bombay.

Our conclusion is not modified in respect of these matters.

7. The comparative consolidated financial information of the Company for the corresponding quarter December 31, 2019 were reviewed by the predecessor auditor and the consolidated financial statements of the Company for the year ended March 31, 2020, were audited by predecessor auditor who expressed an modified opinion on financial information for the corresponding quarter December 31, 2019 on January 23, 2020 and modified opinion on financial information for the year ended March 31, 2020 on May 16, 2020.

For S.R. Batliboi & Associates LLP
Chartered Accountants

ICAI Firm registration number: 101049W/E300004

**VINEET
KEDIA**

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per Vineet Kedia
Partner

Membership No.: 212230

UDIN: 21212230AAAAAJ3574

Place: Mumbai

Date: January 28, 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 nine months ended December 31, 2020

Rs in Lakhs

Sr.No.	Particulars	3 Months ended 31.12.20	Preceding 3 Months ended 30.09.20	Corresponding 3 Months ended 31.12.2019	9 Months ended 31.12.2020	9 Months ended 31.12.2019	Previous Year ended 31.03.2020
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
A	Continuing Operations						
1	Income						
	a) Income from Operations	948	922	979	2,801	2,816	3,833
	b) Other Income	7	41	68	83	202	241
	Total Income (a+b)	955	963	1,047	2,884	3,018	4,074
2	Expenses						
	a) Employee Benefits Expense	463	405	447	1,368	1,283	1,748
	b) Finance Cost	57	77	158	231	400	508
	c) Depreciation and amortization expense	15	14	14	44	47	72
	d) Sub Contracting Expenses	38	28	25	91	74	107
	e) Other expenses	272	279	282	763	809	1,092
	Total Expenses	845	803	926	2,497	2,613	3,527
3	Profit before exceptional item and tax (1-2)	110	160	121	387	405	547
4	Exceptional Item (Refer note 3)	-	-	-	-	564	564
5	Profit before tax from continuing operations (3+4)	110	160	121	387	969	1,111
6	Tax expense						
	a) Current Tax	42	86	6	138	131	144
	b) Deferred Tax (Refer note 4)	(126)	(21)	113	(130)	146	140
7	Net Profit from Continuing Operations (5-6)	194	95	2	379	692	827
B	Discontinued Operations (Refer note 1)						
8	Profit / (Loss) before tax from discontinued operations	214	70	214	223	660	682
9	Tax Expense of discontinued operations	77	3	11	80	153	141
10	Profit / (Loss) after tax from Discontinued Operations (8-9)	137	67	203	143	507	541
11	Net Profit for the period (7+10)	331	162	205	522	1,199	1,368
12	Other Comprehensive Income						
	Remeasurement of post employment benefit obligations (net of tax):						
	Items that will not be reclassified to Profit or Loss- Continuing Operations (net of tax)	3	5	6	6	(15)	(22)
	Items that will not be reclassified to Profit or Loss- Discontinued Operations (net of tax)	4	5	3	4	(10)	(9)
	Other Comprehensive Income	7	10	9	10	(25)	(31)
13	Total Comprehensive Income for the period (11+12)	338	172	214	532	1,174	1,337
14	Paid up equity share capital (face value Rs.10/- each)	2,282	2,282	2,282	2,282	2,282	2,282
15	Other Equity						2,854
16	Earnings Per Share (Basic and Diluted) (Face Value Rs. 10/-each) (not annualised)						
	From Continuing Operations	0.85	0.42	0.01	1.66	3.03	3.63
	From Discontinued Operations	0.60	0.29	0.89	0.63	2.22	2.37
	From Continuing and Discontinued Operations	1.45	0.71	0.90	2.29	5.25	6.00
17	Dividend Per Share (Par Value Rs 10 each)						
	Final Dividend on Equity Shares (in Rs)	-	1.20	-	1.20	1.50	1.50
	Total Equity Dividend percentage (%)	-	12	-	12	15	15

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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 and approval from Department of Telecommunications (DoT) is awaited. Considering the management's intent to transfer the business as noted in (i) above, these businesses/ operations have been classified as discontinued operations in accordance with IND AS 105.

The financial parameters in respect of the activities attributable to the business referred to in (i) above are as follows :

Particulars	Rs in Lakhs					
	3 Months ended 31.12.20	Preceding 3 Months ended 30.09.20	Corresponding 3 Months ended 31.12.2019	9 Months ended 31.12.2020	9 Months ended 31.12.2019	Previous Year ended 31.03.2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Income from Operations including other income	2,781	2,220	3,431	6,615	8,896	11,322
Expenses	2,567	2,150	3,217	6,392	8,236	10,640
Profit/ (Loss) before Tax	214	70	214	223	660	682
Tax Expense	77	3	11	80	153	141

- 2 NCLT approved the Proposed Scheme on November 2, 2018. As per the NCLT Order, this Scheme is effective only on receiving the written approval from the Department of Telecommunications (DoT) for transfer of licenses. The NCLT Order required the Company to file the Order with the Registrar of Companies (RoC) within 30 days. Upon filing, RoC updated the records to reflect the Scheme as effective and TNSL as "amalgamated" even though DoT approval is awaited. Based on legal advice, the Company has approached NCLT to direct the RoC to amend their records to reinstate TNSL to its earlier status and cancel the effect of the scheme with immediate effect. The decision of NCLT is awaited. Pending necessary approvals, the Scheme has not been given effect to in the financial results for the quarter and nine months ended December 31, 2020.
- During the year ended March 31, 2020, the Company sold investments in Nelito Systems Limited (associate company), which was classified as assets held for sale in the previous year. The resultant gain on sale of investments has been disclosed as an exceptional item in the financial results of the nine months and quarter ended December 31, 2019 and year ended March 31, 2020.
- 3
- 4 Out of net deferred tax of Rs 126 lakhs recognised for the quarter ended December 31, 2020 and Rs. 130 lakhs for nine months ended December 31, 2020 includes Rs. 94 lakhs pertains to earlier periods.
- 5 The Company has considered the possible effects that may result from COVID-19 in the preparation of these interim financial results. The Company continued to provide VSAT related services. However, the deployment of new VSATs was lower than previous year due to slower economic revival across various sectors and restrictions in movement during in the past nine months. Considering the revival of economic activity in the current quarter, improvement in customer order flow and based on the information available, the management has evaluated and considered the possible impact of the aforesaid situation on the business of the Company, including adjustment to the financial results. Considering the above and Company's current financial position, there is no material uncertainty on the Company's ability to do business as a going concern and there are no impairment indicators for any of the assets of the company. The Company continues to monitor any material changes to future economic conditions and they may be different from the estimates made as on the date of the financial results.
- 6 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 December 31, 2020 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. The Company filed a writ petition in the Hon'ble High Court of Bombay for allowing the carry forward of the input credit balances. However, vide its order dated March 20, 2020, the petition was dismissed and the claim of the Company was disallowed. 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. The Company has filed Special Leave Petition in Hon'ble Supreme Court and which is admitted by Supreme Court. In view of this, no provision has been made in the books of account against the recoverability of these balances.
- 7 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.
- 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 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.

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9 Previous period / year figures have been re-grouped or reclassified, to conform to such current period's classification.

10 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 January 28, 2021.

Place :- Mumbai
Date :- January 28, 2021

For Nelco Limited



R.R.Bhinge
Chairman
DIN :-00036557

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 December 31, 2020 and year to date from April 1, 2020 to December 31, 2020 (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.
5. We draw your attention to the following:
 - a) Note 2 to the financial results regarding composite scheme of arrangement between the Company, Tatanet Services Limited (TNSL) and Nelco Network Products Limited which was approved by the National Company Law Tribunal ("NCLT") vide its order dated November 2, 2018 (the "Scheme"). As per the NCLT Order, the Company intimated the Registrar of the Companies ("RoC") about the approval of the Scheme by NCLT, stating that Department of Telecommunications ("DoT") approval was not yet obtained. The RoC records were, however, updated to reflect the Scheme as effective and TNSL as "amalgamated" with the Company. Based on legal advice obtained by the Company, the Company has approach NCLT to direct the RoC to amend their records to reinstate TNSL to its earlier status and cancel the effect of the Scheme with immediate effect. The decision of NCLT is awaited. The scheme will be given effect to in the financial results on receipt of all necessary approval.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

Note 6 to the financial results regarding the input tax credit balances under the Cenvat/Service tax/Sales tax considered fully recoverable by the management and no provision made against the same in the books based on the legal advice obtained and the special leave petition filed by the Company with the Hon'ble Supreme Court of India against the order passed by the Hon'ble High Court of Bombay disallowing the Company's claim to carry forward these balances on transition to Goods and Services Tax (GST) for future set-off against GST payable.

Our conclusion is not modified in respect of these matters.

6. The comparative standalone financial information of the Company for the corresponding quarter December 31, 2019 were reviewed by the predecessor auditor and the standalone financial statements of the Company for the year ended March 31, 2020, were audited by predecessor auditor who expressed an modified opinion on financial information for the corresponding quarter December 31, 2019 on January 23, 2020 and modified opinion on financial information for the year ended March 31, 2020 on May 16, 2020.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

**VINEET
KEDIA**

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per Vineet Kedia

Partner

Membership No.: 212230

UDIN: 21212230AAAAAI1837

Place: Mumbai

Date: January 28, 2021