

11th November 2022

Listing Compliance Department
National Stock Exchange of India Ltd.
5th floor, Exchange Plaza, Plot No.C-1
Block "G" Bandra Kurla Complex, Bandra (East)
Mumbai – 400 051

NSE: Nelco EQ

Sir/Madam,

Sub: Comments of the Board of Directors as required under SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020

Ref:- Your letter no. NSE/LIST-SOP/COMB/FINES/0664 dated 22nd August 2022

This is with reference to your email dated 22nd August 2022 regarding captioned subject and imposing of fines.

We submit as under:-

1. The Regulation 19(1)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 was amended requiring two thirds of the directors of the Nomination and Remuneration Committee (NRC) composition should be Independent Directors (IDs). Whereas the NRC composition of the Company was comprised of 5 Directors three (3) IDs and the remaining two (2) Directors were non-independent directors.
2. As required under the SEBI circular, the subject matter of non-compliance as identified and indicated by the Exchange and subsequent action taken by the Exchange in this regard was placed before the Meeting of Board of Directors held on 20th October 2022. While noting the observations of the Stock Exchanges, the Board commented as under:
 - i) The non-composition of NRC during the period, as alleged has not adversely affected / been prejudicial or detrimental to the interest of any stakeholder.
 - ii) The steps has been taken to avoid alleged non-compliance in future as placed before the meeting.
 - iii) The Company has paid the fines and made an application to Stock Exchanges to waive the fine for the reasons placed before the meeting.

Please take the aforesaid on record.

For Nelco Limited

GIRISH
VIJAYANAND
KIRKINDE

Digitally signed by GIRISH
VIJAYANAND KIRKINDE
Date: 2022.11.11 14:28:24
+05'30'

Girish V. Kirkinde
Company Secretary & Head-Legal