

8 July 2024

BSE Limited  
Department of Corporate Services  
25th Floor, Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400 001

National Stock Exchange of India Limited  
5th Floor, Exchange Plaza,  
Bandra Kurla Complex,  
Bandra (East),  
Mumbai - 400 051

Ref: 505355

Ref: NESCO

**Sub: Annual Report of the Company for the financial year 2023-24**

Dear Sir/Madam,

This is with reference to our intimation dated 20 May 2024, wherein the Company had had *inter-alia* informed about the 65th Annual General Meeting of the Company scheduled to be held on **Friday, 2 August 2024 at 3:30 p.m. (IST)** through video conference and/or other audio-visual means and closure of Register of Members.

In continuation to the said intimation, please find enclosed the Annual Report of the Company along with the Notice and the Business Responsibility and Sustainability Report for the financial year ended 2023-24.

This Annual Report is being sent through electronic mode to all those members whose email addresses are registered with the Company and/or Depository Participant(s) as on 28 June 2024.

The annual report will also be uploaded on the Company's website at [www.nesco.in](http://www.nesco.in)

This is for your information and records.

Thanks and Regards,

For **Nesco Limited**

**Shalini Kamath**  
Company Secretary & Compliance Officer  
Mem No. A14933

Encl: as above



# Crafting the Nesco experience





# One Goal. 8 Decades. Infinite Possibilities.

The Nesco Group has grown from its roots in engineering solutions to encompass a wide array of industries, including trade shows, property development, hospitality, event management and entertainment. Our inspirational growth over the last 8 decades is a testimony as to how a vision can empower limitless possibilities.



## Vision

We believe in making a positive impact on people's lives by investing in progressive change. We also believe in using every opportunity as a means to 'earn' respect as a true visionary and leader of positive growth.



## Mission

As nation builders, we are focused on improving the quality of life through every product and service we offer. Our goal is to become category leaders, attain profitable growth and bring pride to the nation.



## Core Values

We're honest

We're ambitious and ingenious

We don't give up

We listen

We thrive on team work

We are out-of-the-box thinkers

We give back and we love our planet

We're lifelong learners

### What's Inside:

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# Crafting the Nesco Experience

'Crafting the Nesco Experience' is more than just a theme— it's our promise!

This year's annual report highlights our dedication to creating unique and engaging experiences for our customers. Across our diverse business verticals—exhibitions, real estate, hospitality, entertainment and engineering solutions — we strive to deliver excellence in every aspect.

At Nesco, each moment is crafted with care, integrity and passion for excellence. Our commitment to quality is reflected in our innovative approaches and meticulous attention to detail. Whether it's through, exhibitions fostering economy, premium real estate developments, exceptional hospitality services, captivating entertainment events or ground breaking engineering projects, we ensure that every interaction with Nesco stands out.

By consistently raising the bar, we not only meet but exceed customer expectations. Our goal is to make every Nesco experience special, creating lasting connections and driving forward our mission of excellence. Join us as we continue to craft experiences that inspire, engage, and bring pride to our community.

## Performance Snapshots

### Financial Highlights

₹ 78,312.87 lakhs

Revenue  
28.57% ▲



₹ 53,120.51 lakhs

EBITDA  
28.95% ▲



₹ 36,278.36 lakhs

PAT  
24.82% ▲



### Operational Highlights

- The occupancy rate for the FY 2023-24 for Tower 3 and Tower 4 stands impressively high at over 98%.
- Over 100+ exhibitions were successfully scheduled by Bombay Exhibition Center ("BEC").
- During the year, new clientele were added by BEC from industries such as handloom, catering, media, plastics, fashion, electricals, and trade fair organisers.
- Nesco Events has managed to strategically expand from an exhibition hub to an entertainment hotspot.
- Over 25+ mesmerising events hosted by Nesco Events.
- 'Gourmet Craft,' our new catering venture, was introduced by Nesco Foods to service astute clientele in the Corporate, Social, and Entertainment Spheres.
- Prestigious events hosted by Nesco Foods with guests ranging over 1,500 to 8,500 in numbers.
- Nesco Foods expands into newer geographies by introducing extensive food options, including three restaurants namely Social, Smoke House Deli, and FOO and leasing out food court spaces to renowned brands.
- Our balance sheet position remains pristine with liquidity of over ₹ 150,000 lakhs.

Our Philosophy

# BELIEVE

The possibilities are endless!

**For us BELIEVE is more than a philosophy.  
It is a way of life!**

It has led us to become who we are and who we can be.  
As our founding philosophy, it guides us to enrich and make  
a difference in people's lives every day!



Who We Are

# Fuelling Growth Through Diverse Ventures

From our origins as a well-known engineering firm, we have transformed into a dynamic conglomerate. Over the decades, we have ventured into, Exhibitions, Events, Hospitality, and Real Estate driving growth and innovation. Every strategic leap has enriched our Company, empowered our employees and benefited the Communities we touch. Our remarkable journey over the past 80 years demonstrates the boundless potential of a powerful vision.

## Our Offerings

EXHIBITIONS

HOSPITALITY

REAL ESTATE

EVENTS

ENGINEERING



**20 mn**

Visitors a year

**60,000+ sq.m**

India's largest exhibition venue in the private sector

**#1 Host**

For most exhibitions in India

## Exhibition Excellence

Established in 1991, the Bombay Exhibition Center ("BEC") in Goregaon, Mumbai, brings millions of ideas to life. BEC has been holding the mantle of continuing to be the largest private player in the Exhibitions domain in the country. With customisable venues and top-notch services, BEC is the premier location for Exhibitions, Trade shows, and Entertainment.

BEC is a home to diverse exhibitions and annually attracts a footfall of over 2 million visitors. Safety and Sustainability coupled with consistent quality and dependability have been the cornerstones of our success over the years. At BEC, our primary focus is on advancing technology and continually enhancing our state-of-the-art infrastructure. We pride ourselves on offering a diverse selection of food and beverage options that cater to all segments of society, completed by abundant green spaces that create a serene and inviting atmosphere for our visitors. Whether hosting international trade shows or local community events, BEC offers exceptional opportunities for networking and collaboration.

In addition to our exquisite products and services, we prioritise flexibility and comprehensive support for organisers. Our dedicated facility management and customer support teams are highly trained to ensure efficient and prompt service, contributing to the seamless execution of the events at BEC.

By blending technology innovation and environmental sustainability and inclusivity, BEC remains committed to facilitating meaningful connections and experiences for all stakeholders.

## Leading MICE in Mumbai

Nesco Foods dominates the MICE sector in Mumbai with expansive spaces, diverse banqueting options and luxury services. Conveniently located near airports and public transport, we ensure successful events with comprehensive production and catering solutions.



## Culinary Excellence

Nesco Foods is a top hospitality provider in Mumbai, known for its diverse culinary capabilities and world-class service. We have a significant captive audience to which Food and Banquet services need to be provided and hence, Nesco Foods. Operating the city's largest non-flight kitchen, Nesco Foods delivers luxurious, tailored food experiences for events ranging from intimate gatherings to grand banquets.

Our plethora of restaurants and food courts spread throughout the Center provide extensive options and ensures high-quality dining experiences for all occasions. Our Central Kitchen spanning over 24,000 sq. ft. has the capacity of churning out 80,000 gourmet meals a day.

We have ample spaces at our Center with full-fledged Banquet Halls with a capacity to hold 500 to 40,000 guests. Nesco Foods stands out in the competitive food and catering industry for its exceptional service, state-of-the-art infrastructure, customised catering solutions, strategic location, commitment to sustainability, digital innovation, and a strong brand legacy. These elements collectively create a unique and compelling value proposition that attracts and retains a broad customer base.

## Our Offerings

- Exhibitions
- Events
- Wedding and Social Celebrations
- Outdoor Catering
- Food Court

## Memorable Events

Nesco Events delivers unique cultural experiences with tailored venues and innovative productions. We aim to create unforgettable moments across a wide range of entertainment genres, supporting corporate and social gatherings with exceptional services. This venture enhances the Group's reputation for high-quality entertainment, drawing a growing audience of enthusiastic attendees. Nesco Events hosted some of the biggest and most prestigious shows and events in the city with reputed artists and organisations.

## Real Estate Innovation

Nesco Realty develops modern office spaces and assembly spaces using advanced building technology. Nesco Realty specialises in the development and leasing of Platinum-LEED Certified workspace towers. The structures are truly cutting-edge, with architectural and technical know-how from Singapore and Australia. With its premium IT Park, Nesco's real estate industry has set a new standard. We focus on blending creativity with functionality, integrating world-class amenities and sustainable features. Hosting multinational giants like HSBC, KPMG, PWC, Frameston, Here Solutions, Apollo Finance, MSCI, BlackRock, Ericsson, and more, this self-sustained facility sets the standard for excellence in corporate environments.

## Engineering Solutions

Indabrator stands out as a leading provider of surface preparation solutions due to its comprehensive product range, commitment to quality and innovation. By offering advanced blasting machines, customised solutions and dedicated support services, Indabrator ensures exceptional value and the highest standards in surface finishing for clients across various industries. By expanding into new markets, diversifying product range and moving into new service offerings, leveraging digital transformation and focusing on sustainability, Indabrator aims to maintain its leadership in the industry.

We have our manufacturing plants in Karamsad and Vishnoli, Gujarat. We also have our branch offices in Kolkata, New Delhi and Chennai.



Our History

# Decades of Dynamic Progress

Our founder, **Shri. J.V. Patel** manifests his vision as the **Standard Engineering Company** ("SEC").

The Company launches its public issue, which is quickly oversubscribed.

New Standard Engineering Company is known to have the **largest foundry**.

**"Indabrator"** our engineering arm is born on the basis of a joint venture signed with Wheelabrator Corporation, USA for the manufacturing of shot-blasting equipment in India.

The **New Standard Engineering Company** builds India's first antenna for space communication, with the Department of Atomic Energy.

**New Standard Engineering diversifies into realty** and the Group welcomes a new sector.

The **200,000 sq. ft. Bombay Exhibition Center** develops into the largest center for exhibitions in the private sector in India.

1939

1958

1962

1964

1966

1986

1992

2001

2013

2016

2017

2019

2023

The Company rebrands itself as **Nesco Limited** in light of further diversification and business verticals.

Launched **Nesco IT Park, Tower 3** (6.6 lakh sq. ft. area licensed to marquee MNC clients).

The beginning of **Nesco Foods**.

**Nesco Events** comes to life, delighting patrons with intellectual properties, exhibitions and private events.

Launched **Nesco IT Park, Tower 4** (11.20 lakh sq. ft. area licensed to reputed MNC clients).

Recognition as one of the **Top 10 Brands** in Real Estate by CEO Insights.



## CMD's Message

# Inspiring Growth and Sustainability



## Dear Shareowners,

I am delighted to present to you our annual report, highlighting a year of some noteworthy achievements and increased growth, fuelled by our steadfast commitment to innovation and excellence. This report underlines our key accomplishments, strategic initiatives, and vision for future as we strive to build on our legacy of success.

## The Macro Overview

India's macroeconomic landscape presents a dynamic environment characterised by strong GDP growth, infrastructure development initiatives, and evolving consumer trends. Nesco strategically positions itself within this context, leveraging economic growth to expand its footprint across Exhibitions, Events, Hospitality, Real Estate and engineering sectors. By aligning with India's push for sustainable development, technological integration, and consumer-centric services, Nesco not only contributes to economic modernisation but also enhances its own market resilience and growth prospects. This strategic alignment underscores Nesco's pivotal role in shaping and benefiting from India's ongoing economic transformation.

## Driving Growth and Success

Throughout our Corporate history, we have stayed true to our philosophy of "BELIEVE and all things will be possible." The result of this contagious optimism is the Nesco that you experience today. The Company has meticulously implemented an aggressive growth strategy over the past few years, focusing on investing in its people, technology, systems, and infrastructure to prioritise customer satisfaction. These efforts have significantly benefitted Nesco, resulting in commendable achievements both financially and in our service offerings.

We take immense pride in our financial performance, underpinned by a commitment to fiscal responsibility and sustainable practices. The year gone by, marked a significant milestone for Nesco with notable achievements in Revenue and PAT. Revenue from operations grew by 28.57% to ₹ 78,312.87 lakhs. Our PAT stood at ₹ 36,278.36 lakhs witnessing a growth of 24.82% over the previous year.

The Board of Directors have proposed a final dividend of ₹ 6/- (300%) per equity share, subject to approval of shareholders at the forthcoming Annual General Meeting. Our commitment to fiscal prudence and sustainable growth allows us to focus wholeheartedly on delivering value to our customers, and achieving long-term success.

## Innovating Across Business Verticals

Our journey has been one of innovation, resilience, and firm commitment to excellence across all our verticals: Exhibitions, Events, Hospitality, Realty and Engineering. Our steady expansion augments our growth as we watch several new ideas find form.

The exhibition and events business witnessed a revenue growth of 34.17% underpinned by innovative strategies and a keen focus on attendee experience. Bombay Exhibition Center has successfully added a diverse array of new customers to its portfolio, significantly broadening our reach and enhancing our market presence. Our ability to curate bespoke and captivating events with reputed artists and organisations across the globe

has positioned us as a frontrunner in the competitive event management landscape.

Revenue from Foods division increased by 104.19% over the previous year. We have focused on procuring organic ingredients, created special menus of gluten-free and vegan dishes. We have adopted technology across the entire food chain upto the delivery of delectable delicacies right to your plate. We have some of the most popular restaurants (and more to add in the coming months) for you to come and experience interesting cuisines from across the globe and all this amongst, one of the greenest patches of our city.

With increased focus on sustainable energy-efficient buildings and smart infrastructure, Nesco Realty continues to be the preferred choice for prestigious MNC clients. The Company's commitment to innovation, customer-centric approach, and sustainable development practices will drive continued success and profitability in the coming years as we look to further build and grow this portfolio. Revenue from this division fairly increased by 7.90% over previous year.

Nesco's engineering arm, Indabrator has several strong USP's characterised by customisation capabilities, technical expertise, and a robust aftermarket support. This positions it for continued growth. Today, it has steadily built strong and loyal customer base with a considerable market share and numerous innovations in the works. Revenue from Indabrator division increased by 10.70% over the previous year.

## Sustainability, a business imperative

Sustainability is a business imperative for Nesco especially underscored by its growing importance for our customers. To ensure continued progress on our ESG journey, we are working to prepare Nesco's ESG Roadmap for 2030. Our focus in the reporting year has been to revamp and strengthen our policies framework aligned with the NGRBC guidelines and our material ESG priorities. Additionally, we have incorporated ESG governance and associated risks and opportunities with the Risk Management Committee of the Board.

Sustainable development is more than just economic growth. To augment the IGBC certification for all our new developments, we have used all sustainable practices and are investing in more rigorous monitoring to drive improvement. We have transitioned to green energy for our major operations and continue to identify opportunities for energy efficiency and improving outcomes in waste and water management.

We are an organisation that thrives on the dedication and honesty of our colleagues who believe in striving for excellence in every industry in which we operate. We have built a diverse and competent leadership team having great

domain experience across our varied functions. Recognising the positive outcomes of diversity in the workforce, we have strengthened support for our existing women employees and are increasing their representation in the workforce. We endeavour to give nothing but the best to our team members.

Health and Safety practice initiatives have an impact beyond our workforce to external stakeholders who access our premises. To augment our efforts in this direction, we are in the process of obtaining ISO 45001 Certification. At Bombay Exhibition Center, we have started rolling out health and safety protocols for use by the contractors of our customers to ensure alignment with our own health and safety standards.

## Empowering Social Impact

Our commitment to Corporate Social Responsibility is integral to our business ethos and operations. We at Nesco have gone beyond the ambit of profitability to prioritise benefits throughout our numerous CSR initiatives over the years. Our long-term responsibility to society and communities was further augmented through our CSR programmes implemented during the year with a total spend of ₹ 504.11 lakhs. Our key focus this year was on addressing educational and health and concerns while co-creating value with local institutions and people.

## Embracing Industry Trends For Continued Success

We see our present success as only the start to newer and bolder initiatives. This is an affirmation that as we continue to grow, we add to the growth of the Company. We have adeptly navigated industry trends through innovation, technology integration, sustainability, strategic partnerships, and a customer-centric approach.

## Looking Ahead

As Nesco stands on the threshold of significant expansion, we are primed to capitalise on promising opportunities ahead. We look forward to achieving substantial growth and creating lasting value for our stakeholders with strategic foresight and commitment to excellence. I would like to thank each and every one for your continued support and the trust reposed in your Company.

## Krishna S. Patel

Chairman and Managing Director



Key Performance Indicators

# Our Performance at a glance

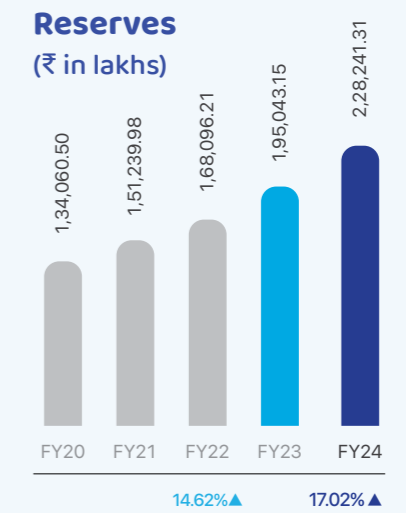
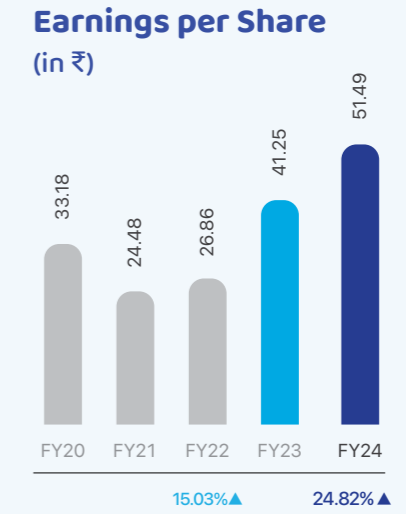
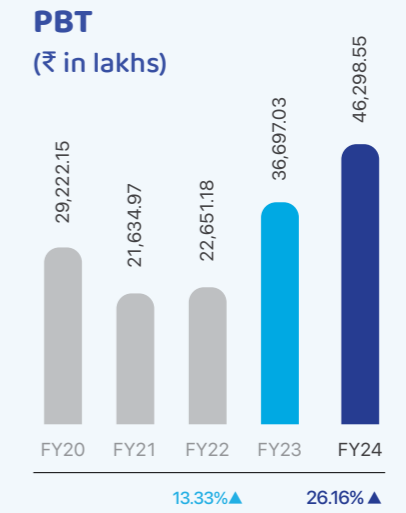
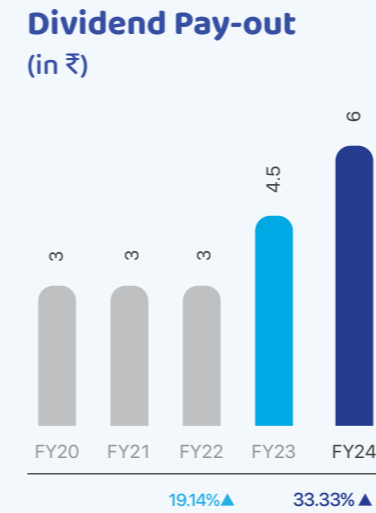
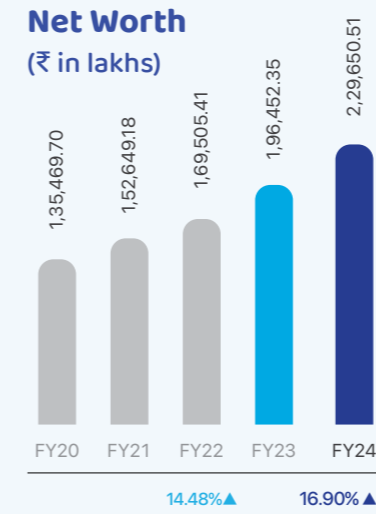
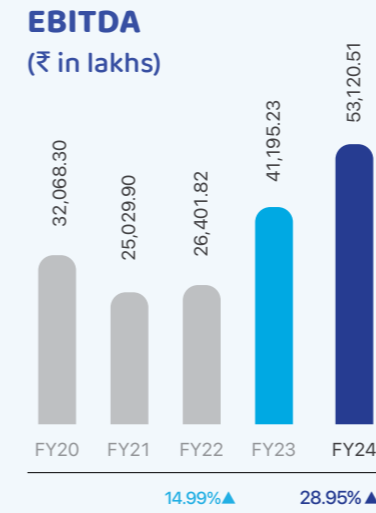
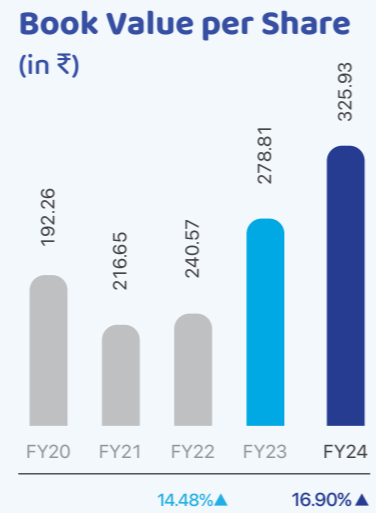
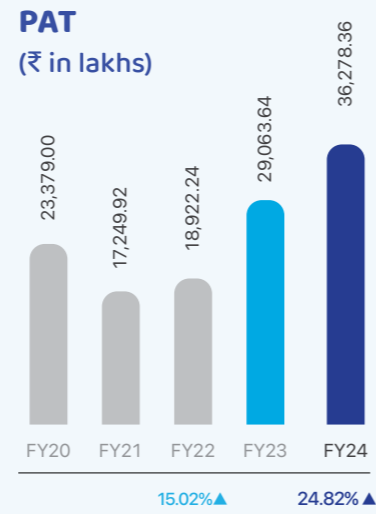
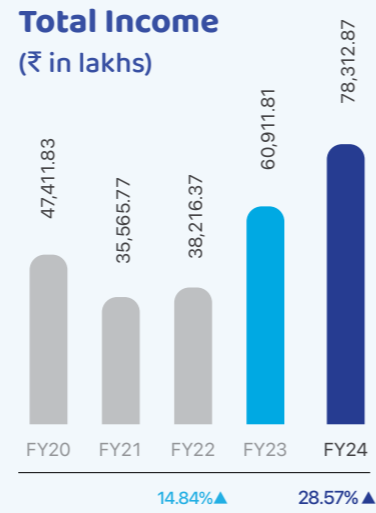
## Our Numbers Tell Our Story!

Our exceptional financial performance this year, characterised by robust revenue growth and increased profitability, emphasises the strength of our strategic initiatives and operational excellence.

**28.57%**  
YoY growth in Total Income

**24.82%**  
YoY growth in PAT

▲ Five-year CAGR ▲ YoY growth



Strategy for Growth

# Strategic Roadmap for Continued Expansion

Nesco's rapid growth necessitates strategic development plans focusing onto manage and nurture continued expansion effectively. Our growth is supported by a strong leadership team that works cohesively and is empowered to drive our strategic priorities forward.



## Priorities

Developing and growing in our diverse business segments at a rapid and sustainable pace.

Taking our Products internationally, and services across Pan India.

Develop our assets in Mumbai and further grow Nesco Realty.

To make Nesco Center the one stop shop for all your Business, Social, Food and Beverages and Entertainment requirements.

## Action

Expand and strengthen operations across various business verticals with a focus on sustainable growth.

Extend Nesco's services across the country and offer products across national borders.

Enhance and expand assets under Nesco Realty in Mumbai, leveraging strategic location and infrastructure for growth.

Position Nesco Center as a comprehensive destination offering a wide range of services including business facilities, social venues, Food and Beverage options and entertainment activities.

Nesco has also adopted a multifaceted strategic approach to optimise the Company's operations.

## Cost Management

### Optimised Energy Usage

The Company employs advanced energy-efficient solutions like smart lighting, HVAC systems, and real-time monitoring to reduce utility costs effectively.

### Streamlined Procurement

We have standardised suppliers and streamlined purchasing processes across all units to maximise savings and operational efficiency.

### Regular Cost Analysis

The Company conducts frequent reviews of operational expenses to identify cost-saving opportunities and maintain financial discipline.

## Efficiency Improvement

### Smart Building Management

We utilise cutting-edge building management systems to control energy consumption, enhance tenant comfort, and streamline maintenance.

### Data-Driven Demand Forecasting

The Company uses software for optimising inventory management and resource allocation.

### Enhanced Event Management

We employ advanced event management software to streamline registration and overall event efficiency.

### Employee Development

The organisation invests in various training programs to enhance workforce skills and productivity aligned with industry standards.

### Lean Manufacturing Practices

We implement lean principles to minimise waste, reduce lead times, and optimise resource utilisation in manufacturing.

## Operational Reliability

### Rigorous Maintenance

We adhere to strict maintenance schedules to prevent equipment breakdowns, minimise downtime, and ensure consistent operations.

### Stringent Quality Control

We maintain high-quality standards throughout production and service delivery to consistently meet customer expectations.

### Comprehensive Risk Management

We develop vital strategies to identify, assess, and mitigate risks such as supply chain disruptions and cybersecurity threats.

### Cybersecurity Measures

The Company employs advanced cybersecurity protocols, including firewalls, encryption, and ongoing training, to protect digital assets and ensure data security.

### Strong Supplier Relationships

We cultivate strong partnerships with reliable suppliers to ensure timely delivery, maintain product quality, and sustain uninterrupted supply chain operations.



# Empowering A Greener Tomorrow

## Where green thinking takes root!

To ensure continued progress on our ESG journey, we are working to prepare Nesco's ESG Roadmap for 2030

**Krishna S. Patel**  
Chairman and Managing Director



ESG

# Embracing Sustainability

Sustainability is integral to Nesco's business and strategy, shaping the Company's activities and operations. It is the beacon to drive continuous improvement, foster stakeholder trust, and create long-term value for all stakeholders.

## ESG Governance Structure

Nesco's Risk Management Committee of the Board oversees the Company's sustainability initiatives. Tasked with reviewing adherence to sustainable development, the Committee integrates sustainability oversight into the Company's risk management framework. The Committee periodically reviews and evaluates the Company's sustainability policies and practices, ensuring they meet regulatory requirements and industry standards. It also assesses the impact of Nesco's operations on the environment and communities, identifying opportunities for improvement and promoting initiatives that reduce the Company's carbon footprint and enhance social responsibility.




## Stakeholder Management

Recognising stakeholder management as crucial to fostering trust and facilitating better decision-making, Nesco developed a policy and engagement framework for its key stakeholders. These include customers, employees, suppliers, investors, and communities.

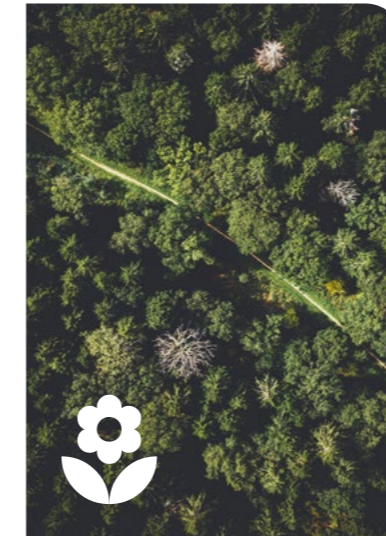
## Materiality Assessment

In the financial year 2022-23, Nesco undertook a preliminary Materiality Assessment to identify key issues relevant to its operations and stakeholders. Employing peer benchmarking as a strategic tool, Nesco compared its ESG priorities against peer companies, aiming to gain insights into industry best practices and emerging trends. Inputs from stakeholders, such as customers, employees, investors, and communities were obtained through engagement with stakeholder-facing functions. This prioritisation has helped Nesco to allocate resources effectively and strategically address critical issues that resonate with both internal objectives and external stakeholder expectations.

## Nesco's ESG Priorities

 <p><b>Environmental</b></p> <ul style="list-style-type: none"> <li>• Energy and Emissions</li> <li>• Water</li> <li>• Waste</li> <li>• Green Building</li> </ul>	 <p><b>Social</b></p> <ul style="list-style-type: none"> <li>• Health, Safety and Wellbeing</li> <li>• Human Capital Management</li> <li>• Customer Centricity</li> <li>• Sustainable Supply Chain</li> <li>• Social Impact</li> </ul>	 <p><b>Governance</b></p> <ul style="list-style-type: none"> <li>• Ethics and Governance</li> <li>• Risk Management and Compliance</li> <li>• Human Rights</li> <li>• Economic Performance</li> <li>• Information Security and Data Privacy</li> </ul>
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## Sustainability Performance



### Green Building

Conduct regular certifications and audits through M/s. Godrej & Boyce Ltd. to uphold rigorous green standards in construction methods, material selection, landscape design, and plantation practices.

**100%**  
of IT Park Buildings hold Platinum LEED Certification.

### Energy and Emissions

Focus on energy efficiency and use of digital technology. Reducing Carbon Footprint through renewable energy across its businesses and influencing customers at the Bombay Exhibition Center.

**100%**  
renewable energy use in its operations at Nesco IT Parks.



### Health and Safety

Health and Safety responsibilities extend beyond its own employees and workers to all external stakeholders accessing Nesco's facilities.

**100%**  
of employees and workers received training on health and safety.  
**Zero**  
Recordable work injuries and Zero Fatalities.

### Training and Development

Training programs that enhance technical skills, leadership capabilities, and industry knowledge.

**100%**  
of employees and workers covered in New HRMS  
to improve learning and development interventions.



### Robust Policies Framework

Nesco has reviewed and enhanced its existing policies and added new policies that address Nesco's material priorities and the NGRBC principles. These policies have appropriate procedures and well-defined accountability to ensure execution in letter and spirit.

**Developed Supplier Code of Conduct and Human Rights Policies**



# Employee Experience

At Nesco, we recognise that the skills, commitment and diverse perspectives of our workforce drives innovation, customer satisfaction and long-term success. Our people operations are designed to Attract, Develop and Retain top talent, fostering a culture of excellence and inclusion. Details of our workforce as on 31 March 2024 is as under:



Particulars of Employee and Workers	Male	Female	Total
Permanent	185	35	220
Other than Permanent	117	28	145

Note: This above count does not include headcount from completely outsourced contracts for example security, facility management, etc or daily wage workers.

## Talent Acquisition and Retention

We are committed to attracting the best talent in the industry. Over the past years, we have made significant strides in enhancing our talent acquisition strategies. Our retention methods include competitive compensation and benefit packages and career development opportunities, which aim at increasing employee advocacy and retention rates.

## Employee Development and Training

We are dedicated to the continuous professional growth of our employees. Our focus on upskilling ensures that our workforce remains agile and equipped to meet the evolving demands of our industry.

Training sessions were conducted on Health and Safety, Skill Upgradation, Prevention of Sexual Harassment at the

Workplace (PoSH), Human Rights, Whistleblower Policy, Prevention of Insider Trading, Mac, Human Resource Management System (HRMS) and financial planning for women.

As a part of our ESG vision, we are committed to conduct Learning and Development. Training is planned for all employees on the Code of Business Conduct and Ethics, Whistleblower Policy and Prevention of Sexual Harassment at Workplace by 2025.

### Zero Complaints on

- Sexual Harassment
- Discrimination at workplace
- Human rights
- Working conditions

## Introduction of Human Resource Management System

We have successfully implemented AdrenalineMax – Human Resource Management System (HRMS) to optimise HR operations, enhance employee experiences and drive strategic HR initiatives. Our core HR Management processes have been automated. Payroll processing, time and attendance, employee self-services, recruitment, onboarding, learning and development and analytical reporting has kick started and we expect to have this fully operational in due course of time.

## Promoting Diversity and Inclusion

At Nesco, we uphold a strong commitment to equal opportunity, celebrating outstanding work and fostering a sense of ownership among our teams. As a diversified conglomerate, we prioritise diversity in our new hires, with dynamic teams spanning various age groups and sectors from engineering to exhibitions, hospitality to events and real estate.

## Leadership Development

Identifying and nurturing future leaders remains a strategic priority. We are focused on cultivating the next generation of leaders within our organisation. We have begun our journey towards succession planning and strengthened our leadership by hiring senior executives in key strategic business units.

## Compensation and other Benefits

We offer a competitive compensation and benefits package across levels that reflect our commitment to our employees' well-being and financial security. Our remuneration structure has elements of fixed and variable pay. We regularly conduct a comprehensive review of our compensation structures to ensure market competitiveness and internal equity. Our generous paid time off practices include vacation days, optional holidays, maternity and sick leave to ensure our employees have ample time to rest and recharge. We have also enhanced our other benefit offerings, which include paternity leaves, accident and term insurance covers.

## Performance Management and Evaluation

We have implemented clear performance metrics and regular review cycles to provide constructive feedback and set achievable goals. As a step towards comprehensive performance management framework, we have adopted the Balanced Score Card approach for our employee assessment and development. Our performance cycle follows the fiscal year with performance planning and concludes with performance reviews in the month of March. Time is of essence for everything and employee performance evaluation is no exception. Increment letters are digitised through our HRMS which is available to the employees before the start of the next fiscal year. Soon the appraisal process will also be fully digitised.

## Employee Engagement and Well-being

We strive to create a positive and supportive work environment. We offer in-house meals to ensure our employees have access to healthy and convenient dining options. Our wellness programmes includes recreational areas for various indoor games, a rooftop turf for outdoor games and a Gymnasium; all this provides a space for relaxation and rejuvenation, encouraging a healthy work-life balance. We organise and participate in various cultural and festival activities throughout the year to foster a sense of community and celebrate diversity.

## Health and Safety

Nesco prioritises investments in infrastructure, systems and a dedicated safety team to ensure the well-being of all internal and external stakeholders. We take proactive steps to create a secure environment by implementing safety protocols and utilising clear signage to mitigate various hazards. The Company also conducts training sessions for employees, outsourced security and facility management staff, equipping them to handle visitor interactions and promptly address any safety concerns.

### Zero

- Lost Time Injury Frequency Rate (LTIFR) (per one million person-hours worked)
- Total recordable work-related injuries
- No. of fatalities
- High-consequence work-related injury or ill-health (excluding fatalities)
- Complaints on Health and Safety





Social – Communities

# Sustainable Business through CSR

In our diverse sectors, we have extended our focus beyond mere profitability to prioritise social impact. We believe true success involves enriching local communities, empowering youth and uplifting rural societies.

At Nesco, our founder late Mr. J. V. Patel's strong social conscience has always emphasised the importance of giving back as integral to nation-building. Corporate accountability is deeply ingrained in our Company's foundation. His legacy continues to inspire our pioneering initiatives in education and self-sustainability, which have positively impacted thousands of lives through our schools and training institutes. These efforts unite us as one cohesive family, bound by our commitment to organised welfare initiatives.



**Our CSR governance is based on two pillars**

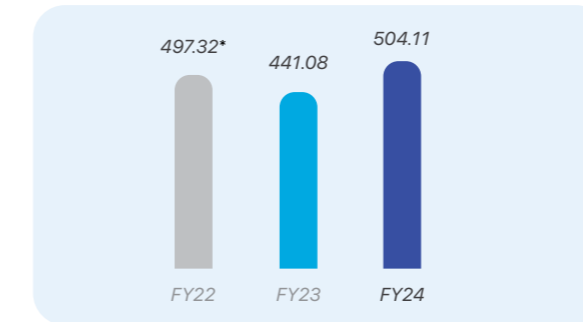
**Board of Directors**

- Approves CSR Policy and Annual Action Plan
- Reviews and ensures fund utilisation as per approved plans
- Monitors projects along with CSR Committee

**CSR Committee**

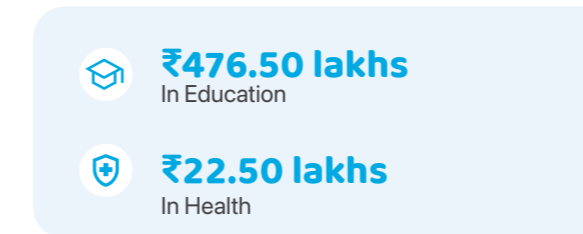
- Recommends CSR policy to the Board
- Recommends Annual Action Plan and modifications, if any to the Board
- Reviews project implementation

## Our CSR spend over the past three years (₹ In lakhs)



\* Includes an amount of ₹ 42.00 lakhs earmarked for ongoing projects transferred to Unspent account in terms of Section 135 of the Companies Act, 2013 and the Rules made thereunder.

## Our CSR focus areas and expenditure for the FY 2023-24<sup>^</sup>



<sup>^</sup> Excludes expenditure on administrative overheads.

### CSR Policy

At Nesco, we lay particular emphasis on enhancing quality of life for the community in which we live and work. Our CSR vision is based on embedded tenets of trust, care and the below keystones:

- Education
- Health
- Infrastructure
- Sanitation
- Environmental sustainability
- Overall Sustainable development of Society

### Empowering Education

**J. V. Patel Industrial Training Institute,** Karamsad, Gujarat.

Founded on 15 August 1979, the J. V. Patel Industrial Training Institute in Karamsad fills a vital vocational training gap. Initially established with a donation of five acres, the institute has expanded its programmes over the years. Its graduates are now preferred by top Indian manufacturers and multinationals.

**C. J. Patel Ladies Hostel,** Vallabh Vidyanagar, Gujarat.

Pioneered early girl child education initiatives by providing accessible accommodation. It enabled girls from nearby villages to access quality education at Vallabh Vidyanagar, breaking barriers and empowering generations of women.

**C. J. Patel English Medium School,** Karamsad, Gujarat.

Established to provide English education, follows a modern curriculum up to 12th grade under Gujarat Education Board.

**Has Over 700+ students**

**Sumant Jethabhai Patel English Medium School,** Karamsad, Gujarat.

Caters to CBSE education Board from kindergarten to 10th grade.

**Has over 550+ students**

**Sumant Jethabhai Patel English Medium School,** Tarapur, Gujarat.

Affiliated with Gujarat Education Board, offers education from kindergarten to 12th grade, fostering a balanced world view.

**Has over 450+ students**

**Sumant Jethabhai Patel English Kindergarten School,** Karamsad, Gujarat.

Affiliated with Gujarat Education Board, offers education from Nursery to Sr. KG.

**Has over 150+ students**

**Sardar Patel Memorial and Trust,** Karamsad, Gujarat.

Sardar Patel Memorial and Trust, Karamsad, Gujarat, established in memory of Sardar Patel, hosts a museum and organises educational events on 7 acres of land.

### Water Supply System – Karamsad

In Karamsad, Nesco has implemented a state-of-the-art water supply system, addressing long-standing challenges of water transportation and accessibility. This initiative has significantly improved community life by providing household water connections, fulfilling a long-awaited need in the neighbourhood.

### Healthcare Infrastructure at Karamsad, Gujarat

Recognising the urgent need for enhanced medical infrastructure in Karamsad, Nesco had partnered with Charotar Arogya Mandal to establish the region's inaugural surgical ICU. This initiative, supported by J. V. Patel and H. M. Patel, pioneers comprehensive healthcare services with nearly 1,000 beds, ensuring accessible and advanced medical care 24/7.

### CSR activities during the FY 2023-24

During the year under review Nesco partnered with reputed implementing agencies namely Ajeenkya D Y Patil University, Aga Khan Education Service, India and Dr. Vithalrao Vikhe Patil Foundation for its CSR activities in the field of Education and Health.



Governance

# Governing with Belief

At Nesco, leadership transcends mere management; it embodies a guiding principle. As our businesses expand, our leadership places increasing emphasis on translating the ethos of belief into tangible action. This governance philosophy our commitment to effective and visionary stewardship, ensuring sustainable growth and organisational excellence.

## Board of Directors



**Mr. Krishna S. Patel**  
Chairman and Managing Director



**Mrs. Sudha S. Patel**  
Non-executive and Non Independent Director R C S N



**Mr. Mahendra K. Chouhan\***  
Independent Director



**Mr. Jai S. Diwanji\***  
Independent Director



**Mr. K.S. Srinivasa Murty\***  
Independent Director



**Mr. Manu M. Parpia\***  
Independent Director



**Ms. Amrita V. Chowdhury\*\***  
Independent Director N A S



**Dr. Ramakrishnan Ramamurthi^**  
Independent Director N C S



**Mr. Manish I. Panchal^**  
Independent Director A N R



**Mr. Arun L. Todarwal#**  
Independent Director A C R

**Mr. Dipesh R. Singhania**  
Chief Financial Officer R

**Ms. Shalini D. Kamath ~**  
Company Secretary & Compliance Officer

**Statutory Auditors**  
**Manubhai & Shah LLP**  
Chartered Accountants

Notes:

\* Ceased to be Directors from the close of business hours on 31 March 2024 on completion of their second term.  
^ Appointed as Independent Directors w.e.f. 15 July 2023.  
# Appointed as Independent Director w.e.f. 13 February 2024.  
\*\* Re-appointed as Independent Director w.e.f. 14 May 2024.  
~ Appointed as Company Secretary & Compliance Officer w.e.f. 8 November 2023.  
The Board composition is as on 31 March 2024 and the Committee composition is on the date of this report.

- A Audit Committee
- N Nomination and Remuneration Committee
- C Corporate Social Responsibility Committee
- S Stakeholders Relationship Committee
- R Risk Management Committee
- Chairperson
- Member

Awards and Recognitions

# Recognised for Excellence



**Food Connoisseurs India Awards – Best Caterers of the Year (Maharashtra) 2024 – Nesco Foods**

12 February 2023  
Food Connoisseurs India

**Food Connoisseurs India Awards – Best Customer Experience in Food Court – 2023 – Nesco Foods "Indic and Daily Deli"**

15 February 2023  
Food Connoisseurs India

**Most Promising Business Leaders of Asia 2023 – Mr. Krishna S. Patel (CMD)**

21 March 2023  
The Economic Times

**Iconic Brand 2023-24 – Bombay Exhibition Center**

24 September 2023  
The Economic Times

**Promising Brand 2023-24 – Nesco Foods**

26 September 2023  
The Economic Times

**Food Connoisseurs India Awards – Best Pan Asian High – Street Kiosk – 2024 – Nesco Foods – "Zuo"**

12 February 2024  
Food Connoisseurs India

**Food Connoisseurs India Awards North India Hi-Street Kiosk – 2024 – Nesco Foods – "Indic"**

12 February 2024  
Food Connoisseurs India

**Dream Companies to Work For 2024 – Human Resources**

16 February 2024  
World HRD Congress



## REPORT OF BOARD OF DIRECTORS

Dear Members,

The Board of Directors are pleased to present herewith the 65th annual report of Nesco Limited along with the audited financial statements for the financial year ended 31 March 2024.

### 1. Financial Highlights

The table below gives the financial highlights of the Company for the year ended 31 March 2024 on audited financial statements as compared to the previous financial year.

Particulars	Audited Financial Results	
	2023-24	2022-23
Income	78,312.87	60,911.81
Profit before depreciation and tax	51,715.06	39,974.45
Depreciation	5,416.51	3,277.42
Profit Before Taxes	46,298.55	36,697.03
Tax Expenses	10,020.19	7,633.39
Net Profit after Taxes	36,278.36	29,063.64
Opening Balance of Retained Earnings	50.00	50.00
Amount available for appropriations:	36,407.65	29,109.03
<b>Appropriations:</b>		
Dividend	3,170.70	2,113.80
Transfer to General Reserve	33,186.95	26,945.23
Closing Balance of Retained Earnings	50.00	50.00
Earning Per Share (Basic) (in ₹)	51.49	41.25
Earning Per Share (Diluted) (in ₹)	51.49	41.25

### 2. Review of Operations

The revenue for FY 2023-24 was ₹ 78,312.87 lakhs, higher by 28.57% over the previous year's revenue of ₹ 60,911.81 lakhs in FY 2022-23. The Profit After Tax ("PAT") for FY 2023-24 was ₹ 36,278.36 lakhs registering a growth of 24.82% over the PAT of ₹ 29,063.64 lakhs in FY 2022-23.

During the year under review, there was no change in the nature of the Company's business. The Company continued to be debt-free and maintained sufficient cash to meet its strategic and operational requirements. The Company's working capital management is robust and involves a well-organised process, which facilitates continuous monitoring and control over receivables, inventories, and other parameters.

The performance of the Company's divisions is detailed in the Management Analysis and Discussion Report.

### 3. Declaration and Payment of Dividend

In line with the practice of returning substantial free cash flow to shareholders and based on the Company's performance, your Directors are pleased to recommend a final dividend of ₹ 6/- (300%) (₹ 4.50/- per equity share declared and paid in the previous year) per equity share of ₹ 2 each for the financial year ended 31 March 2024. The total dividend for the financial year 2023-24, would involve a total outflow of ₹ 4,227.60 lakhs.

The Dividend, as recommended by the Board of Directors, if approved by shareholders at the forthcoming AGM will be paid on or before Tuesday, 20 August 2024 to those members whose names are registered in the Register of members of the Company as on Friday, 26 July 2024 and to the beneficiary holders as per the beneficiary list as on Friday, 26 July 2024 provided by National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL").

Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the members w.e.f. 1 April 2020 and the Company is required to deduct tax at source from dividend paid to the members at prescribed rates as per the Income Tax Act, 1961.

The Register of Members and Share Transfer Books of the Company will be closed from Saturday, 27 July 2024 to Friday, 2 August 2024 (both days inclusive) for the purpose of Annual General Meeting and Dividend.

### 4. Dividend Distribution Policy

Dividend payout is in accordance with the Company's Dividend Distribution Policy. As per Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations"), the Dividend Distribution Policy is available on the Company's website at <https://www.nesco.in/resources/images/pdf/policy/dividend-distribution-policy.pdf>

### 5. Share Capital

During the year under review, there was no change in share capital of the Company.

### 6. Transfer to Reserves

The closing balance of the retained earnings of the Company for FY 2023-24, after all appropriations and adjustments was ₹ 50 lakhs.

### 7. Review of Subsidiaries

#### a. Nesco Foundation for Innovation and Development:

Nesco Foundation for Innovation and Development, the Wholly Owned Subsidiary ("WOS") of your Company has gone under voluntary liquidation pursuant to the provisions of Section 59 of Insolvency and Bankruptcy Code, 2016 read with applicable regulations of Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017 w.e.f. 20 October 2023 after seeking approval of its Board of Directors and the shareholders. Insolvency professional registered with Insolvency and Bankruptcy Board of India ("IBBI") is appointed as liquidator of this subsidiary for undertaking the liquidation process. Other formalities of liquidation are underway.

#### b. Nesco Hospitality Private Limited:

Nesco Hospitality Private Limited, erstwhile Wholly Owned Subsidiary ("WOS") of your Company had gone under voluntary liquidation pursuant to the provisions of Section 59 of Insolvency and Bankruptcy Code, 2016 and other applicable provisions read with applicable regulations of Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017 w.e.f. 17 January 2022. The final report after realisation of assets and liabilities is filed with the Registrar of Companies and Insolvency and Bankruptcy Board of India ("IBBI"). An order from National Company Law Tribunal ("NCLT") is awaited, on receipt of which the same shall be filed with the Ministry of Corporate Affairs ("MCA").

Your Company does not have any material subsidiary. There are no associates or joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013 ("the Act").

Since both the above subsidiaries are into liquidation there is no requirement for these subsidiaries for preparing its financial statements for the FY 2023-24.

### 8. Financial Statements

Your Company has adopted accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") notified by Ministry of Corporate Affairs ("MCA") and the relevant provisions of the Companies Act, 2013 and the general circulars issued by the MCA from time to time. The material accounting policies which are consistently

applied have been set out in notes to the financial statements. The annual financial statements together with the report of the auditors' thereon forms part of this annual report. Since the Company does not have any subsidiaries, joint venture companies or associates as on 31 March 2024, consolidation of accounts is not applicable to the Company.

### 9. Directors' Responsibility Statement

To the best of their knowledge and ability and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(5) of the Act that:

- In the preparation of annual accounts for the year ended 31 March 2024, the applicable accounting standards have been followed and no material departures, have been made from the same;
- They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities, if any;
- They have prepared the annual accounts on a going concern basis;
- They have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively and
- They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### 10. Management Discussion and Analysis

As required by Regulation 34(2) of the Listing Regulations, the Management Discussion and Analysis Report forms part of this annual report.

### 11. Directors and Key Managerial Personnel

As on 31 March 2024, the Board comprised of ten Directors (including two women Directors) eight of which were Non-executive Independent Directors, one Non-executive Non-independent Director and a Managing Director who is also the Chairman.

Mrs. Sudha S. Patel (DIN:00187055), Non-executive Non-independent Director, who retires by rotation at the ensuing AGM and being eligible has offered herself for re-appointment and continuation as a Director who has attained the age of (75) seventy-five years in terms of Regulation 17(1A) of the Listing Regulations. A resolution

seeking shareholders' approval for her re-appointment along with other required details forms part of the Notice.

The Board of Directors at its meetings held on:

- i. 24 May 2023 based on the recommendations of the Nomination and Remuneration Committee, approved the re-appointment of Mr. Krishna S. Patel (DIN:01519572) as the Chairman & Managing Director of the Company for a period of five years w.e.f. 1 July 2023 upto 30 June 2028 which was subsequently approved by the shareholders at the AGM held on 4 August 2023.
  - ii. 12 July 2023 based on the recommendations of the Nomination and Remuneration Committee, approved the appointment of Mr. Manu M. Parpia (DIN:00118333) as an additional and Independent Director of the Company for a second term from 15 July 2023 till 31 March 2024 which was subsequently approved by the shareholders through a Postal Ballot on 7 October 2023.
  - iii. 12 July 2023 based on the recommendations of the Nomination and Remuneration Committee, approved the appointment of Dr. Ramakrishnan Ramamurthi (DIN:00120246) and Mr. Manish I. Panchal (DIN:08431492) as additional and Independent Directors of the Company to hold office for a term of five consecutive years w.e.f. 15 July 2023 upto 14 July 2028 which was subsequently approved by the shareholders through a Postal Ballot on 7 October 2023.
  - iv. 13 February 2024 based on the recommendations of the Nomination and Remuneration Committee, approved the appointment of Mr. Arun L. Tadarwal (DIN:00020916) as an additional and Independent Director of the Company for a term of five consecutive years w.e.f. 13 February 2024 upto 12 February 2029 which was subsequently approved by the shareholders through a Postal Ballot on 21 March 2024.
  - v. 13 February 2024 based on the recommendations of the Nomination and Remuneration Committee, approved the re-appointment of Ms. Amrita V. Chowdhury (DIN:02178520) as an Independent Director of the Company for a second term of five consecutive years w.e.f. 14 May 2024 upto 13 May 2029 which was subsequently approved by the shareholders through a Postal Ballot on 21 March 2024.
- Mr. Mahendra K. Chouhan, Mr. Jai S. Diwanji, Mr. K.S. Srinivasa Murty and Mr. Manu M. Parpia ceased to be Directors of the Company from the close of business hours on 31 March 2024, pursuant to completion of their second term as Independent Directors of the Company. The ability of the Independent Directors to foster a collaborative and supportive environment has created a Board culture that was not only productive but was also deeply enriching. The Board places on record its appreciation for the substantial contributions made by these Directors.

In the opinion of the Board, all the Independent Directors are persons of integrity, fulfill requisite conditions as per applicable laws and are independent of the management of the Company.

Pursuant to the provisions of Section 149 of the Act, the Independent Directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations. The Directors have further confirmed that they are not debarred from holding office of Director under any SEBI order or any such other authority. The Independent Directors of the Company have undertaken requisite steps towards the inclusion of their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

During the year there has been no change in the circumstances affecting their status as Independent Directors of the Company. During the year under review, the Non-executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than receiving dividend on shares if any held by them, sitting fees for attending the Board and Committee meetings, and reimbursement of expenses, if any.

## 12. Key Managerial Personnel

Ms. Jinal J. Shah has resigned as the Company Secretary & Compliance Officer of the Company w.e.f. 18 August 2023 and Ms. Shalini Kamath was appointed as the Company Secretary & Compliance Officer of the Company w.e.f. 8 November 2023.

Pursuant to the provisions of Section 203 of the Act, Mr. Krishna S. Patel, Chairman & Managing Director, Mr. Dipesh R. Singhania, Chief Financial Officer and Ms. Shalini Kamath, Company Secretary & Compliance Officer are the Key Managerial Personnel ("KMP") of the Company as on 31 March 2024.

## 13. Number of meetings of the Board

During the year under review, five meetings of the Board were held, the details of which are given in the Corporate Governance Report which forms part of this annual report. The maximum interval between any two meetings did not exceed one hundred and twenty days, as prescribed by the Act and the Listing Regulations.

## 14. Committees of the Board

The Committees of the Board focus on certain specific areas and make informed decisions in line with the delegated authority. The Board has constituted five committees namely Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders' Relationship Committee and Risk Management Committee. All the recommendations

made by these Committees were accepted by the Board. Details of Committees, their composition, meetings held and attended by members, including their reconstitution post the change in the Board of Directors are provided in the Corporate Governance Report forming part of this annual report.

## 15. Board Evaluation

In terms of the provisions of the Act, the Rules made thereunder, Listing Regulations and the Nomination and Remuneration Policy of the Company, the Board of Directors have carried out an annual performance evaluation of its own performance, Board Committees and individual Directors.

In terms of the Nomination and Remuneration Policy of the Company, the Board of Directors at its meeting held on 13 February 2024 evaluated the performance of the Board, after seeking inputs from all the Directors based on a structured questionnaire containing criteria such as the Board composition and structure, effectiveness of Board processes, information, functioning, etc. The performance of the individual Directors was based on criteria such as the contribution of the individual Director to the Board and Committee meetings, preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members based on criteria such as the composition of Committees, effectiveness of Committee Meetings, their contributions, recommendations to the Board, etc.

The above structured criteria were broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India and The Institute of Company Secretaries of India.

The Independent Directors at their separate meeting, reviewed the performance of Non-independent Directors and the Board as a whole, Chairperson of the Company after considering the views of the Non-executive Directors, the quality, quantity and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The performance was thereafter rated based on the criteria's set by the Nomination and Remuneration Committee. The overall performance evaluation exercise was completed to the satisfaction of the Board. The Board of Directors deliberated on the outcome and agreed to take necessary steps going forward.

## 16. Familiarisation Programme for Independent Directors

All Independent Directors are familiarised with the operations and functioning of the Company at the time of their appointment and on an ongoing basis. Refer to the paragraph on Familiarisation Programme in the Corporate Governance Report.

## 17. Nomination and Remuneration Policy

The Board, on the recommendation of the Nomination and Remuneration Committee ("NRC"), has adopted a policy for the selection, appointment of Directors, Key Managerial Personnel, Senior Management Personnel and other employees of the Company.

The Policy is available on the Company's website at <https://www.nesco.in/resources/images/pdf/policy/nomination-and-remuneration-policy.pdf>

The NRC Policy provides details of the procedures and criteria for appointment and payment of remuneration to Directors, Key Managerial Personnel, Senior Management Personnel, and other employees of the Company. The salient features of the Policy is as under:

### Whole Time Directors

The NRC shall be responsible for identifying suitable persons for appointment/re-appointment of the Directors of the Company. The proposed persons shall possess appropriate expertise, experience, and knowledge in one or more fields of business of the Company, finance, law, management, sales, marketing, administration, real estate, Corporate Social Responsibility, Corporate Governance, or such other areas related to the Company's business as determined by the NRC. The Company pays remuneration by way of salary, perquisites and allowances (fixed component) and commission (variable components wherever applicable as per terms of appointment) to its Whole Time Director. Salary is paid based on the recommendations of the Nomination and Remuneration Committee and as approved by the Board of Directors, subject to the approval of the shareholders within the limits stipulated under the Act and the Rules made thereunder. The remuneration paid to the Whole Time Director is determined keeping in view the industry benchmark and the relative performance of the Company compared to the industry performance.

### Non-executive Directors

Non-executive Directors receive sitting fees for attending meetings of the Board and its Committees as per the provisions of the Act and the Rules made thereunder. Besides payment of sitting fees and dividends on equity shares, if any, held by the Non-executive Directors, no other remuneration or payments are made to them.

### Key Managerial Personnel (KMPs other than Executive Director)

The Managing Director shall be responsible for identifying suitable persons for the position of Key Managerial Personnel i.e. Chief Financial Officer and Company Secretary. While evaluating a persons for appointment as Key Managerial Personnel, factors such as competence, integrity, qualifications, expertise, skills, and experience shall be taken into consideration.

The remuneration of KMP other than the Executive Director largely consists of basic salary, perquisites, allowances and variable pay.



Perquisites and retirement benefits are paid according to the Company's policy. The NRC reviews the performance of the KMPs annually and recommends their increments for approval of the Board. Company while deciding the remuneration package also takes into consideration the expertise contributed by the KMP, current employment scenario and remuneration package prevalent in the industry and peer group companies.

#### Senior Management Personnel ("SMP")

The Managing Director reviews the performance of the SMPs and recommends the same for the approval of the NRC who thereafter recommends the same for approval of the Board. While deciding the remuneration package the Company also takes into consideration the current employment scenario and remuneration package prevalent in the industry and peer group companies.

#### Other employees

The appointment and remuneration including revision in remuneration of other employees shall be decided by the Human Resources Department in consultation with the matrix manager within the overall framework of compensation and appraisal practices of the Company and under the overall authority of the Managing Director.

### 18. Corporate Social Responsibility ("CSR")

Your Company's CSR initiatives and activities are aligned to the requirements of Section 135 of the Act and the Rules made thereunder. A brief outline on the initiatives undertaken by the Company on CSR activities during the year are set out in Annexure A of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

During the FY 2023-24, the Company has spent ₹ 504.11 lakhs towards CSR expenditure, in terms of the CSR annual action plan approved by the CSR Committee and the Board of Directors, from time to time. The CSR initiatives of the Company were under the thrust areas of education and health.

The CSR Policy is available on the Company's website at <https://www.nesco.in/resources/images/pdf/policy/CSR-policy.pdf>. For other details regarding the CSR Committee please refer to the Corporate Governance Report, which is a part of this annual report.

### 19. Internal financial control systems and their adequacy

Internal controls are the backbone of governance. The Company has in place systems, policies and procedures for ensuring efficient conduct of its business, prevention and detection of frauds and errors with remedial measures and safeguard of the Company's assets. These financial controls also ensure the accuracy and completeness of the accounting records and the timely preparation of reliable financial statements as per the regulatory requirements.

The monitoring of these controls is undertaken by the Audit Committee through periodic management reviews and discussions with the Group Risk Committee members. The internal auditor conducts independent audits of various risk areas as per pre-approved internal audit plans. A section on internal control is included in the Management Discussion and Analysis Report forming part of this annual report.

### 20. Material changes and commitment, if any, affecting the financial position of the Company from the end of the financial year till the date of this Report

There were no material changes and commitment affecting the financial position of the Company from the end of the financial year till the date of this report. There has been no change in the nature of business of your Company.

### 21. Statutory auditors and audit report

M/s. Manubhai & Shah LLP, Chartered Accountants Firm Registration No.: 106041W/W100136), were re-appointed as statutory auditors of the Company to hold office for a second term from the conclusion of the 60th AGM (held on 5 August 2019) upto the conclusion of the 65th AGM (to be held on 2 August 2024). As per the provisions of the Act and the Rules made thereunder no listed company shall appoint an audit firm (including its affiliate firms) as auditors for more than two terms of five consecutive years. M/s. Manubhai & Shah LLP, Chartered Accountants, will complete their second term at the conclusion of the forthcoming 65th AGM. The Board places its appreciation for the services rendered by the retiring auditors during their term as the statutory auditors of the Company.

Pursuant to Section 139 of the Act, and on the recommendation of the Audit Committee, it is now proposed to appoint, M/s. S G D G & Associates LLP ("S G D G") Chartered Accountants (Firm Registration No.: W100188), as statutory auditors of the Company for a term of five consecutive years from the conclusion of the 65th AGM till the conclusion of the 70th AGM at such remuneration as may be determined by the Board of Directors and the said auditors from time to time on the recommendation of the Audit Committee.

After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company based on the recommendation of the Audit Committee has proposed the appointment of S G D G as the statutory auditors of the Company. S G D G have consented to their appointment as the statutory auditors and have confirmed that the appointment if made, would be within the limits specified under Section 141(3)(g) of the Act and that they are not disqualified to be appointed as the statutory auditors in terms of the provisions of Section 139 and 141 of the Act and the Rules framed thereunder. The Company has received the willingness, eligibility, and peer review certificate from the proposed statutory auditors.

A brief profile of the said auditors and other information required for their appointment is forming part of the Notice of the 65th AGM and the Board recommends seeking consent of its members at the ensuing AGM for appointment of the said auditors.

The report given by the retiring auditors M/s. Manubhai & Shah LLP, on the financial statements of your Company for the financial year ended 31 March 2024 is part of the annual report. The notes on the audited financial statements referred to in the Auditors' Report are self-explanatory and do not call for any comments. The Auditors' Report does not contain qualifications, reservations, adverse remarks or disclaimers.

The auditors have issued an unmodified opinion on the audited financial statements for the financial year ended 31 March 2024. During the year under review, the auditors have not reported any matter under Section 143(12) of the Act and therefore no details are disclosed under Section 134(3)(ca) of the Act.

### 22. Cost auditors and audit report

Your Company is required to make and maintain cost records as specified by the Central Government under sub-section (1) of Section 148 of the Act. Accordingly, your Company has been making and maintaining such cost records as per the requirements. In terms of Section 148 of the Act read with Companies (Cost Records and Audits) Rules, 2014, the Audit Committee recommended and the Board of Directors has appointed M/s. Y.S. Thakar & Co., Cost Accountants, (Firm Registration No. 000318) being eligible, as cost auditors of the Company, to carry out the cost audit of the products manufactured by the Company in relation to the financial year ending 31 March 2025 for its Indabrator division at Gujarat. Your Company has received their written consent that the appointment is in accordance with the applicable provisions of the Act and Rules framed thereunder. The cost auditors have confirmed they are not disqualified to be appointed as the cost auditors of your Company for the year ending 31 March 2025. The remuneration of cost auditors has been approved by the Board of Directors on the recommendation of the Audit Committee. In terms of the Act and Rules made thereunder, the requisite resolution for ratification of remuneration of the cost auditors by the members has been set out in the Notice of the 65th AGM of your Company. In the opinion of the Directors, considering the limited scope of audit, the proposed remuneration payable to the cost auditors would be reasonable, fair and commensurate with the scope of work carried out by them. The cost audit report for the year ended 31 March 2023 was filed with the Ministry of Corporate Affairs on 19 June 2023.

The cost Auditors' Report does not contain any qualifications, reservations, adverse remarks, or disclaimers. During the year under review, the cost auditors have not reported any matter under Section 143(12) of the Act, and therefore no details are disclosed under Section 134(3)(ca) of the Act.

### 23. Secretarial auditor and audit report

The secretarial audit for the financial year ended 31 March 2024 was carried out by Ms. Neeta H Desai (COP No. 4741) of M/s. ND & Associates, Practising Company Secretary. The report given by the secretarial auditor is set as Annexure B and forms an integral part of this report. The secretarial audit report does not contain any qualifications, reservations, adverse remarks, or disclaimers except for their observation which is self-explanatory and detailed in the secretarial audit report.

During the year, the secretarial auditor has not reported any matter under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act. In terms of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors have appointed Ms. Neeta H. Desai of ND & Associates, Practising Company Secretary as the secretarial auditor of the Company for the financial year ending 31 March 2025. Your Company has received her written consent that the appointment is in accordance with the applicable provisions of the Act and Rules framed thereunder. The secretarial auditor has confirmed that she is not disqualified to be appointed as the secretarial auditor of the Company for the financial year ending 31 March 2025 and also holds the peer review certificate.

### 24. Risk Management

The objective of the Risk Management process in the Company is to enable value creation in an uncertain environment, promote good governance, address stakeholder expectations proactively, and improve organisational resilience and sustainable growth. Your Company has developed and implemented a Risk Management Policy. The Board of Directors of the Company has constituted a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Board has set the terms of reference on the basis of which the Committee functions and is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in financial risks and controls. In the opinion of the Board of Directors during the year, there were no elements of risks identified which may threaten the existence of the Company. Details of the constitution of the Risk Management Committee are given in the Corporate Governance Report. A section on Risk Management practices of the Company is included in the Management Discussion and Analysis Report, which forms part of this annual report.

### 25. Whistle Blower Policy and Vigil Mechanism

Your Company has zero tolerance for any form of unethical conduct or behaviour and it adheres to uncompromising integrity in the conduct of its business. The Company has in place a Whistle Blower Policy through which its Stakeholders, Directors, and Employees can report genuine concerns about unethical behaviour and actual

or suspected fraud or violation of the Company's Code of Business Conduct and Ethics. The Policy provides for adequate safeguards against victimisation of Director(s)/ Employee(s) who may avail redressal mechanism as stipulated under the Policy. It also provides for direct access to the Chairman of the Audit Committee as may be applicable. It is affirmed that no person has been denied access to the Audit Committee. The e-mail id for reporting genuine concerns is [whistleblower@nesco.in](mailto:whistleblower@nesco.in)

This Policy is available on the website of the Company at <https://www.nesco.in/resources/images/pdf/policy/whistle-blower-policy.pdf> and also is posted on the intranet of the Company. During the year, an awareness session was conducted for the employees on the said Policy.

## 26. Particulars of Loans, Guarantees, and Investments

Details of Loans, Guarantees, and Investments covered under the provisions of Section 186 of the Act are given in the notes to the financial statements.

## 27. Related Party Transactions

During the year under review, prior approval of the Audit Committee and Board of Directors was sought for Related Party Transactions ("RPTs") wherever required. The RPTs entered by the Company with the related parties were on arm's length basis and in ordinary course of business. Except to the extent of the shares held in the Company, the remuneration and sitting fees paid to the Directors of the Company, none of the Directors and Key Managerial Personnel have any material pecuniary relationship *vis-à-vis* the Company. The details of the RPTs as per Ind AS-24 on Related Party Disclosures are set out in Note no. 42 to the audited financial statements of the Company.

There are no materially significant related party transactions that may have potential conflict with the interest of the Company at large. None of the transactions with related parties fall under the scope of Section 188(1) of the Act. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company for FY 2023-24 and hence does not form part of this report. The Policy on Related Party Transactions as approved by the Board is uploaded on the Company's website and the weblink is <https://www.nesco.in/resources/images/pdf/policy/policy-on-related-party-transactions.pdf>

## 28. Significant and material orders passed by the regulators/courts/tribunals

During the year under review no significant or material orders were passed by the regulators or courts or tribunals which has impact on the Company's going concern status and its operations in the future.

## 29. Compliance with Secretarial Standards

During the FY 2023-24, the Company has complied with the Secretarial Standards on meetings of the Board of Directors

and general meetings issued by the Institute of Company Secretaries of India.

## 30. Corporate Governance

As required under Regulation 34 of the Listing Regulations, a Report on Corporate Governance along with a certificate of compliance from the auditors' forms part of the annual report.

## 31. Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

The particulars of Energy Conservation, Technology Absorption, and Foreign Exchange Earnings and Outgo as prescribed under Section 134(3)(m) of the Act and Rules made thereunder are set out in Annexure C to this report.

## 32. Particulars of Employees and related disclosures

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended, are annexed as Annexure D to this report.

In terms of the provisions of Section 197(12) of the Act and Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended, details of employee's remuneration form part of this report. However, as per the provisions of Sections 134 and 136 of the Act, the annual report and financial statements are being sent to the members and others entitled thereto, excluding the information on employees' particulars. Any member interested in obtaining a copy of the same may write to the Company Secretary at [companysecretary@nesco.in](mailto:companysecretary@nesco.in)

## 33. Annual Return

The annual return of the Company for the financial year ended 31 March 2024 in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014 is available on the website of the Company at <https://www.nesco.in/financials> Refer the section annual reports-annual return.

## 34. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder. An Internal Complaints Committee ("ICC") has been setup to redress complaints received regarding sexual harassment. The Policy has set guidelines on the redressal and inquiry process that is to be followed by complainants and the ICC whilst dealing with issues

related to sexual harassment at the workplace. All women employees (permanent, temporary, contractual and trainees) are covered under this Policy. The Policy also provides for the requisite checks, balances and safeguards to ensure that no employee is victimised or harassed for reporting and bringing up such incidents in the interest of the Company. The ICC has not received any complaints during the financial year.

This Policy is available on the website of the Company at <https://www.nesco.in/resources/images/pdf/policy/policy-on-sexual-harrassment-at-workplace.pdf>. The same is also available on the intranet of the Company. During the year, an awareness session was conducted for the employees on the said Policy.

## 35. Business Responsibility and Sustainability Report

In terms of Regulation 34 of the Listing Regulations read with relevant SEBI Circulars, new reporting requirements on ESG parameters were prescribed under the Business Responsibility and Sustainability Report ("BRSR"). The BRSR seeks disclosure on the performance of the Company against nine principles of the National Guidelines on Responsible Business Conduct ("NGRBC"). As per the SEBI Circulars, effective from the FY 2022-23, filing of BRSR is mandatory for the top 1000 listed companies by market capitalisation and forms an integral part of this report.

## 36. Credit Rating

The Company continues to remain debt free. There was no requirement to avail credit rating from any agencies for the year under review.

## 37. Human Resources

Please refer to the paragraph on Human Resources and Industrial Relations in the Management Discussion and Analysis section.

## 38. General disclosures

During the year, there were no transaction requiring disclosure or reporting in respect of matters relating to: (a) details relating to deposits covered under Chapter V of the Act; (b) issue of equity shares with differential rights as to dividend, voting or otherwise; (c) raising of funds through preferential allotment or qualified institutions placement; (d) pendency of any proceeding under the Insolvency and Bankruptcy Code, 2016 and (e) instance of one-time settlement with any bank or financial institution.

## 39. Acknowledgement

Your Directors wish to convey their appreciation for the support extended by its customers, bankers, employees, government agencies, suppliers, shareholders' and all others associated with the Company as its business partners.

For and on behalf of the Board of Directors,

Mumbai  
20 May 2024

**Krishna S. Patel**  
Chairman and Managing Director  
DIN: 01519572



## ANNEXURE A

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ("CSR") ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

Pursuant to Section 135 of the Companies Act, 2013 ("the Act") read with the Companies  
(Corporate Social Responsibility Policy) Rules, 2014

### 1. Brief outline on CSR Policy of the Company:

At Nesco, we lay particular emphasis on enhancing quality of life for the community in which we live and work. Our CSR vision is based on embedded tenets of trust, care and the below keystones:

1. Education
2. Health
3. Infrastructure
4. Sanitation
5. Environmental sustainability
6. Overall sustainable development of society

The projects undertaken by the Company are within the broad framework of Schedule VII of the Companies Act, 2013 and the Rules made thereunder. The Company's CSR initiatives has played pivotal role in improving the lives of the communities and society at large in and around our operations with an objective to energise, involve and enable them to realise their potential. This has also enabled us to fulfil our commitment to be a socially responsible corporate citizen.

### 2. Composition of CSR Committee:

Sr. No.	Name of Members	Nature of Directorship	No. of Committee Meetings held and attended during the FY 2023-24	
			Held	Attended
1.	Mrs. Sudha S. Patel	Non-executive Non-independent Director (Chairperson)	1	1
2.	Mr. Krishna S. Patel	Chairman & Managing Director (Member)	1	1
3.	Mr. Mahendra K. Chouhan*	Non-executive Independent Director (Member)	1	1
4.	Mr. Jai S. Diwanji*	Non-executive Independent Director (Member)	1	1

\* ceased to be members of the CSR Committee post completion of their second term as Independent Directors of the Company from the close of business hours on 31 March 2024.

w.e.f. 1 April 2024, the CSR Committee is reconstituted by the Board of Directors with Mrs. Sudha S. Patel as the Chairperson, Mr. Arun L. Todorwal (Independent Director) and Dr. Ramakrishnan Ramamurthi (Independent Director), as the members of the Committee.

### 3. Web-links where composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company:

Particulars	Weblink
CSR Committee	<a href="https://www.nesco.in/Corporate%20Social%20Responsibility%20Committee.pdf">https://www.nesco.in/Corporate%20Social%20Responsibility%20Committee.pdf</a>
CSR Policy	<a href="https://www.nesco.in/CSR%20policy.pdf">https://www.nesco.in/CSR%20policy.pdf</a>
CSR Projects	<a href="https://www.nesco.in/resources/images/pdf/CSR-annual-action-plan%20for-FY-2023-24.pdf">https://www.nesco.in/resources/images/pdf/CSR-annual-action-plan%20for-FY-2023-24.pdf</a>

### 4. Executive summary along with web-links of Reports of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:

Impact Assessment is not applicable to the Company.

Sr. No.	Particulars	₹ in lakhs
(a)	Average net profit of the Company as per Section 135(5) of the Act	25,060.34
(b)	Two percent of average net profit of the Company as per Section 135(5) of the Act	501.21
(c)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	0.00
(d)	Amount required to be set off for the financial year, if any	0.00
(e)	Total CSR obligation for the financial year 5(b)+5(c)-5(d)	501.21

Sr. No.	Particulars	₹ in lakhs
(a)	Amount spent on CSR Projects (both ongoing projects and other than ongoing projects)	499.00
(b)	Amount spent in administrative overheads	5.11
(c)	Amount spent on impact assessment, if applicable	Not Applicable
(d)	Total amount spent for the financial year 6(a)+6(b)+6(c)	504.11

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the financial year	Amount unspent (₹ in lakhs)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6) of the Act		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5) of the Act		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
504.11	-	-	-	-	-

(f) Excess amount for set off, if any:

Sr. No.	Particulars	₹ in lakhs
(a)	Two percent of average net profit of the Company as per section 135(5) of the Act	501.21
(b)	Total amount spent for the financial year	504.11
(c)	Excess amount spent for the financial year [(b)-(a)]	2.90
(d)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(e)	Amount available for set off in succeeding financial years [(c)-(d)]	2.90

### 7. Details of Unspent CSR amount for the preceding three financial years: ₹ in lakhs

Sr. No.	Preceding financial year	Amount transferred to Unspent CSR Account under section 135 (6) of the Act	Balance Amount in Unspent CSR Account under section 135 (6) of the Act as on 1 April 2023	Amount spent in the Reporting Financial Year	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining as on 31 March 2024 to be spent in the succeeding financial years	Deficiency
					Name of the Fund	Amount	Date of transfer		
(a)	2021-22	42.00	33.61	18.34	-	-	15.27	-	
	<b>Total</b>	<b>42.00</b>	<b>33.61</b>	<b>18.34</b>	-	-	<b>15.27</b>	-	

### 8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year: No

### 9. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per section 135(5) of the Act: Not Applicable

**Sudha S. Patel**

Chairperson of CSR Committee  
DIN: 00187055

20 May 2024  
Mumbai

**Krishna S. Patel**

Chairman and Managing Director  
DIN: 01519572

## ANNEXURE B

## Form No. MR-3 SECRETARIAL AUDIT REPORT

### FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014

To,  
The Members  
Nesco Limited  
Nesco Center  
Western Express Highway  
Goregaon (East)  
Mumbai - 400063

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Nesco Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our electronic and physical verification of the Nesco Limited's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives physically and electronically during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31 March 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined physically and electronically the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the financial year ended on 31 March 2024 according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (**External Commercial Borrowings and Overseas Direct Investment are not applicable to the Company during the Audit Period**)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") as amended from time to time:

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (**Not applicable to the Company during the Audit period**)
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021; (**Not applicable to the Company during the Audit period**)
- (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;
- (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (**Not applicable to the Company during the Audit period**)
- (g) The Securities and Exchange Board of India (Issue and Listing of Non Convertible Securities) Regulations, 2021; (**Not applicable to the Company during the Audit period**)
- (h) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (**Not applicable to the Company during the Audit period**)
- (vi) The management has identified and confirmed the following laws being specifically applicable to the Company:
  - (a) Factories Act, 1948 and the Central Rules or concerned State Rules, made thereunder;
  - (b) Environment Protection Act, 1986 and Rules made thereunder;
  - (c) Electricity Act, 2003;
  - (d) The Noise Pollution (Regulation and Control) Rules, 2000;
  - (e) Water (Prevention & Control of Pollution) Act, 1974 and Rules thereunder;
  - (f) Air (Prevention & Control of Pollution) Act, 1981 and Rules thereunder;

- (g) The Foods Safety and Standards Act, 2006;
- (h) The Trademarks Act, 1999; and
- (i) Applicable Municipal/Panchayat Laws

We have also examined compliance with the applicable clauses of the following:

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board (SS-1) and general meetings (SS-2) and
- (b) The provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR").

During the period under review and as per the explanations/representation made by the management, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc., mentioned above except as under:

Due to clerical error, the Company omitted to note that Mr. Manu M. Parpia's term as an Independent Director ended on 9 May 2022, and he continued to serve on the Board of Directors and Audit Committee for more than one year even after cessation of his tenure. Upon this fact coming to the Company's knowledge in May 2023, it immediately took corrective measures including disclosure. The Company thereafter appointed Mr. Manu M. Parpia as an Independent Director for a second term from 15 July 2023 upto 31 March 2024 which was duly approved by the shareholders on 7 October 2023. The Audit Committee Chairman received an administrative warning letter from SEBI dated 31 January 2024 mentioning violation under Regulation 25(9) of LODR Regulations read with Section 149(10) of Companies Act, 2013 in relation to the Committee's failure to review the adequacy of the internal control systems which should have prevented the lapse of the Company in re-appointing Mr. Manu M. Parpia as an Independent Director of the Company. The said letter received from SEBI is already disclosed by the Company to the exchanges under Regulation 30 of the Listing Regulations.

We have relied on the representation made by the Company and its officers for systems and mechanisms formed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company.

#### We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-executive Directors and Independent Directors. The changes in the composition of the Board of Directors during the period under review were carried out in compliance with the provisions of the Act and the Listing Regulations.

Adequate notice is given to all Directors to schedule the Board meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda

items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through, while the dissenting members views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations, to monitor and ensure compliance with all the applicable Laws, Rules, Regulations and Guidelines.

We further report that during the review period, the following events have taken place which has a major bearing on the Company's affairs in pursuance of the above referred Act, Laws, Rules, Regulations, Guidelines, Standards, etc.

- (a) Mr. Mahendra K. Chouhan, Mr. Jai S. Diwanji and Mr. Srinivasa Murthy Sessa Kuruganti ceased to be Independent Directors of the Company post completion of their second term on the close of business hours on 31 March 2024.
- (b) Dr. Ramakrishnan Ramamurthi and Mr. Manish I. Panchal were appointed as Independent Directors of the Company for a term of five consecutive years w.e.f. 15 July 2023 upto 14 July 2028 duly approved by the shareholders vide Postal Ballot on 7 October 2023.
- (c) Mr. Manu M. Parpia was appointed as an Independent Director of the Company for a second term w.e.f. 15 July 2023 upto 31 March 2024 duly approved by the shareholders vide Postal Ballot on 7 October 2023 thereafter which he ceased to be an Independent Director on the close of business hours on 31 March 2024.
- (d) Mr. Arun L. Tadarwal was appointed as an Independent Director of the Company for a term of five consecutive years w.e.f. 13 February 2024 upto 12 February 2029 duly approved by the shareholders vide Postal Ballot on 21 March 2024.
- (e) The Company's wholly owned subsidiary Nesco Foundation for Innovation and Development has made an application for Voluntary winding up pursuant to the provisions of Section 59 of Insolvency and Bankruptcy Code, 2016 and other applicable provisions and statutes read with applicable provisions of Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017. Mr. Dinesh Kumar Deora is appointed as a Liquidator and the process of Liquidation is on.

Further, our report of even dated to be read along with the following clarifications:

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.



2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed, provide a reasonable basis of my opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of Laws and Regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, and Standards are

the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For ND & Associates  
(Peer Reviewed)

**Neeta H. Desai**  
Practising Company Secretary  
COP No. 4741  
UDIN: F003262F000401616

Place: Mumbai  
Date: 20 May 2024

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Pursuant to Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014

Nesco as a responsible corporate citizen, is committed to adopt energy conservation measures to continuously enhance energy efficiency by adopting suitable practices and use of energy efficient equipment and technologies. It aims to reduce the negative impact on the environment by identifying ways to optimise resource consumption in its operations. The Company has taken efficient efforts to conserve its energy, finding alternate sources of energy and improving its waste and water management.

The green cover at Nesco Goregaon (East), Mumbai was increased to 1,500+ trees. It continues its efforts in increasing the planting of trees annually. Thus, helping in reducing carbon footprints in and around the surrounding areas.

Nesco IT Park (Tower 3 and 4) is IGBC LEED India (core and shell) rating system- Platinum Certified. The green initiative has resulted in responsible material selection, reduction of water uses and energy efficient designs.

### (A) Conservation of energy:

#### i. The steps taken or impact on conservation of energy:

- IT Park Tower 4: Installed 37 Nos. of timer based solar streetlights as an energy saving and green energy initiative.
- In Bombay Exhibition Center (BEC), timer and motion sensor-based lights were installed in the plant rooms and external areas which resulted into energy and cost savings.
- Replaced plant room Halogen (1000W) streetlights with LED (200W) which helped in substantial savings in energy and cost.

#### ii. The steps taken by the Company for utilising alternate sources of energy:

- 100% Green Energy being utilised for electricity at Nesco's IT Park (Tower 3 and 4).
- Consistency in approaching the organisers to take green energy at BEC.

Green energy plays a key role in the energy transition due to its low environmental impact. "Green" energy is a clean energy unlike fossil fuels, which is non-polluting and comes from 100% renewable sources, meaning it does not harm the environment and is more sustainable.

- Solar energy being utilised for streetlights at IT Park.

- Emergency power supply sources (UPS and DG) are available to avoid power supply interruption to critical equipment.

#### iii. The capital investment on energy conservation equipments: Nil

### (B) Technology absorption:

#### i. The efforts made towards technology absorption:

1. Automation of water misting technology for chillers implemented at BEC to increase cooling impact which helps in reducing energy consumption.
2. Fire suppression gas detection system installed for critical electrical panels and kitchen as auto fire detection and fighting systems ensures safety.
3. STP Plant real time monitoring system is in place for operations and treated water thus leading to water and energy savings.
4. Nesco has efficient building envelope-façade system in place.
5. Installed glass façade combination of fire rated aluminum panel based and double-glazed unitised system of super low capital E rated glass with Argon Fill which is weather and fireproof.
6. Installed IOT for the automation of overhead flushing water tank.
7. Dimmer control for lobby lighting which helps in reducing energy consumption.
8. Timers and motions sensors lights installed in IT Park and BEC external areas.
9. Electric Vehicle charging station (Fast DC Charger) installed at IT park and BEC in OPEX model as value-added facility for the employees.

#### ii. The benefits derived like product improvement, cost reduction, product development or import substitution:

1. Optimal energy efficiency as CTI (Cooling Technology Institute) certified cooling tower installed have superior thermal performance.
2. Reduction in the water wastage as irrigation system is used for gardening.
3. Low flow plumbing fixtures (utilisation of aerators in washroom taps).

4. STP to treat sludge and reuse the same for water conservation and sustainability.
5. Switch gears replaced to avoid downtime and operational challenges.
6. Ductable Air Conditioning (AC) replaced with Split AC to ensure energy savings and efficient use of electricity in HVAC System.

### (C) Foreign exchange earnings and Outgo:

The Company's foreign exchange earnings during the year was ₹ 231.30 lakhs and outgo during the year was ₹ 166.56 lakhs.

For and on behalf of the Board of Directors,

**Krishna S. Patel**

Chairman and Managing Director  
DIN: 01519572

### iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

Mumbai  
20 May 2024

The Company has not imported any technology during the last three years.

## ANNEXURE D

### STATEMENT OF DISCLOSURE OF REMUNERATION

Pursuant to Section 197 of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

#### a. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2023-24:

Name of the Director	Ratio to median remuneration
Mr. Krishna S. Patel (Chairman & Managing Director)	385.38

The Non-executive Independent Directors were only paid sitting fees during the year for attending meetings of the Board and Committees thereof. The principles governing increase in the remuneration of Executive Director and increase in sitting fees payable to Non-executive Directors are as within the statutory provisions. Further, the amount of sitting fees received by a Non-executive Director depends on (a) amount of sitting fee fixed by the Board for meetings of the Board and its Committees, and (b) number of meetings of the Board and Committees attended by the Director. Therefore, the information as to ratio of sitting fees paid to the median remuneration of employees and percentage increase in remuneration of Non-executive Directors is not relevant and hence their ratios are not provided.

#### b. Percentage increase/(decrease) in the remuneration of each Director, Chief Financial Officer and Company Secretary or Manager during the financial year 2023-24:

Name of Key Managerial Personnel	% increase/(decrease)
Mr. Krishna S. Patel, Chairman & Managing Director <sup>@</sup>	155.74 <sup>^</sup>
Mr. Dipesh R. Singhania, Chief Financial Officer	5.00
Ms. Jinal J. Shah, Company Secretary & Compliance Officer <sup>*</sup>	-
Ms. Shalini Kamath, Company Secretary & Compliance Officer <sup>**</sup>	-

<sup>@</sup> Commission for CMD for FY 2023-24 shall be paid in FY 2024-25.

<sup>^</sup> Increase is mainly on account of higher commission.

<sup>\*</sup> Resigned w.e.f. 18 August 2023 hence comparable figure is not provided.

<sup>\*\*</sup> Was appointed w.e.f. 8 November 2023 hence comparable figure is not provided.

#### c. The percentage increase in the median remuneration of employees during the financial year 2023-24: 10.39%

#### d. The number of permanent employees on the rolls of the Company as on 31 March 2024: 220

#### e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average increase in remuneration of managerial personnel (consists of KMPs) is 137.83%<sup>^</sup> and the increase for employees other than managerial personnel is 11.79%.

<sup>^</sup>mainly on account of increase in commission to CMD.

#### f. Affirmation that the remuneration is as per the remuneration policy of the Company: Yes

For and on behalf of the Board of Directors,

**Krishna S. Patel**

Chairman and Managing Director  
DIN: 01519572

Mumbai  
20 May 2024



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### Economic Overview

#### Indian Economy

Amidst a stable global environment, the Indian economy registered a sturdy growth rate of 7.6% in FY 2023-24, surpassing the growth rates of both developed and developing nations. The resilience of the domestic economic structure is highlighted by a variety of high-frequency indicators. Goods and Services Tax collections soared to ₹1.8 lakh crores, demonstrating a year-on-year increase of 11.5%, as on 31 March 2024.

#### Outlook

The Reserve Bank of India has chosen to uphold its GDP growth forecast above 7.0% for the fiscal year 2024-25. The nation's economy is being driven by domestic consumption, a shift to renewable energy, enhanced trade policies, infrastructure investments, and ongoing digitalisation. With strategic reforms underway, India is poised for enduring economic advancement. The infrastructure sector in India is on the cusp of unprecedented expansion, propelled by government initiatives and a surge in investments.

#### About us

We have evolved from a prominent engineering firm in India to a diversified conglomerate, taking bold and creative steps over the decades. Our expansion into diverse business verticals such as realty, exhibitions, events, and hospitality fuels our growth, as we witness numerous new ideas taking shape. Each strategic move has not only enriched our Company and employees but also positively impacted the communities we serve.

Our Businesses				
Exhibitions	Events	Hospitality	Real Estate	Engineering

#### Exhibitions – A confluence of business and cultures

Established in 1991, the Bombay Exhibition Center (“BEC”) reflects belief and opportunity. Bringing over millions of ideas to life, the Center has helped the globe converge in Goregaon, Mumbai, with a shared purpose. The BEC offers limitless customisation within robust infrastructure, aligning with global standards. Its diverse venues and versatile amenities are complemented by comprehensive services. The BEC stands as the premier destination for exhibitions, trade shows, business displays, events, and entertainment.

**MICE** - In India's vibrant and dynamic city, Nesco Foods is at the forefront, offering a comprehensive solution for Meetings, Incentives, Conferences, and Exhibitions (“MICE”). Nesco center stands out as the premier choice for MICE events in Mumbai, boasting expansive spaces, diverse banqueting options, and bespoke luxury. Situated in the heart of Mumbai, this MICE location is close to the airports and provides easy access to public transport as well as the city's entertainment and culture hubs. With top-notch venue facilities and concierge services, Nesco Foods emerges as the ideal partner for conventions, conferences, meetings, town halls, seminars, and workshops, ensuring success for every event. Nesco takes care of all aspects of MICE including production and food.

#### Events – Creating memories that last a lifetime

Nesco Events is committed to creating distinctive and engaging cultural experiences that are both entertaining and enriching. The offerings by this business division have extended to tailored venues and innovative production capabilities. Nesco Events provides opportunities for people to explore diverse genres of entertainment. With every new event, the desire is to create the unexpected and the unforgettable. It continuously expands its range of offerings to cater to diverse needs and that too with a stellar track record in venue and event services for corporate and social gatherings.

#### Hospitality – Creating a myriad of gourmet experiences

At Nesco Foods, a skilled team and comprehensive infrastructure come together to craft diverse culinary experiences. From creating distinctive food brands to preparing multi-cuisine recipes for events, our expertise covers a wide range with meticulous attention to details.

‘Restaurant and Outlets’ was started by the Company in the year 2022-23 which has set up new restaurants and a food court based in its IT park. Nesco has partnered with reputed brands in their food courts in their exhibitions which was well received by the organisers and visitors.

#### Our Offerings

- Exhibitions
- Wedding and Social Celebrations
- Outdoor Catering
- Food Court

Call out 8+ Food Brands (Owned) 50+ Partnered Food Brands	Call out 24,000 sq. ft Largest non-flight kitchen	Call out 80,000 Meals a day
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#### Real Estate – The future of construction

Nesco Realty is a leading real estate provider, utilising cutting-edge building technology to develop workspaces, and assembly spaces. Being a robust real-estate provider, Nesco Realty uses the latest building technology and delivery mechanism. We integrate world-class amenities and sustainability features into each project, paying meticulous attention to details. Our designs seamlessly blend creativity with practicality and functionality, tailored for urban living.

#### Our Offerings

- Workspaces
- Assembly Spaces

#### Engineering – A pioneer of dreams that will engineer tomorrow

Indabrator excels as an engineering equipment service provider, offering comprehensive solutions for surface preparation. From machines to spares and abrasives, we provide a single-window approach. Indabrator's leadership stands out for its full involvement in the value chain, boasting our own foundry and state-of-the-art manufacturing unit at Gujarat.

### Business Segment Review

#### Nesco IT Park

Nesco Realty's flagship Nesco IT Park sets a high standard in premium office spaces. Spanning millions of sq ft, this self-sustained facility hosts renowned multinational companies like HSBC, KPMG, PWC, MSCI, BlackRock, Here Solution, Framestore, Priceline, Ericsson, Apollo Global, ISS Governance, Sodexo, Ericsson and more.

#### Developments

In the year under review, we witnessed a Gross Leasing Value (“GLV”) of nearly 14.2 million sq ft, representing a marginal 6% decrease from the robust figures of the previous year. Fresh leases remained predominant, comprising 51% of the annual leasing volume, with central suburbs and Lower Parel, Mumbai emerging as key submarkets, capturing shares of 14% and 13.5%, respectively. Supply constraints led to a sharp decline in vacancy rates, exacerbated by project completions totalling approximately 1.03 msf in the last quarter, resulting in a 44% reduction in annual supply compared to the previous year. However, prospects for 2024 and 2025 appear promising, with a healthy supply pipeline anticipated, particularly in Andheri, Kurla, central suburbs, and Navi Mumbai submarkets of Mumbai.

#### Key highlights during the year

- Marketing activities involved extensive collaboration with major International Property Consultants, ensuring strategic positioning in the market.
- Regular engagement with existing clients enabled a deeper understanding of their expansion and future requirements.
- Efforts were made to enhance client satisfaction included the development of new amenities such as a gymnasium in Tower 4.
- Plans are underway for a creating a mini banquet facility, bus depot and an electric vehicle car charging station within the complex.
- To create employee engagement among IT park clients, a two-day carnival featuring games, quiz shows, drum performances, live entertainment, and stand-up comedy was organised.
- We introduced extensive food options, including three restaurants - Social, Smoke House Deli, and FOO and leased out food court spaces to renowned brands like Dominos, Subway, Shivsagar, TeaPost and Tibbs Frankie, and also inhouse brands namely Dress Circle, Zuo, Daily Deli and Indic aimed at enriching the overall experience for occupants.

#### Opportunities and Threats

As occupiers place greater emphasis on Environmental, Social, and Corporate Governance (“ESG”) factors when choosing building locations, the adoption of green building practices emerges as a compelling driver for occupier preference. Looking forward, the division also stands to benefit from long-term opportunities, including advancements in technology within spaces and increased flexibility in leasing portfolios. However, we

face challenges from established business parks in and around our areas of operations which pose significant competition and potential threats to our market share.

#### Risks and Concerns

Risks and concerns include the absence of expansion space within the Nesco premises until additional capacity is constructed, prompting existing licensees seeking expansion to explore options outside. Additionally, the trend of companies mapping their workforce footprints may lead to a dispersion of office locations in other areas of Mumbai potentially affecting Nesco's market positioning and tenant demand.

#### Capital Expenditure and Expansion Plans

Capital expenditure and expansion plans at Nesco involve an ongoing effort to maximise the utilisation of unused space. The occupancy rate for the period 2023-24 for Tower 3 and Tower 4 stands impressively over 98%, indicating a robust demand for our offerings and affirming our position as a preferred destination for tenants. This strong occupancy rate underscores the Company's strategic approach to managing its properties and highlights the need for continued expansion efforts to meet growing demand.

#### Bombay Exhibition Center

The exhibition industry sector facilitates trade and business, contributing significantly to the growth of various industries and serving as a major source of employment. With large opportunity for employment, it stands as a significant job provider. On average, 745 events are conducted throughout the year, with an average event size of 9.8 thousand gross square meters.

The Bombay Exhibition Center's ongoing expansion has solidified its position as the go-to solution for any trade fair needs. Already the largest exhibition venue in India's private sector, it hosts events for numerous esteemed organisers from both India and around the world. This achievement marks a significant milestone for Mumbai, establishing the Bombay Exhibition Center as the ultimate destination for exhibitions, trade shows, business displays, events, and entertainment. Its reputation as an ideal location, steeped in history, reaffirms its suitability for a diverse array of gatherings and occasions.

#### Developments

##### Guest Exhibitions

During FY 2023-24, over 100 exhibitions and events were scheduled and successfully held at Nesco. Additionally, 6 exhibitions that had been absent for several years made a comeback and were held at our venue, adding to the overall event portfolio.

Throughout the year, we expanded our client portfolio with the addition of diverse industry players. Our new clientele spans across various sectors including handloom, catering, media, plastics, fashion, electricals, and trade fair organisers.

The inclusion of these new clients contributed to an increase in our revenues, showcasing the growing demand and trust in Nesco as a preferred venue for exhibitions and events.

## A glimpse of Mega Exhibitions of the year

### IIJS Premiere 2023

In the month of August 2023, BEC hosted its biggest exhibition which was the 39th edition of IIJS Premiere 2023, organised by the Gem and Jewellery Export Promotion Council (“GJEPC”). This prestigious event brought together the gems and jewellery industry for an extraordinary showcase of excellence, innovation, and sustainability. BEC accommodated 2,818 stalls and welcomed 40,000 visitors covering an expansive area of 62,998+ sq. mtrs of the exhibition area.

### Acetech

Acetech is India’s most prestigious annual exhibition in the fields of architecture, interior design, and building materials. Organised by Asian Business Exhibitions and Conferences Ltd., this was hosted in the month of November 2023. BEC accommodated 2,715 stalls and welcomed over 25,000 visitors covering an expansive area of 49,072+ sq. mtrs of the exhibition area.

### National Garment Fair 2023

The prestigious and the largest National Garment Fair 2023, presenting a diverse range of women’s and men’s wear, and accessories took place in the month of July 2023. This event is recognised as the largest and highly anticipated Trade Fair in the Indian Apparel Industry. BEC accommodated 1,135 stalls and welcomed 35,000 visitors, covering an expansive area of 45,401+ sq. mtrs of exhibition area.

### Plastivision 2023

India’s most influential plastic exhibition was held in the month of December 2023. BEC accommodated 1,600 stalls and welcomed 32,000 visitors covering an expansive area of 61,853+ sq. mtrs of exhibition area.

List of mega exhibitions held during the year in more than one hall.

1	India Jewellery Show 2023
2	Palm Expo 2023
3	HGH India 2023 (Home Décor, Gifts and Houseware)
4	National Garment Fair 2023
5	India International Jewellery Show 2023
6	Anutec Intl Foodtec, Packex and Food Logistics India 2023
7	Acetech 2023
8	Zak Doors, Glass, Glass Tech and Alu. Extrusions 2023
9	Plastivision India 2023
10	IIJS Signature and IGJME 2024
11	Paperworld, Corporate Gifts Show and Interior Lifestyle India 2024
12	Distribuelec 2024
13	Intimasia 2023
14	National Garment Fair 2024
15	Diemould India 2024
16	PaintIndia 2024

### Challenges in the Exhibition Industry

Navigating the complexities of this dynamic industry presents numerous challenges. Establishing and operating an exhibition

center in India demands meticulous planning and strategic management to overcome regulatory obstacles and intense competition. Few of the challenges of the industry is summarised as under:

- Regulatory and Licensing Hurdles
- Infrastructure and Location
- Competition
- Marketing and Promotion
- Variability in Demand
- Logistics and Operations
- Security and Safety
- Technological Advancements
- Financial Management
- Economic Factors
- Political and Social Factors
- Sustainability

### Opportunities and Threats

Organisers have been proactively seeking new venues to host their exhibitions, signalling optimism within the industry. However, the tense situation between India and China has caused some disruptions. A couple of exhibitions focused on China had to be either cancelled or scaled down due to government-imposed restrictions on visas for Chinese exhibitors.

### Risks and Concerns

The primary risk facing the Bombay Exhibition Center is competition, particularly regarding the quality of infrastructure compared to other venues. While the center boasts a prime location, the prevailing demand is primarily for halls that are pillar-free, dust-free, and leak-free. To effectively meet the expectations of both organisers and exhibitors, there is now a pressing need to enhance the infrastructure accordingly.

### Capital Expenditure and Expansion Plan

The Bombay Exhibition Center has plans for construction of new halls. With an increased space capacity, the new hall under construction will feature separate pre-function areas, organiser offices, parking for around 500 cars, and various amenities. The Company is working upon the process of obtaining approvals from relevant governmental authorities for redevelopment of existing halls. Looking ahead, the Company aims to further enhance its offerings by developing a world-class integrated Exhibition Centre, comprising an Exhibition Centre, Convention Centre, and other amenities in the forthcoming years.

### Nesco Events

The introduction of Nesco Events into the event space has been met with tremendous excitement. This venture has successfully created unique event properties that have quickly gained widespread acclaim and popularity. This impressive start has further strengthened the Company’s capabilities in delivering high-quality entertainment to an enthusiastic and growing audience of enthusiasts.

Nesco Events works closely with the government and industry stakeholders to organise meticulously planned fairs and events that showcase the latest trends, innovations, and industry-specific themes. The aim is to establish comprehensive B2B and B2C platforms across various industries, positioning Nesco Events as a leading global event organiser.

Committed to presenting unparalleled cultural experiences that enrich and elevate life, Nesco Events goes beyond traditional event management. With the creation and curation of a diverse portfolio of successful event properties, the Company has expanded its offerings to include tailored venues and innovative production capabilities. With each new event, Nesco Events strives to create unexpected and unforgettable experiences, constantly pushing the boundaries of what is possible.

### Developments

During the financial year 2023-24, Nesco successfully hosted over 25 notable events, showcasing its versatility as a preferred venue for a diverse range of gatherings.

One of the highlights was the 5th edition of the Rangilo Re, which took place in October 2023, the grand celebration of Navratri, called “Rangilo Re - Utsav Gujarat No”. This nine-day festival attracted a large-scale participation, featuring performances by five renowned artists. The event garnered immense popularity, with over 1,50,000 people attending and immersing themselves in the festive spirit over the nine days of Navratri. Rangilo Re set new benchmarks in cultural events category in terms of the overall experience and customer delight which was picked up well by the media as well.

Kula Worldwide, a global gathering of arts, culture, street art, and music, was also organised by Nesco. The event witnessed the participation of more than 150 talented tattoo artists from various countries such as Australia, Germany, Indonesia, Japan, Malaysia, Nepal, New Zealand, UK, US, Vietnam and India. This unique event celebrated artistic expressions from around the World.

The Crazy Kids Karnival was an event initiated by Nesco Events, conceptualised by K for Kids, and curated by Meltwater. This event exemplified Nesco’s commitment to providing a joyous platform where families can come together, celebrate bond of togetherness, and weave a tapestry of delightful moments. We take pride in curating experiences that resonate with the diverse needs and interest of our community, adding meaningful values to the lives of Mumbaiers by fostering connections and facilitating the creation of beautiful, shared memories.

Nesco Events successfully organised World of Education Expo in Mumbai which is India’s largest International Exhibition and Conference on Education and educational solutions. It provided a specially dedicated pavilion for Indian and International Universities, giving visitors an opportunity to connect with the best education institutes. This event was attended by over 100 National and International Institutions, ranging from pre-school to higher education and over 6,000+ attendees, which was a testament to Nesco Events dedication, providing visitors with the chance to discover new educational opportunities and products, and to meet education providers.

Nesco Events was honoured to partner with the Directorate of Industrial Safety and Health (“DISH”), Maharashtra and Safety Appliances and Manufacturers Association (“SAMA”) for organising the World of Safety Summit and Expo. This was a wonderful initiative taken upto promote the safety of the valuable labourers and workers in factories and industries who are efficiently contributing to the growth and development of the country. By this association, Nesco achieved yet another milestone in its well- diversified events landscape from being the biggest center for exhibitions, hosting live concerts, to organising events that are aimed towards the betterment of the society.

Nesco Events also presented captivating live concerts, including performances by Lucky Ali, The Ultimate Holi Party Ft. Ritviz and Idol Superstars.

The division further collaborated with various organisers to present captivating live events including The Youtube Fan Fest, Google’s largest on ground showcase of brands and artists, DGTL, Road to Ultra to name a few. These events would grow in the coming years and also more exhibitions and events would be launched by the division.

Through these diverse events, Nesco aims to establish itself as a preferred venue for both local and global events and exhibitions. The goal is to create an atmosphere where all types of gatherings, whether cultural, artistic, or entertainment-focused, can thrive and leave a lasting impression on attendees.

### Opportunities and Threats

Nesco Events thrives on endless opportunities, as it can venture into various topics and niches that are not currently being organised elsewhere. The Company has the potential to tap into the international markets and provide a platform for exhibitors, visitors, and the government to come together at India’s leading privately owned venue.

There is also a promising opportunity for strategic tie-ups with third-party exhibitions and events, which can bring benefits ranging from increased revenues and brand building to higher footfall at the venue. Nesco Events can explore launching new intellectual properties in the B2C space, such as music festivals, food festivals, and kids’ festivals, further expanding its reach and appeal.

Post-pandemic, Nesco Events has witnessed remarkable growth and development in its sector. The Company successfully organised and scheduled numerous events at Nesco, including live concerts, Holi festivals, tattoo conventions, and music festivals.

This diversification has allowed Nesco Exhibitions and Events to enter new sections of the industry, catering to a broader audience and showcasing its versatility and adaptability.

### Risks and Concerns

While the biggest risk is the competition mainly on the quality of infrastructure *vis-à-vis* the other available venues. Though the venue’s at Nesco Center, BEC excels on location, the demand is primarily for halls with acoustic features, pillar-free, dust and leakage free which can host a concert, musical shows, etc.



To meet the expectations of the organisers and exhibitors alike we now need to have spruced infrastructure.

### Capital Expenditure and Expansion Plan

During the year Nesco organised 10 own exhibitions and events and 19 events were in strategic alliances with our clients. Nesco Events division plans to expanding its operations by having more of its own shows. Currently Nesco events by virtue of its offerings does not need capital expenditure at this stage.

### Nesco Foods

Nesco Foods caters to all levels of social, business and luxury events. It is one of Mumbai's most preferred hospitality providers, well-recognised for their varied capability and array of cuisines. The division operates the largest non-flight kitchen in the city.

We create luxurious, imaginative, tailored and highly memorable food and beverage experiences for a wide range of client briefs, from simple, intimate gatherings to grand, spectacular banquets. Our catering services embodies standards of service and quality with world-class finesse.

### Developments

#### Restaurants and outlets

The new sub-division named 'Restaurant and Outlets' started by the Company in the year 2022-23 has inaugurated three new restaurants and a food court in Tower 4. The Company has partnered with various reputed brands in their food court in exhibitions which is highly appreciated by organisers and visitors.

#### Banquets, Outdoor Catering ("ODC") and Quick Service Restaurants ("QSRs")

The Grande Hall has attained distinction through its impeccable hosting of over 200 social and corporate events in the past year, securing recognition as a premier banquet venue. Nesco Foods has strategically recruited seasoned professionals to optimise revenue streams and fortify market presence, with a strong focus on catering to a diverse range of events within the banqueting sector. Gourmet Craft (Outdoor Catering) arm of Nesco Foods stands as a premier destination for elite catering and event services, where excellence and elegance meet. Our venture into retail endeavours with 'Indic', 'Zuo' and 'Daily Deli' has earned acclaim for providing unparalleled customer experiences in food court settings.

#### Opportunities and Threats

Introducing 'Gourmet Craft,' our newest outdoor catering venture, epitomising culinary excellence and top-tier service for discerning clientele in the corporate, social, and entertainment spheres. In the current fiscal period, Nesco Foods has experienced remarkable productivity and success, notably at our esteemed Grande venue. Renowned for its Spacious, Safe, and ample parking facilities, the Grande reaffirms its status as the premier luxury banquet destination for weddings and special occasions. Capitalising on the surge in event demand amid the pandemic, Nesco Foods strategically expands its footprint in the social and corporate banqueting sectors.

The food catering sector presents vast prospects for individuals committed to achieving excellence. Elevating Nesco's food

catering business to unparalleled success entails prioritising culinary mastery, tailored services, flawless execution, strategic marketing, top-notch equipment and logistics, as well as a steadfast commitment to sustainability and ethical practices.

'Restaurant and Outlets' manages the restaurants, food court, and lounge bar. This sub-division has formed valuable alliances with renowned brands like Subway, Tibbs, Sassy Spoon, House of Mandarin, Hitchki, Bayroute, Rajdhani, Dominos, Shiv Sagar, Foo, Social, etc. enhancing the offerings and reputation of Nesco Foods. The division strongly focuses on fostering healthy competition amongst the brands thereby maintaining quality as well as curating a plethora of options for the clients.

#### Risks and Concerns

The launch of new convention centres and premium banquet venues in Mumbai introduces notable competition in the market. To stay competitive, Nesco must employ aggressive marketing strategies and maintain high service standards to attract and retain clients. Adapting to evolving customer demands and delivering exceptional experiences will be crucial in facing this competition effectively.

### Capital Expenditure and Expansion Plan

Nesco Foods proudly presents its exclusive QSR brands, Indic and Daily Deli, which currently grace our premises with culinary excellence. In line with our commitment to innovation and expansion, we are now poised to elevate these esteemed brands to new heights by introducing them into premier malls, bustling food courts, and dynamic IT parks. Furthermore, our ODC segment undergoes enhancements, extending our culinary expertise to new cities, thereby enriching our culinary footprint and legacy.

Furthermore, our focus extends to the establishment of in-house bakery offerings, including decadent cakes, delicate pastries, and irresistible desserts, allowing us to maintain meticulous quality control while optimising operational efficiency.

For the financial year 2024-25, the division is planning to further increase its revenue stream by adding more restaurants and outlets as well as entertainment facilities within Nesco Center and by further expanding its footprints into outdoor catering and B2B contracts outside the Nesco Center and in other cities of the country.

#### Achievements

Nesco Foods showcased its culinary expertise at various prestigious events namely:

Prayer Meeting: Catered to 8,500 attendees with meticulous attention to detail.

VVIP Wedding: Executed a grandiose celebration for 4,000 distinguished guests with finesse.

Flying Buffet: Orchestrated a luxurious flying buffet experience for 1,600 discerning guests.

ODC in Udaipur: Seamlessly executed an ODC event in Udaipur, reflecting unparalleled service.

Event: Served an event of 4,000 guests, characterised by sophistication.

### Indabrator

Indabrator, our engineering division is a pioneer in the surface-preparation technology. Backed by best-in-class technology, Indabrator boasts one of the largest manufacturing units. Today, Indabrator has an impressive market share and multiple innovations in the pipeline and is the only manufacturer in India for equipment, spares and abrasives all in one location with backward integration.

#### Developments

Indabrator has effectively capitalised its machines, on opportunities with companies, seeking to establish or expand greenfield and brownfield projects as well as expansion in their existing facility. The sales of spares and abrasives have shown a consistent upward trend.

Indabrator has successfully commissioned high value 28 CFT Tumble Shot Blasting Machine at National Aluminium Company Ltd. ("NALCO") at Orissa. Amongst some of the other machine commissioned for marquee clients like Railways, Defence, Spare, Research and other large national and international organisations in the recent years.

#### Opportunities and Threats

The biggest opportunity for Indabrator is the longevity in the business, strong and wide client base, its capability and capacity of handling large projects. This division has integrated manufacturing set-up under one roof. Export of Equipment, Spares and Abrasives can be a good opportunity for the Company. Also, the casted products and fabrication can get better prospects for the Company in near mid-term.

However, Compliance to international standards, their requirements and local and international competition from established suppliers is a challenge for the Company.

Since last two years, we were taking small orders with respect to designing and supplying of complete painting or powder coating or phosphating. Next year onwards, we are expecting to increase orders for the said work which would help us to provide full facility under one roof. We will also be focusing on new casted products and customised heavy fabrication opportunities.

#### Risks and Concerns

For Indabrator, currently the biggest risk is the abrasive market due to import possibilities of the same in the market. Also in machines, there may be a shift in customer demands, competitions and changes in technology. Workplace health and safety and environmental regulations is a challenge. International Companies are setting up its sales and manufacturing infrastructure and are offering cost effective solutions which can be the biggest challenge for Nesco in the near future.

### Capital Expenditure and Expansion Plan

Indabrator division is undertaking further upgradation of its process as well as infrastructure. The infrastructure enhancement includes:

- Upgrades to factory infrastructure and facilities.
- Installation of advanced machinery and equipment.

- Ongoing construction projects, including administrative buildings and security enhancements.
- Improvements in factory operations and security measures.

### Outlook

Our business divisions have seen remarkable growth, underscoring our strategic focus, operational resilience, and dedication to customer satisfaction. The sustained demand in the IT Park sector and the confidence our customers have shown in the BEC division are particularly encouraging. With a robust balance sheet, strong cash flow, and diverse business pipeline, we are primed to leverage the current market upswing and attain our objectives.

### Financial Review

Performance of the Company for the FY 2023-24 versus FY 2022-23 is given below:

Particulars	Audited Financial Results		
	FY 2023-24	FY 2022-23	% increase
Revenue from other operations and Other Income	78,312.87	60,911.81	28.57
EBITDA	53,120.51	41,195.23	28.95
Profit Before Tax	46,298.55	36,697.03	26.16
Profit After Tax	36,278.36	29,063.64	24.82

Company's performance segment wise for the FY 2023-24 versus FY 2022-23

Segments	Audited Financial Results		
	Income from Operations (FY2023-24)	Income from Operations (FY2022-23)	% Increase
Nesco Realty- IT Park	31,832.30	29,502.70	7.90
Bombay Exhibition Center	20,907.50	15,582.63	34.17
Indabrator	5,149.92	4,652.27	10.70
Nesco Foods	9,928.77	4,862.56	104.19

### Investments

Nesco continues to be debt free with liquid resources of over ₹1,50,291.04 lakhs as on 31 March 2024. Your Company mostly invests in debt mutual funds, corporate deposits, non-convertible debentures, bonds and preference shares. The volatility in the market may adversely affect the Company due to Mark to Market losses. To overcome this risk, the management reviews the investments on regular basis and verifies the returns and presents the same before the Audit Committee and Board for their consideration every quarter.

### Financial Ratios

The Key Financial Ratios are mentioned in note no. 48 of the financial statements and hence not repeated here for the sake of brevity.

## Human Resources and Industrial Relations

The Company is committed to fostering an inclusive work environment that supports both professional and personal growth for its employees. It emphasises operational excellence and a strong sense of belonging. Recognising the crucial role of human resources in its success, the Company prioritises the development of internal talent to take on greater responsibilities. Throughout the year, efforts were focused on maintaining harmonious relations with employees and workers, alongside initiatives to enhance safety and security measures. Recruitment, Training and development, performance development and measurement (Balanced Scorecard approach). Employee benefit policies have been standardised, offering flexible benefits and tailored training programs aimed at increasing productivity, efficiency, health and safety. As on 31 March 2024 the Company had 220 permanent employees on rolls.

We have also implemented Adrenaline Max-Human Resource Information System to automate all HR systems and process to bring in speed and efficiencies. We have also embarked on a succession planning and broadened leadership by hiring senior leaders in our Projects and Engineering Strategic Business Unit.

Improvements to our compensation and benefits structure are aimed at enhancing retention, covering a robust employee base. We provide in-house meals, various recreational facilities, and a rooftop turf for weekend team games. Participation in festivities and celebrations such as Women's Day, Navratri, Diwali and New Year was conducted. We have been awarded Dream Companies to Work for the second consecutive year for our HR policies and practices.

## Enterprise Risk Management ("ERM")

The Company faces various common and general risks that could impact its business, including challenges related to statutory permissions, market conditions, natural disasters, civil unrest, lock down, religious holidays, and the acceptance of exhibitions and events by the intended audience and potential sponsors. To address these risks, the Company has implemented a comprehensive Risk Management Policy, tailored to its specific business environment. Risks are regularly identified by the Board of Directors and Key Management Personnel. The ERM involves engaging with all functional heads to identify internal and external events that may have an adverse impact on the achievement of the Company's objectives. It also entails periodic monitoring of changes in both the internal and external environment leading to the emergence of new threats/risks. The risk management follows the process with risk categorisation, implementation of the mitigation measures and plans followed by its periodical monitoring. These steps are discussed and refined at Risk Management Committee meetings. The said Policy is reviewed by the Board on the recommendation of the Risk Management Committee once in two years or at such intervals which calls for a review in the scope of risk management.

The Risk Management Committee constitutes of four members namely two Non-executive Independent Directors, the Managing Director and the Chief Financial Officer. The role of the

Committee covers all the terms of reference as listed in the SEBI Listing Regulations. The Board also regularly reviews these risks.

## Internal Audit

Our Company's internal audit is conducted by an independent firm of chartered accountants. The audits are carried out quarterly or according to a calendar plan which is approved by the Audit Committee in advance. Adopting a risk-based approach, the internal auditor targets areas and processes deemed high-risk. Transaction audits are also conducted for specific areas to ensure compliance and detect any irregularities or areas needing improvement. The Audit Committee reviews the internal audit reports every quarter and its findings if any is reported to the Board of Directors. This rigorous internal audit framework enhances transparency, mitigates risks, and boosts overall operational effectiveness.

## Internal Control Systems and their Adequacy

The Company has proper and adequate system of internal controls which ensure that all the assets are safeguarded against loss from unauthorised use or disposition and that all transactions are authorised, recorded, and reported correctly. Our internal financial control framework is commensurate with the size and operations of the business and is in line with requirements of the applicable regulations. We have laid down adequate procedures and policies to guide the operations of our business. Divisional Heads are responsible for ensuring compliance with the policies and procedures laid down by the management. Our internal control systems are routinely tested by the management, statutory auditors and internal auditors. All major findings and suggestions arising out of internal audit are reported to and reviewed by the Audit Committee. The management ensures implementation of these suggestions and reviews them periodically. The Company continuously strives to evolve, improve and implement the best practices for each of its major functional areas with a view to strengthen its internal control systems.

## Cautionary Statement

Statements made in this Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, and expectations may be forward-looking statements. Actual results may differ materially from those expressed or implied due to various risks and uncertainties. Important factors that could make a difference to the Company's operations include Global and Indian demand-supply conditions, changes in government regulations and policies, tax regimes, economic conditions within India and the countries within which the Company conducts its business and other such factors.

For and on behalf of the Board of Directors,

Mumbai  
20 May 2024

**Krishna S. Patel**  
Chairman and Managing Director  
DIN: 01519572

## REPORT ON CORPORATE GOVERNANCE

### 1. Company's Philosophy on Corporate Governance

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. Nesco considers Corporate Governance as one of the pillars to build and maintain the trust reposed by its stakeholders. At Nesco we aim to abide by the highest standards of good governance and ethical behaviour across all levels within the organisation. The Company considers itself a trustee of its shareholders and fully realises the rights of its shareholders to obtain information on the performance of the Company. The basic philosophy of Corporate Governance in the Company is to achieve business excellence and dedicate itself for increasing long-term shareholder value, keeping in view the needs and interests of all its stakeholders. The Company is committed to transparency in all its dealings and places emphasis on business ethics.

### 2. Board of Directors

Nesco has a cohesive Board with diversity of domain expertise as well as gender diversity. The Board of Directors has responsibility for the management of the Company's affairs. The composition of the Board of Directors of the Company complies with Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), and Sections 149 and 152 of the Companies Act, 2013 ("the Act").

The Board has an optimum mix of Executive and Non-executive Directors. As on 31 March 2024, the Board comprised of ten Directors (including two women Directors) eight of which were Non-executive Independent Directors, one Non-executive Non-independent Director and a Managing Director who is also the Chairman.

All Directors on the Board comply with the requirements stated in Regulation 26(1) of the Listing Regulations. They are not members of more than ten Committees or Chairman of more than five Committees across all public companies in which they hold Director positions. The necessary disclosures regarding Committee positions have been made by all the Directors. Furthermore, in compliance with Regulation 17A of the Listing Regulations, none of the Non-executive Directors serve as Independent Directors in more than seven listed companies. It is important to note that the Managing Director does not serve as a Director in any other listed Company.

The Directors take active part in the deliberations at the Board and Committee meetings by providing valuable guidance and advice to the management on various aspects of business, policy direction, governance, compliance, etc. and play a critical role on strategic issues and add value in the decision-making process of the Board of Directors.

Detailed profile of the Directors is available on the Company's website at <https://www.nesco.in/leadership>

### (a) Details of composition of the Board and summary of other Directorships and Committee Memberships or Chairmanships of each of the Directors as on 31 March 2024 are as follows:

Name	Category	No. of Directorships in other public companies *	No. of committee positions in other public companies **		Directorship in other listed entity
			Chairman	Member	
Mr. Krishna S. Patel (DIN:01519572)	Promoter and CMD	-	-	-	-
Mrs. Sudha S. Patel (DIN:00187055)	Promoter and Non-executive Non-independent Director	-	-	-	-
Mr. Mahendra K. Chouhan (DIN: 00187253)+	Independent Director	1	1	1	Allcargo Terminals Ltd. (Independent Director)
Mr. Jai S. Diwanji (DIN:00910410) +	Independent Director	5	2	2	- Elecon Engineering Company Ltd. - Kaira Can Company Ltd. - Onward Technologies Ltd. - Alembic Pharmaceuticals Ltd. - Batliboi Ltd. (acting as Independent Director in the above companies)
Mr. K. S. Srinivasa Murty (DIN:00499663) +	Independent Director	-	-	-	-
Mr. Manu M. Parpia (DIN:00118333) \$+	Independent Director	1	-	1	-
Ms. Amrita V. Chowdhury (DIN:02178520) %	Independent Director	6	-	3	- Simmonds Marshal Ltd. - Mahindra Lifespace Developers Ltd. - ZF Commercial Vehicle Control Systems India Ltd. (acting as Independent Director in the above companies)
Mr. Manish I. Panchal (DIN: 08431492) #	Independent Director	3	-	-	-



Name	Category	No. of Directorships in other public companies *	No. of committee positions in other public companies **		Directorship in other listed entity
			Chairman	Member	
Dr. Ramakrishnan Ramamurthi (DIN: 00120246) #	Independent Director	-	-	-	-
Mr. Arun L. Todarwal (DIN: 00020916)@	Independent Director	6	4	3	-Anuh Pharma Ltd. -Unichem Laboratories Ltd. -Laxmi Organic Industries Ltd. -Welspun Corp Ltd. (acting as Independent Director in the above companies)

\* Excludes Directorships in Pvt. Ltd. Companies, Foreign Companies (including foreign subsidiaries of the Company) and Companies under Section 8 of the Act.

\*\* Covers only Memberships/Chairmanships of Audit Committee and Stakeholders' Relationship Committee of Public Limited Companies.

\$ Mr. Manu M. Parpia was appointed as an Independent Director of the Company for a second term w.e.f. 15 July 2023 upto 31 March 2024 duly approved by the shareholders vide Postal Ballot on 7 October 2023.

+ Mr. Mahendra K. Chouhan, Mr. Jai S. Diwanji, Mr. K. S. Srinivasa Murty and Mr. Manu M. Parpia completed their second term as Independent Directors and accordingly ceased to be Directors from the close of business hours on 31 March 2024.

# Dr. Ramakrishnan Ramamurthi and Mr. Manish I. Panchal were appointed as Independent Directors of the Company for a term of five consecutive years w.e.f. 15 July 2023 upto 14 July 2028 duly approved by the shareholders vide Postal Ballot on 7 October 2023.

@ Mr. Arun L. Todarwal was appointed as an Independent Director of the Company for a term of five consecutive years w.e.f. 13 February 2024 upto 12 February 2029 duly approved by the shareholders vide Postal Ballot on 21 March 2024.

% Ms. Amrita V. Chowdhury was re-appointed as an Independent Director of the Company for a second term of five consecutive years w.e.f. 14 May 2024 upto 13 May 2029 duly approved by the shareholders vide Postal Ballot on 21 March 2024.

#### (b) Disclosure of relationships between Directors *inter-se*

In terms of Regulation 36(3)(c) and Schedule V(C)(2)(e) of the Listing Regulations, none of the Directors are related to each other except that Mr. Krishna S. Patel, who is the son of Mrs. Sudha S. Patel and late Mr. Sumant J. Patel (promoters of the Company).

#### (c) Number of Board Meetings held and attended by Directors with details of AGM attended

Board and Committee meetings are pre-scheduled and annual calendar of meetings is decided well in advance to facilitate full attendance and active participation of Board members. The Company has a well-established framework for the meetings of the Board and its Committees to enable decision making process at the meetings in an informed and efficient manner. During the year under review, meetings were held through video conferencing and physically in accordance with the prescribed guidelines. A detailed agenda setting out the business to be transacted at the meeting(s), supported by explanatory notes and presentations, is sent to each Director atleast seven days before the date of the Board meeting(s) and of the Committee meeting(s) except where meetings have been convened at a shorter notice to transact urgent business. Business heads make a detailed presentation on operations at the quarterly meetings of the Board. There was no dissent from any Directors on any of the decisions of the Board or the Committees.

During the financial year, five meetings of the Board of Directors of the Company were held on 24 May 2023, 12 July 2023, 4 August 2023, 8 November 2023 and 13 February 2024.

The details of attendance of each Director at the Board meetings held during the year and at the last Annual General Meeting ("AGM") is as under:

Name of Director	Number of Board Meetings held and attended during the year 2023-24		Attendance at the last AGM held on 4 August 2023
	Held	Attended	
Mr. Krishna S. Patel	5	5	Yes
Mrs. Sudha S. Patel	5	5	Yes
Mr. Mahendra K. Chouhan <sup>^</sup>	5	5	Yes
Mr. Jai S. Diwanji <sup>^</sup>	5	5	Yes
Mr. K. S. Srinivasa Murty <sup>^</sup>	5	5	Yes
Mr. Manu M. Parpia <sup>^</sup>	5	3	Yes
Ms. Amrita V. Chowdhury*	5	5	Yes
Mr. Manish I. Panchal**	5	3	Yes
Dr. Ramakrishnan Ramamurthi**	5	3	Yes
Mr. Arun L. Todarwal ***	5	1	NA

<sup>^</sup> ceased to be Independent Directors of the Company on completion of their second term on close of business hours on 31 March 2024.

\* was re-appointed as an Independent Director of the Company for a second term of five consecutive years w.e.f. 14 May 2024 upto 13 May 2029.

\*\* were appointed as Independent Directors for a term of five consecutive years w.e.f. 15 July 2023 upto 14 July 2028.

\*\*\* was appointed as an Independent Director for a term of five consecutive years w.e.f. 13 February 2024 upto 12 February 2029.

#### (d) Independent Directors' Meeting

The Independent Directors of the Company come from diverse fields of expertise, ensuring a well-rounded perspective. In accordance with Regulation 25(8) of the Listing Regulations, the Independent Directors have affirmed that they are not aware of any circumstances that could compromise their ability to discharge their duties with impartiality and without external influence. They have submitted the requisite declarations stating that they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. The Board reviewed and assessed the veracity of the aforesaid declarations, as required under Regulation 25(9) of the SEBI Listing Regulations.

In the opinion of the Board, all the Independent Directors fulfil the said conditions as mentioned in Section 149(6) of the Act and the Listing Regulations and are independent of the management.

The terms and conditions of their appointment can be found on the Company's website at <https://www.nesco.in/resources/images/pdf/Terms%20and%20Conditions%20of%20Appointment%20of%20Independent%20Directors.pdf>

During the year under review, the Independent Directors met on 13 February 2024 *inter-alia*, to:

- Review the performance of Non-independent Directors and the Board as a whole;

#### (f) List of core skills/expertise/competencies identified by the Board of Directors and the Directors who possess the skill as required in the context of its business(es) and sector(s) for it to function effectively and those available with the Board

For the effective functioning of the Board, your Company's Board needs to have skills /expertise/competencies in the areas of the Company's Business, Management, Finance, Accounting, Sustainability, Risk Management, Corporate Social Responsibility, Governance and Legal. The Board has the appropriate mix of skills, competencies, experience, independence and knowledge to ensure their continued effectiveness. All the Directors have distinguished personality and have proven expertise in their respective fields. Executive Director provides strategic management direction to the Company's businesses within the overall framework laid down by the Board and ensures business development and operational excellence is in accordance with the set business objectives. Non-executive Directors and Independent Directors play critical role in setting up Board processes, strategies, reviewing performance, standards of conduct etc. Independent Directors also bring independent judgement on Board decisions. The list of core skills/expertise/competencies of the Board of Directors of your Company is as under:

Name of Director	Industry knowledge and experience	Leadership and Business Management	Finance	Legal	CSR	Governance
Mr. Krishna S. Patel	✓	✓	✓	-	✓	✓
Mrs. Sudha S. Patel	✓	✓	✓	-	✓	✓
Mr. Mahendra K. Chouhan	✓	✓	✓	✓	✓	✓
Mr. Jai S. Diwanji	✓	✓	✓	✓	✓	✓
Mr. K.S. Srinivasa Murty	✓	✓	✓	-	-	✓
Ms. Amrita V. Chowdhury	✓	✓	✓	-	-	✓
Mr. Manu M. Parpia	✓	✓	✓	-	-	✓
Dr. Ramakrishnan Ramamurthi	✓	✓	✓	-	✓	✓
Mr. Manish I. Panchal	✓	✓	✓	-	✓	✓
Mr. Arun L. Todarwal	✓	✓	✓	✓	✓	✓

- Review the performance of the Chairman of the Company, taking into account the views of Executive Director and Non-executive Directors and
- Assess the quality, quantity, and timeliness of the flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All Independent Directors attended the Meeting.

#### (e) Shareholding of the Non-executive Directors

Details of shares held by Non-executive Directors as on 31 March 2024

Name	No. of shares held
Mrs. Sudha S. Patel	45,74,720
Mr. Mahendra K. Chouhan	25 (jointly holding with his relative)
Mr. Jai S. Diwanji	13,000
Mr. K. S. Srinivasa Murty	Nil
Mr. Manu M. Parpia	20,000 (held as a beneficiary holder)
Ms. Amrita V. Chowdhury	Nil
Mr. Manish I. Panchal	Nil
Dr. Ramakrishnan Ramamurthi	Nil
Mr. Arun L.Todarwal	Nil

The Company has not issued any convertible instruments during the financial year ended 31 March 2024.

**(g) Familiarisation Programme**

The Company has a well-defined induction and Familiarisation programme for orientation and training of Non-executive Independent Directors at the time of their joining to enable them to understand the businesses in which the Company operates, nature of industry, business model, Nesco's core values and culture, macro-economic developments etc. The programme has been designed to enable Directors to understand the Company's purpose and help in contributing effectively to decision making at the Board/Committee meetings. The Key Managerial Personnel(s) and Senior Management Personnel(s) of the Company provides regular updates to all the Directors by making presentation(s) on critical parameters, such as business strategy, initiatives, financial outlook, financial reports, risk, compliance and market outlook.

The familiarisation programme imparted to the Independent Directors during the year are available on the website of the Company at <https://www.nesco.in/resources/images/pdf/Familiarisation-Programmes-for-Independent-Directors.pdf>

**(h) Compliance with the Code of Business Conduct and Ethics**

The Company has adopted a Code of Business Conduct and Ethics. The said Code is posted on the Company's website and the weblink of the same is <https://www.nesco.in/resources/images/pdf/policy/code-of-business-conduct-and-ethics-for-directors-&-senior-management-personnel.pdf>

All Board Members and Senior Management Personnel have affirmed compliance with the said Code for the year ended 31 March 2024. A declaration to this effect, signed by the Chairman & Managing Director is given as Annexure E.

**(i) Disclosure on resignation of Independent Directors**

None of the Independent Directors of the Company have resigned before the expiry of their tenure. Thus, disclosure of detailed reasons for their resignation along with their confirmation that there are no material reasons, other than those provided by them is not applicable.

**(j) Compliance Officer**

Ms. Jinal J. Shah, Company Secretary & Compliance Officer of the Company resigned w.e.f. 18 August 2023 and Ms. Shalini Kamath was appointed as the Company Secretary & Compliance Officer w.e.f. 8 November 2023.

**3. Audit Committee**

The Audit Committee meets the criteria laid down under Section 177 of the Act and Regulation 18 of the Listing Regulations. The Audit Committee's primary role is to supervise the internal controls and the financial reporting process and thus ensure accurate and timely disclosure of information that maintains the transparency, integrity and quality of financial controls and reporting. The Audit Committee is vested with the necessary powers to achieve

its objectives and has access to the relevant information and records as well as the authority to obtain professional advice from external sources if required.

The terms of reference of the Committee are wide enough to cover matters specified for Audit Committees as given under Section 177 of the Act and Regulation 18 of the Listing Regulations. The Committee mandatorily reviews internal audit reports, management discussion and analysis of financial condition and result of operations, statement of significant related party transactions and such other matters as prescribed. The Chief Financial Officer, Internal Auditor, a representative of the Statutory Auditors are regular invitees to the meetings. The gap between two Audit Committee meetings did not exceed one hundred and twenty days. The necessary quorum was present at the above meetings.

The Company Secretary acts as the Secretary to this Committee.

During the financial year 2023-24, four meetings of the Audit Committee were held on 24 May 2023, 4 August 2023, 8 November 2023 and 13 February 2024. The maximum gap between two meetings was well within the time limit prescribed under the Act and the Listing Regulations as amended from time to time. The Chairman of the Audit Committee was present at the 64th Annual General Meeting of the Company held on 4 August 2023.

The composition of the Audit Committee of the Board of Directors of the Company along with the details of the meetings held and attended by the members of the Committee during the financial year 2023-24 is detailed below:

Name of the Member	Nature of Membership	No. of Committee Meetings held and attended during the year 2023-24	
		Held	Attended
Mr. Mahendra K. Chouhan*	Chairman	4	4
Mr. K. S. Srinivasa Murty*	Member	4	4
Mr. Jai S. Diwanji *	Member	4	4
Mr. Krishna S. Patel	Member	4	4
Ms. Amrita V. Chowdhury	Member	4	4

\* Ceased to be members of the Audit Committee after the close of business hours on 31 March 2024 post completion of their second term as Independent Directors.

w.e.f. 1 April 2024, the Audit Committee is reconstituted with Mr. Arun L. Tadarwal as the Chairman and Ms. Amrita V. Chowdhury and Mr. Manish I. Panchal as the members.

**4. Nomination and Remuneration Committee**

The Nomination and Remuneration Committee of the Board of Directors meets the criteria laid down under Section 178 of the Act and Regulation 19 of the Listing Regulations. The terms of reference of the Committee are

wide enough to cover matters specified for the Committee as given under Section 178 of the Act and Regulation 19 of the Listing Regulations.

During the year under review, the Committee met five times on 24 May 2023, 12 July 2023, 8 November 2023, 13 February 2024 and 18 March 2024.

The Chairman of the Nomination and Remuneration Committee was present at the 64th Annual General Meeting of the Company held on 4 August 2023.

The Company Secretary acts as the Secretary to this Committee.

The composition of the Nomination and Remuneration Committee of the Board of Directors of the Company along with the details of the meetings held and attended by the members of the Committee during the financial year 2023-24 is detailed below:

Name of the Member	Nature of Membership	No. of Committee Meetings held and attended during the year 2023-24	
		Held	Attended
Mr. Jai S. Diwanji*	Chairman	5	5
Mr. Mahendra K. Chouhan*	Member	5	5
Mrs. Sudha S. Patel	Member	5	5

\* Ceased to be members of the Nomination and Remuneration Committee on close of business hours on 31 March 2024 post completion of their second term as Independent Directors.

w.e.f. 1 April 2024, the Nomination and Remuneration Committee is reconstituted with Ms. Amrita V. Chowdhury as the Chairperson and Mrs. Sudha S. Patel, Mr. Manish I. Panchal and Dr. Ramakrishnan Ramamurthi as the members of the Committee.

**(a) Performance evaluation of Independent Directors**

In terms of the provisions of the Companies Act, 2013, the Rules made thereunder and the applicable SEBI Regulations, the Board of Directors has carried out an annual evaluation of its own performance, Board Committees, and individual Directors. In terms of the Nomination and Remuneration Policy of the Company the performance evaluation of

**(c) Details of Remuneration of the Directors of the Company for the financial year 2023-24 are as follows:**

(₹ in lakhs)

Name	Sitting Fees	Salary	Commission	Perquisites and Allowances	Total Amount
Mr. Krishna S. Patel	NA	127.37	2,100.00	-	2,227.37
Mrs. Sudha S. Patel	7.45	-	NA	-	7.45
Mr. Mahendra K. Chouhan	11.10	-	NA	-	11.10
Mr. Jai S. Diwanji	11.45	-	NA	-	11.45
Mr. K.S. Srinivasa Murty	8.30	-	NA	-	8.30
Ms. Amrita V. Chowdhury	7.95	-	NA	-	7.95
Mr. Manu M. Parpia	3.35	-	NA	-	3.35
Dr Ramakrishnan Ramamurthi	3.35	-	NA	-	3.35
Mr. Manish I. Panchal	3.35	-	NA	-	3.35
Mr. Arun L. Tadarwal*	NA	NA	NA	NA	NA

\* was appointed w.e.f. 13 February 2024

Independent Directors was done by the entire Board of Directors and in the evaluation the Directors who were subject to evaluation did not participate. The performance of individual Independent Directors was based on criteria such as the contribution of the individual Director to the Board and Committee meetings, their knowledge and skills, preparedness on the issues to be discussed, personnel attributes, independent views and judgment, adherence to the Code of Independent Directors etc. The above criteria were broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India and The Institute of Company Secretaries of India. Performance evaluation of the Board, its Committees and that of the Non-independent Directors is covered under a separate heading in the Director's Report.

**(b) Criteria for making payment to Non-executive Directors**

The criteria of making payment to the Non-executive Directors is based on the varied roles played by them towards the Company. The Company seeks their expert advice on various matters in general management, strategy, business planning, sustainability, finance, technology or intellectual property. It is not just restricted to corporate governance or outlook of the Company, but they also bring along with them significant professional expertise and rich experience across the wide spectrum of functional areas.

The Non-executive Directors are paid remuneration by way of sitting fees for each meeting of the Board or Committees attended by them. The Non-executive Directors or Independent Directors do not have any material pecuniary relationship or transactions with the Company except for the shares held by them if any in the Company and the sitting fees received by them and reimbursement of expenses if any.

The Policy on criteria for making payment to Non-executive Directors is uploaded on company's website at <https://www.nesco.in/resources/images/pdf/policy/nomination-and-remuneration-policy.pdf>



The remuneration to Whole Time Director is approved by the shareholders in terms of Section 197, 198 and Schedule V of the Companies Act, 2013 and the Rules made thereunder. The Chairman & Managing Director was appointed for a period of five years w.e.f. 1 July 2023 by the shareholders at the AGM held on 4 August 2023. The remuneration paid to the CMD consists of fixed pay and commission. The appointment of the Chairman & Managing Director can be terminated by giving 90 days notice or such other mutually agreed period by the CMD and the Company. Non-executive Directors are paid sitting fees for the Board and Committee meetings attended by them and reimbursement of expenses if any. The payment of remuneration and sitting fees to the Directors is as per the provisions of the Companies Act, 2013 and the Rules made thereunder and the Nomination and Remuneration Policy of the Company.

## 5. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee of the Board of Directors meets the criteria laid down under Section 178 of the Act and Regulation 20 of the Listing Regulations.

The Stakeholders' Relationship Committee oversees, *inter-alia*, redressal of shareholders and investor grievances, transmission of shares, non-receipt of the annual report or declared dividend, issue of duplicate share certificates (letter of confirmation), reviewing dematerialisation of shares, and related matters. The Committee focuses on shareholders' grievances and strengthening investor relations.

The terms of reference of the Committee are wide enough to cover matters specified for the Committee as given under Section 178 of the Act and Regulation 20 of the Listing Regulations.

During the financial year the Company has received six complaints from shareholders out of which five complaints were resolved during the year and one complaint was pending at the end of the financial year, which as on date of this report stands resolved. These complaints generally pertained to non-receipt of Shares/Dividends/annual reports. All complaints were resolved within prescribed time limit.

The Company has a dedicated e-mail id at [companysecretary@nesco.in](mailto:companysecretary@nesco.in) where investors and other stakeholders can address their queries and grievances.

Ms. Shalini Kamath acts as the Secretary to this Committee and is also the Compliance Officer.

During the year under review the Committee met once on 24 May 2023. The composition of the Stakeholders' Relationship Committee of the Board of Directors of the Company along with the details of the meeting held and attended by the members of the Committee during the financial year 2023-24 is as follows:

Name of the Member	Nature of Membership	No. of Committee Meetings held and attended during the year 2023-24	
		Held	Attended
Mrs. Sudha S. Patel	Chairperson	1	1
Mr. K. S. Srinivasa Murty*	Member	1	1
Mr. Jai S. Diwanji*	Member	1	1
Mr. Krishna S. Patel	Member	1	1

\* Ceased to be members of the Stakeholders' Relationship Committee on the close of business hours on 31 March 2024 post completion of their second term as Independent Directors.

w.e.f. 1 April 2024, the Committee is reconstituted with Mrs. Sudha S. Patel as the Chairperson and Ms. Amrita V. Chowdhury and Dr. Ramakrishnan Ramamurthi as the members of the Committee.

## 6. Corporate Social Responsibility Committee ("CSR")

The Corporate Social Responsibility Committee of the Board of Directors meets the criteria laid down under Section 135 of the Companies Act, 2013 and the Rules made thereunder. The terms of reference of the Committee are wide enough to cover matters specified for the Committee as given under Section 135 of the Act and the Rules made thereunder. The details of the CSR activities undertaken by the CSR Committee are given in CSR annual report section of this annual report.

The composition of the CSR committee, CSR Policy and the CSR annual action plan for the financial year 2023-24 is available on the website of the Company at <https://www.nesco.in/resources/images/pdf/CSR-annual-action-plan%20for-FY-2023-24.pdf>

The Company Secretary acts as the Secretary to this Committee.

During the year the Committee met once on 24 May 2023. The composition of the Corporate Social Responsibility Committee of the Board of Directors of the Company along with the details of the meetings held and attended by the members of the Committee during the financial year 2023-24 is detailed below:

Name of the Member	Nature of Membership	No. of Committee Meetings held and attended during the year 2023-24	
		Held	Attended
Mrs. Sudha S. Patel	Chairperson	1	1
Mr. Krishna S. Patel	Member	1	1
Mr. Mahendra K. Chouhan*	Member	1	1
Mr. Jai S. Diwanji*	Member	1	1

\* Ceased to be members of the CSR Committee on the close of business hours on 31 March 2024 post completion of their second term as Independent Directors.

w.e.f. 1 April 2024, the Committee is reconstituted with Mrs. Sudha S. Patel as the Chairperson and Mr. Arun L. Todarwal and Dr. Ramakrishnan Ramamurthi as the members of the Committee.

## 7. Risk Management Committee

The terms of reference of the Risk Management Committee are as prescribed under Regulation 21 of the Listing Regulations and includes monitoring and reviewing of the risk management plan and reporting the same to the Audit Committee and Board of Directors periodically as it may deem fit, in addition to any other terms as may be referred by the Board of Directors from time to time. The Company has procedures for risk assessment, its minimisation and mitigation. A section on risk management practices of the Company forms a part of the Management Discussion and Analysis Report.

The Company Secretary acts as the Secretary to this Committee.

During the year the Committee met thrice on 24 May 2023, 8 November 2023 and 13 February 2024. The composition of the Risk Management Committee of the Board of Directors of the Company along with the details of the meetings held and attended by the members of the Committee during the financial year 2023-24 is detailed below:

Name of the Member	Nature of Membership	No. of Committee Meetings held and attended during the year 2023-24	
		Held	Attended
Mr. Krishna S. Patel	Chairman	3	3
Mr. Mahendra K. Chouhan *	Member	3	3
Mr. Jai S. Diwanji *	Member	3	3
Mr. Dipesh R. Singhanian	Member	3	3

\* Ceased to be members of the Committee from close of business hours on 31 March 2024 post completion of their second term as Independent Directors.

w.e.f. 1 April 2024 the Committee is reconstituted with Mr. Krishna S. Patel as the Chairman and Mr. Arun L. Todarwal, Mr. Manish I. Panchal and Mr. Dipesh R. Singhanian as the members of the Committee. Mr Dipesh R. Singhanian is the CFO of the Company.

## 8. Particulars of Senior Management Personnel ("SMP") including the changes therein since the close of the previous financial year

Name of SMP	Designation	Appointment/Resignation during the financial year
Mr. Dipesh R. Singhanian	CFO	-
Dr. Ashish Pinto	CHRO	-
Ms. Shalini Kamath	Company Secretary & Compliance Officer	Joined on 8 November 2023
Ms. Jinal J. Shah	Company Secretary & Compliance Officer	Resigned on 18 August 2023
Mr. Harsh Mukherjee	AVP Sales	-
Mr. Rishab Doshi	GM GRC	-
Mr. Dharmesh Joshi	Sr. GM Projects	-
Mr. CK Sasidharan Nair	Head Projects	-
Mr. Rajesh Upadhyay	VP (Indabrador)	-
Mr. Kumar Razdan	VP (Events)	-

Name of SMP	Designation	Appointment/Resignation during the financial year
Mr. Ameya Naik	AGM (IT)	-
Mr. Sandeep Chauhan	VP (TFM)	-
Mr. Avinash Shikhare	Sr. GM (Procurement)	Joined on 1 August 2023 and Resigned on 15 April 2024
Ms. Vibhuti Vyas	Head Legal	-
Mr. R. Jayachandran	Head Projects	Joined on 3 January 2024
Dr. Pawan Kumar Singh	VP (Operations and Sales) Indabrador	Joined on 28 February 2024 and designated as SMP from 1 March 2024

## 9. CEO and CFO Certification

The Managing Director and the Chief Financial Officer have *inter-alia*, certified to the Board of Directors, the accuracy of financial statements and adequacy of internal controls for financial reporting as required under Regulation 17(8) of the Listing Regulations for the year ended 31 March 2024. The certificate dated 20 May 2024 was placed before the Board of Directors at its meeting held on 20 May 2024 and is annexed as Annexure F.

## 10. General Body Meetings

### (a) Details of location, time and date of last three Annual General Meetings of the Company

Year	AGM	Location	Date	Time	No. of special resolutions set out at AGM
2020-21	62nd	Through audio/video conference	11 August 2021	3.30 P.M.	Nil
2021-22	63rd	Through audio/video conference	8 August 2022	2.30 P.M.	Nil
2022-23	64th	Through audio/video conference	4 August 2023	3.30 P.M.	2

### (b) Resolution passed through Postal Ballot

Whether any special resolution passed last year through postal ballot—details of voting pattern?

Details of the resolution passed through Postal Ballot for FY 2023-24 and the procedure of voting is as under:

#### Postal Ballot Notice dated 4 August 2023

The Company had dispatched Postal Ballot Notice dated 4 August 2023 together with explanatory statement, *inter-alia*, for passing of the Special Resolutions for the appointment of the following Directors as Independent Directors of the Company. Ms. Neeta H. Desai (COP No. 4741) of ND & Associates Practising Company Secretary was appointed as the scrutiniser for carrying out the Postal Ballot voting process through electronic means in a fair and transparent manner. Procedure adopted for Postal Ballot is

in compliance with Regulation 44 of the Listing Regulations, Sections 108, 110, and other applicable provisions of the Act read with the Rules issued thereunder and General Circular issued by the Ministry of Corporate Affairs ("MCA"). The Company provided an electronic voting (Remote e-voting) facility to all its members.

The Company engaged the services of National Securities Depository Services Limited ("NSDL") for the purpose of providing electronic voting facility to all its members. The Postal Ballot Notice was sent to the members in electronic form at their e-mail addresses registered with the depositories/and the RTA. The Company also published a notice on 7 September 2023 in the newspapers declaring the details of completion of dispatch, e-voting details and other requirements in terms of the Act read with the Rules issued thereunder and the Secretarial Standards issued by the Institute of Company Secretaries of India. Voting

Sr. No.	Particulars of Resolution	Type of Resolution	Votes in Favour (In Numbers)	Votes in Favour (In %)	Votes against (In Numbers)	Votes against (In %)
1.	Appointment of Mr. Manu M. Parpia as an Independent Director	Special	5,24,13,797	99.85	80,538	0.15
2.	Appointment of Dr. Ramakrishnan Ramamurthi as an Independent Director	Special	5,24,12,950	99.85	80,435	0.15
3.	Appointment of Mr. Manish I. Panchal as a Independent Director	Special	5,24,12,949	99.85	80,436	0.15

#### Postal Ballot Notice dated 13 February 2024

The Company had dispatched Postal Ballot Notice dated 13 February 2024 together with explanatory statement, *inter-alia*, for passing of the Special Resolutions for the appointment of the below mentioned Independent Directors of the Company. Ms. Neeta H. Desai (COP No. 4741) of ND & Associates Practicing Company Secretary was appointed as the scrutiniser for carrying out the Postal Ballot voting process through electronic means in a fair and transparent manner. Procedure adopted for Postal Ballot is in compliance with Regulation 44 of the Listing Regulations, Sections 108, 110, and other applicable provisions of the Act read with the Rules issued thereunder and General Circular issued by the Ministry of Corporate Affairs ("MCA").

The Company provided an electronic voting (Remote e-voting) facility to all its members. The Company engaged the services of National Securities Depository Services Limited ("NSDL") for the purpose of providing electronic voting facility to all its members. The Postal Ballot Notice was sent to the members in electronic form at their e-mail addresses registered with the depositories/and the RTA.

Sr. No.	Particulars of Resolution	Type of Resolution	Votes in Favour (In Numbers)	Votes in Favour (In %)	Votes against (In Numbers)	Votes against (In %)
1.	Appointment of Mr. Arun L. Tadarwal as an Independent Director	Special	5,26,31,585	99.98	10,234	0.02
2.	Re-appointment of Ms. Amrita V. Chowdhury as an Independent Director	Special	5,26,22,793	99.96	19,026	0.04

rights were reckoned on the paid-up value of shares of the Company registered in the names of the shareholders as on the cut-off date. Members were informed that remote e-voting period would commence on 8 September 2023, at 9 a.m. (IST) and would end on 7 October 2023 at 5.00 p.m. (IST) and the detailed procedure of casting the votes through remote e-voting formed part of the notes to the Notice. The Scrutiniser submitted her report dated 8 October 2023, to the CFO, after the completion of scrutiny, and the consolidated results of the voting by Postal Ballot were then announced by the CFO on 9 October 2023 as authorised by the Board of Directors of the Company. The results were displayed on the Company's website at <https://www.nesco.in/resources/images/pdf/Postal-Ballot-Results-and-Scrutinisers-report.pdf> and were available on the website of the Stock Exchanges and NSDL.

The Company also published a notice on 20 February 2024 in the newspapers declaring the details of completion of dispatch, e-voting details and other requirements in terms of the Act read with the Rules issued thereunder and the Secretarial Standards issued by the Institute of Company Secretaries of India. Voting rights were reckoned on the paid-up value of shares of the Company registered in the names of the shareholders as on the cut-off date. Members were informed that remote e-voting period would commence on 21 February 2024 at 9 a.m. (IST) and would end on 21 March 2024 at 5.00 p.m. (IST) and the detailed procedure of casting the votes through remote e-voting formed part of the notes to the Notice. The Scrutiniser submitted her report dated 21 March 2024 to the Company Secretary of the Company, after the completion of scrutiny, and the consolidated results of the voting by postal ballot were then announced by the Company Secretary on 22 March 2024 as authorised by the Board of Directors of the Company.

The results were displayed on the Company's website at <https://www.nesco.in/resources/images/pdf/Resultsofpostalballot.pdf> and were available on the website of the Stock Exchanges and NSDL.

- (c) As at 31 March 2024, no other Special Resolution was proposed to be conducted through Postal Ballot.

#### 11. Means of Communication

- (a) The quarterly/half-yearly/yearly results are announced within the statutory time limits as per the requirement of the Listing Regulations duly amended from time to time.
- (b) The approved financial results are forthwith sent to the Stock Exchanges and are published in a national English newspaper namely Business Standard. In addition, the same is also published in a local language (Marathi) newspaper namely Lakshadweep, within forty-eight hours of approval thereof. In addition to uploading the same on the website of the Company at <https://www.nesco.in/financials> it is also sent to the Stock Exchanges for dissemination.
- (c) Presentations/Press releases if any, made to the institutional investors and/or analysts are also posted on the Company's website and sent to the Stock Exchanges where the Company's shares are listed.
- (d) The quarterly results, shareholding pattern, quarterly compliances and all other corporate communications to the Stock Exchanges namely BSE Limited and NSE Limited are filed electronically. The Company has complied with filing submissions through the BSE Listing Centre. The said information is also filed electronically with NSE through the NEAPS portal.
- (e) A separate dedicated section on the Company's website gives information on unclaimed dividends, shareholding patterns, financial results and other relevant information of interest to the investors/public.

#### 12. General Shareholder Information

##### (a) Date, Time, and Venue of the 65th Annual General Meeting

**Date:** Friday, 2 August 2024

**Time:** 3:30 p.m.

**Venue:** Through Audio/Video Conference

The AGM for the financial year 2023-24 will be held through audio/video conference or other means of audio-visual mode ("OAVM") as permitted by the Regulators.

##### (b) Financial Year: 1 April 2023 to 31 March 2024

##### (c) Dates of Book Closure for AGM and payment of dividend

From Saturday, 27 July 2024 to Friday 2 August 2024 (both days inclusive)

Payment of Dividend: on or before Tuesday, 20 August 2024

##### (d) Stock Exchanges on which shares are listed

BSE Limited  
Department of Corporate Services  
25th Floor, Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai - 400 001

National Stock Exchange of India Limited  
Department of Corporate Services  
5th Floor, Exchange Plaza  
Bandra Kurla Complex  
Bandra (East)  
Mumbai - 400 051

The annual listing fees have been paid by the Company and there is no payment outstanding towards the Stock Exchanges as on date.

##### (e) Stock Codes

BSE 505355

NSE NESCO

ISIN INE317F01035



**(f) Unclaimed Dividend**

The dividend remaining unclaimed for seven years will be transferred to the Investor Education and Protection Fund ("IEPF") as per the Act and Rules made thereunder. Shareholders who have not claimed their dividends may do so before these are statutorily transferred and are requested to immediately approach the Investor Relations Department of the Company for the issue of DD's or electronic credits.

Financial Year	Type of Dividend	Date of Declaration of Dividend	Proposed date of transfer to IEPF
2016-17	Final	14.08.2017	20.09.2024
2017-18	Final	08.08.2018	14.09.2025
2018-19	Final	05.08.2019	11.09.2026
2019-20	Interim	11.03.2020	17.04.2027
2020-21	Final	11.08.2021	17.09.2028
2021-22	Final	08.08.2022	14.09.2029
2022-23	Final	04.08.2023	10.09.2030

**(g) Disclosure with respect to Suspense Escrow Demat Account pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Particulars	No. of Shareholders	No. of shares
Aggregate number of Shareholders and the outstanding shares lying in the Suspense Escrow Demat Account as at 1 April 2023	0	0
(Add): Number of Shareholders and their shares transferred to Suspense Escrow Demat Account during the year	1	1,800
(Less): Number of shares transferred from Suspense Escrow Demat Account to the shareholder during the financial year 2023-24	0	0
Aggregate number of outstanding equity shares in the Suspense Escrow Demat Account as at 31 March 2024	1	1,800

As on 3 May 2024 the shares were transferred from the Suspense Escrow Demat Account to the shareholder's demat account.

**(h) Disclosure of certain types of agreements binding listed entities**

There are no agreement binding the Company hence the same is not applicable.

KYC details and nomination pursuant to the SEBI circular as amended from time to time.

There are no legal proceedings pending against the Company before the Company Law Board in respect of dispute over title to shares in which the Company has been a party.

**(i) Registrar and Share Transfer Agents (RTA)**

Link Intime India Pvt. Ltd.  
C 101, 247 Park, L B S Marg  
Vikhroli (West), Mumbai 400 083  
Tel.: (022) 4918 6000 • Fax.: (022) 4918 6060  
E-mail id: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

**(k) Dematerialisation of Shares and Liquidity**

A practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") and the total issued and listed equity share capital. The audit report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

As on 31 March 2024, 98.96% of the paid-up share capital had been dematerialised and balance 1.04% are held in physical mode.

**(l) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date, and likely impact on equity**

The Company has not issued any GDRs/ADRs/Warrants or any convertible Instruments.

**(m) Plant locations**

The Company's plants are located at Karamsad and Vishnoli, Gujarat.

**(j) Share Transfer System**

The Company's share transfer and related operations are undertaken by the Registrar and Share Transfer Agent ("RTA") Link Intime India Pvt. Ltd. Shareholders may please note that SEBI vide its circular dated 25 January 2022 has mandated the Listed Companies to issue securities only in dematerialised form while processing service requests viz. issue of duplicate share certificates, claim from unclaimed suspense account, exchange of share certificates, endorsement, sub-division/split of share certificates, consolidation of share certificates/folios, transmission, transposition etc. Accordingly, the shareholders are requested to make service requests by submitting necessary standardisation forms to the Company or the RTA. Further, the Company has sent individual letters to the respective Shareholders holding shares of the Company in physical form for furnishing their PAN,

**(n) Address for correspondence**

Registered Office  
Nesco Limited  
Nesco Center, Western Express Highway, Goregaon (East), Mumbai-400 063  
Tel. +91 9137500282 • E-mail: [companysecretary@nesco.in](mailto:companysecretary@nesco.in) • Website: [www.nesco.in](http://www.nesco.in)

**For Secretarial matters**

Ms. Shalini Kamath  
Company Secretary & Compliance Officer  
Nesco Limited  
Nesco Center, Western Express Highway, Goregaon (East), Mumbai-400 063  
Tel. +91 9137500282 • E-mail: [companysecretary@nesco.in](mailto:companysecretary@nesco.in) • Website: [www.nesco.in](http://www.nesco.in)

**(o) Credit Rating**

The Company has not issued any debt instruments or had any fixed deposit programme or any scheme involving mobilisation of funds in India or abroad for the year under review and hence credit rating is not applicable to the Company.

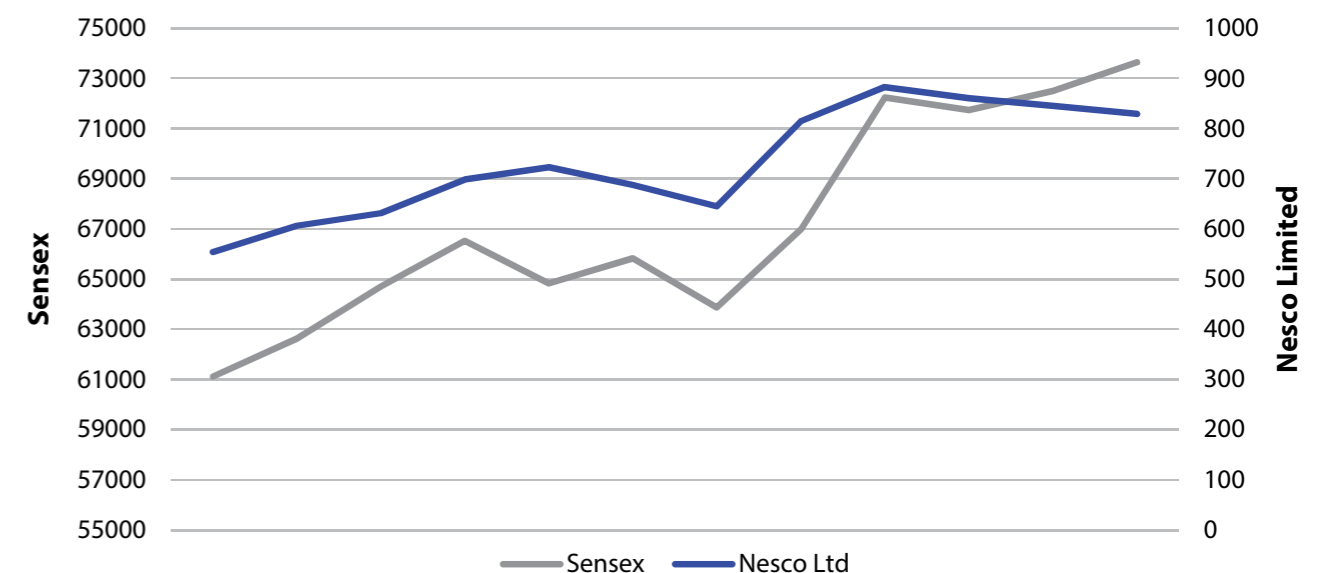
**(p) Market Price data**

Figures in ₹

Month	BSE		NSE	
	High	Low	High	Low
April, 2023	572.00	520.40	575.70	520.30
May, 2023	630.00	555.35	630.00	555.05
June, 2023	657.00	603.95	657.70	601.00
July, 2023	702.55	610.20	704.00	613.55
August, 2023	730.00	662.05	730.15	662.00
September, 2023	746.30	669.00	747.95	668.30
October, 2023	698.00	616.85	689.75	616.05
November, 2023	842.50	638.30	842.00	641.00
December, 2023	923.00	817.15	923.95	815.05
January, 2024	918.00	815.00	918.50	814.00
February, 2024	933.95	819.00	934.00	818.45
March, 2024	910.00	755.10	908.90	748.60

**(q) Stock Performance in comparison to broad-based Indices**

The chart below shows the comparison of the Company's share price (close price) movement on BSE Sensex (closing figures) for the financial year ended 31 March 2024.

**Nesco Limited vs Sensex**

**(r) Distribution of Shareholding on 31 March 2024**

No. of Shares Held	No. of Shareholders	% of Total shareholders	Total Shares	% of Issued Capital
1 – 100	36,265	75.90	9,76,973	1.39
101-200	3,810	7.97	5,94,272	0.84
201-500	3,364	7.04	11,65,495	1.65
501-1,000	1,834	3.84	14,11,303	2.00
1,001-5,000	1,913	4.00	41,95,065	5.95
5,001–10,000	327	0.68	23,28,150	3.30
10,001– 100,000	247	0.52	57,70,133	8.19
100,001 and above	24	0.05	5,40,18,569	76.68
<b>Total</b>	<b>47,784*</b>	<b>100.00</b>	<b>7,04,59,960</b>	<b>100.00</b>

\* PAN is not clubbed.

**(s) Shareholding Pattern as on 31 March 2024**

Category	Total Shares	% of total Issued Capital
<b>Promoters and Promoters Group</b>	<b>4,82,90,313</b>	<b>68.54</b>
Indian	4,38,18,313	62.19
Foreign	44,72,000	6.35
<b>Public</b>	<b>2,21,69,647</b>	<b>31.46</b>
Mutual Funds	19,20,510	2.73
Alternate Investment Fund	2,14,035	0.30
Banks	715	0.00
Insurance Companies	6,75,033	0.96
NBFCs registered with RBI	3,001	0.00
Foreign Portfolio Investor Category 1	23,02,662	3.27
Foreign Portfolio Investor Category 2	1,62,656	0.23
Investor Education and Protection Fund Authority	12,00,177	1.70
Resident Individual holding nominal share capital upto ₹2 lakhs	1,21,25,480	17.21
Resident Individual holding nominal share capital in excess of ₹ 2 lakhs	10,07,036	1.43
Non-Resident Indians (NRI)	7,98,156	1.13
Bodies Corporate	11,77,986	1.67
Others	5,82,200	0.83
<b>TOTAL</b>	<b>7,04,59,960</b>	<b>100.00</b>

**(t) Financial Calendar (Tentative)**

Results for the Quarter and year ending on	Tentative date
Unaudited results for the first quarter ending 30 June 2024	Within 45 days from the end of the quarter
Unaudited results for the second quarter and half year ending 30 September 2024	Within 45 days from the end of the quarter
Unaudited results for the third quarter and nine months ending 31 December 2024	Within 45 days from the end of the quarter
Audited results for year ending 31 March 2025	Within 60 days from the end of the financial year

**(u) Commodity price risk or foreign exchange risk and hedging activities**

The Company does not have any exposure hedged through commodity derivatives.

**13. Other Disclosures****(a) Related Party Transactions**

There were no materially significant transactions with Related Parties during the financial year, which conflicted with the interest of the Company at large. All Related Party Transactions ("RPTs") are periodically placed before the Audit Committee/Board for its review, approval and noting. The Company has in place a Policy on Related Party Transactions and the same is displayed on the Company's website, the weblink of

the same is <https://www.nesco.in/resources/images/pdf/policy/policy-on-related-party-transactions.pdf>

**(b) Details of non-compliance**

The equity shares of the Company are listed on BSE and NSE Limited, Mumbai, and the Company has complied with all the applicable regulations of capital markets except as under:

Due to clerical error the Company omitted to note that Mr. Manu M. Parpia's term as an Independent Director ended on 9 May 2022, and he continued to serve on the Board of Directors and Audit Committee for more than one year even after cessation of this tenure. Upon this fact coming to the Company's knowledge in May 2023, it immediately took corrective measures including disclosure. The Company thereafter

appointed Mr. Manu M. Parpia as an Independent Director for a second term from 15 July 2023 upto 31 March 2024 which was duly approved by the shareholders on 7 October 2023. The Audit Committee Chairman received an administrative warning letter from SEBI dated 31 January 2024 mentioning violation under Regulation 25(9) of LODR Regulations read with Section 149(10) of Companies Act, 2013 in relation to the Committee's failure to review the adequacy of the internal control systems which should have prevented the lapse of the Company in re-appointing Mr. Manu M. Parpia as an Independent Director of the Company. The said letter received from SEBI is already disclosed by the Company to the exchanges under Regulation 30 of the Listing Regulations.

No penalties or strictures have been imposed on the Company by the Stock Exchange, SEBI or any other statutory authority, on any matter relating to the capital markets during the last 3 (three) years.

**(c) Whistle Blower Policy**

The Company has in place a Whistle Blower/Vigil Mechanism Policy through which its Stakeholders, Directors, and Employees can report their genuine concerns about unethical behaviour and actual or suspected fraud or violation of the Company's Code of Business Conduct and Ethics. The said Policy provides for adequate safeguards against victimisation and no personnel has been denied access to the Audit Committee wherever required. The e-mail id for reporting genuine concerns is [whistleblower@nesco.in](mailto:whistleblower@nesco.in)

The Policy is displayed on the Company's website and the weblink of the same is <https://www.nesco.in/resources/images/pdf/policy/whistle-blower-policy.pdf>.

**(d) Details of the utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the Listing Regulation**

The Company has not raised any funds through preferential allotment or qualified institutions placement and hence, the same is not applicable.

**(e) Certificate from Company Secretary in practice**

The Company has received a certificate dated 30 April 2024 from Ms. Neeta H. Desai (COP No. 4741) of ND & Associates, Company Secretary in practice that none of the Directors on the Board of the Company as on 31 March 2024 have been debarred or disqualified from being appointed or continuing as Directors of Company by SEBI/Ministry of Corporate Affairs or

any such statutory authority. The said certificate is annexed herewith as Annexure G.

**(f)** The Board has accepted all the recommendations of the Committees of the Board given from time to time during the financial year under review.

**(g) Total fees paid to all statutory auditors**

Total fees paid by the Company to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part during the financial year under review, aggregates to ₹ 40 lakhs.

**(h) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

a number of complaints filed during the financial year	Nil
b number of complaints disposed of during the financial year	Nil
c number of complaints pending as on end of the financial year	Nil

**(i) Details of Material Subsidiary of the Company**

The Company does not have any material subsidiary. The Company has a Policy on material subsidiary which is available on the website of the Company at <https://www.nesco.in/resources/images/pdf/policy/policy-for-determining-material-subsiidiaries.pdf>

**(j)** No loans and advances were provided by the Company or its subsidiaries, to firms/companies in which Directors are interested.

**(k) Management Discussion and Analysis Report**

The information required under the Management Discussion and Analysis Report is separately given in this annual report.

**(l) Brief profile of Directors seeking appointment/re-appointment**

As required a brief profile and other particulars of the Director retiring by rotation is given in the Notice and forms a part of this annual report

**14. Compliance with the Mandatory Requirements of the Listing Regulations**

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 of the Listing Regulations.



## 15. Adoption of non-mandatory Requirements

The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed below:

### (a) The Board

The Company's Chairman is an Executive Whole-time Director and hence this is not applicable.

### (b) Shareholders' Right

The quarterly, half-yearly and annual financial results of the Company are published in newspapers and posted on Company's website at [www.nesco.in](http://www.nesco.in). The same are also available on the websites of stock exchanges, where the shares of the Company are listed i.e. [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)

### (c) Modified opinion(s) audit report

The Company is in the regime of unmodified opinions on financial statements.

### (d) Reporting of Internal Auditor

The internal audit department of the Company is co-sourced with a professional firm of chartered account and reports directly to the Audit Committee. The internal auditor of the Company is a permanent invitee to the Audit Committee meetings for reporting the findings of the internal audit reports to the Audit Committee members.

## 16. Auditors Certificate

The statutory auditors certificate on compliance with the conditions of Corporate Governance is annexed herewith as Annexure H.

For and on behalf of the Board of Directors,

**Krishna S. Patel**

Chairman and Managing Director

DIN: 01519572

Mumbai  
20 May 2024

## Annexure E

### DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT

Certificate on compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to corporate governance requirements

To,  
The Members of Nesco Limited

I, Krishna S. Patel, Chairman & Managing Director of the Company hereby confirm that the Company has obtained from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended 31 March 2024.

**Krishna S. Patel**

Chairman and Managing Director

DIN: 01519572

Mumbai  
11 April 2024

## ANNEXURE F

### MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATION

Pursuant to Regulation 17(8) read with Part B of Schedule II and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To  
The Board of Directors  
Nesco Limited  
Mumbai

Dear Members of the Board,

We, Krishna S. Patel, Chairman & Managing Director and Dipesh R. Singhanian, Chief Financial Officer of Nesco Limited, have reviewed financial statements and the cash flow statement for the financial year ended 31 March 2024 and that to the best of our knowledge and belief, state that:

- (a) (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading; and
  - (ii) These statements present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, Applicable Laws and Regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware, and steps taken or proposed to be taken for rectifying these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee:
  - (i) That there are no significant changes in the internal control over financial reporting during the year.
  - (ii) That there are no significant changes in accounting policies made during the year and hence there was no need to disclose the same in the notes to the financial statements; and
  - (iii) That there no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Krishna S. Patel**

Chairman and Managing Director

DIN: 01519572

Mumbai  
20 May 2024

**Dipesh R. Singhanian**

Chief Financial Officer

## ANNEXURE G

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

To  
The Members  
Nesco Limited  
Nesco Center  
Western Express Highway  
Goregaon (East)  
Mumbai – 400063

We have examined electronically the relevant registers, records, forms, returns and disclosures received from the Directors of Nesco Limited having CIN L17100MH1946PLC004886 and having registered office at Nesco Center, Western Express Highway, Goregaon (East), Mumbai– 400063 (hereinafter referred to as (“the Company”) produced before us by the Company by e-mail for the purpose of issuing this certificate in accordance with Regulation 34(3) read with Schedule V Para C Sub Clause (10)(i) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our knowledge and according to the verifications including Directors Identification Number (“DIN”) status at the portal [www.mca.gov.in](http://www.mca.gov.in) as considered necessary and explanation furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended on 31 March 2024 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or such other statutory Authority.

Sr. No.	Name of the Director	DIN	Date of appointment in the Company
1	Mr. Krishna Sumant Patel	01519572	30-06-2008
2	Mr. Mahendrakumar Chouhan*	00187253	19-04-2005
3	Mrs. Sudhaben Sumant Patel	00187055	16-07-2001
4	Mr. Jai Shishir Diwanji*	00910410	03-11-2012
5	Mr. Srinivasa Murty Sessa Kuruganti*	00499663	30-07-2007
6	Ms. Amrita Verma Chowdhury	02178520	14-05-2019
7	Dr. Ramakrishnan Ramamurthi	00120246	15-07-2023
8	Mr. Manish Ishwarlal Panchal	08431492	15-07-2023
9	Mr. Manu Mahmud Parpia*	00118333	15-07-2023
10	Mr. Arun Lalchand Tadarwal	00020916	13-02-2024

\*The above four Independent Directors retired on 31 March 2024 as their second term got over pursuant to Section 149(11) of the Companies Act, 2013.

Ensuring the eligibility for the appointment or continuity of every Director on the Board of above referred Company is the responsibility of the management of the Company. Our responsibility is to express an opinion as stated above based on our electronic verification. This certificate is neither an assurance as to the future viability of the Company or effectiveness with which the management has conducted the affairs of the Company.

For ND & Associates  
(Peer Reviewed)

**Neeta H. Desai**  
Practising Company Secretary  
COP No. 4741  
UDIN: F003262F000273378

Place: Mumbai  
Date: 30 April 2024

## ANNEXURE H

**INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members of Nesco Limited

We, Manubhai & Shah LLP, Chartered Accountants, the Statutory Auditors of Nesco Limited (“the Company”), have examined the compliance of conditions of Corporate Governance by the Company for the year ended 31 March, 2024 as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”).

**Management’s Responsibility**

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

**Auditor’s Responsibility**

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of accounts and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (“the ICAI”), the standards on

Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion**

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31 March, 2024.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Manubhai & Shah LLP  
Chartered Accountants  
ICAI FRN: 106041W / W100136

**Ashish Shah**  
Partner

Place: Mumbai  
Date: 20 May 2024

M. No.: 103750  
UDIN: 24103750BKEXRZ6438



## BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (“BRSR”)

### SECTION A: GENERAL DISCLOSURES

#### I. Details of the listed entity:

1.	Corporate Identity Number (CIN)	L17100MH1946PLC004886
2.	Name of the Listed Entity	Nesco Limited
3.	Year of Incorporation	1946
4.	Registered office address	Nesco Center, Western Express Highway, Goregaon (East), Mumbai – 400 063
5.	Corporate address	Nesco Center, Western Express Highway, Goregaon (East), Mumbai – 400 063
6.	E-mail	<a href="mailto:companysecretary@nesco.in">companysecretary@nesco.in</a>
7.	Telephone	(022) 66450123
8.	Website	<a href="http://www.nesco.in">www.nesco.in</a>
9.	Financial Year for which reporting is being done	1 April 2023 to 31 March 2024
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited
11.	Paid-up Capital	₹ 1,409.20 lakhs
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Ms. Shalini Kamath Company Secretary & Compliance Officer Email: <a href="mailto:companysecretary@nesco.in">companysecretary@nesco.in</a> Mobile: +91 9137500282
13.	Reporting Boundary	Standalone Basis (please refer to question no. 23(a))
14.	Name of assurance provider	NA
15.	Type of assurance obtained	NA

#### II. Products/services:

##### 16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Realty - IT Park	To build a private IT park and to provide space on a license basis	40.65%
2.	Exhibition and Events- Bombay Exhibition Center (“BEC”)	To provide space for trade fairs, events, exhibitions, conventions, and conferences	26.70%
3.	Engineering goods and services- Indabrator	Manufacture of machinery, equipment, and capital goods in the surface preparation and allied segments	6.58%
4.	Hospitality and MICE - Nesco Foods	To carry on the business of Kitchens, Food Courts, Food Kiosks, Mass Catering, etc	12.68%

##### 17. Products/Services sold by the entity (accounting for 90% of the entity’s Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Office Buildings	99531223	40.65%
2.	Exhibition halls	99531222	26.70%
3.	Other food products n. e. c.	99611299	12.68%
4.	Machinery for metallurgy and parts thereof – Other special-purpose machinery n.e.c.	99611881 and 99611889	6.58%

Note: Income from Investments accounts for 13% of the Company’s Total Turnover.

#### III. Operations:

##### 18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	2	5*	7
International	0	0	0

\* The Company has not considered offices at plant locations separately.

##### 19. Markets served by the entity:

The Company’s Nesco IT Park, Nesco Foods (Exhibition Food Court, Banquets, Restaurants and Outlets Operations), Bombay Exhibition Center (Guest Exhibitions, Guest Events, own exhibition and own events businesses) are run out of its Goregaon, Mumbai premises. Customers are from across India as well as from global locations, however, the service delivery is in Mumbai.

Indabrator division based in Gujarat sells machinery, spares and abrasives to customers across India and also exports to clients in other countries.

##### a. Number of locations:

Locations	Number
National (No. of States)	21
International (No. of Countries)	5 (UAE, Sri Lanka, Uganda, South Africa and Oman)*

\* Countries to which goods have been exported in FY 2023-24.

##### b. What is the contribution of exports as a percentage of the total turnover of the entity?

The total contribution of exports to the total turnover is 0.23%.

Note: Export contribution is from the Indabrator business.

##### c. A brief on types of customers:

The Company has distinct customer categories depending on the nature of its businesses. Customers for Nesco IT Park include occupiers who lease office space from the Company. The occupiers include leading multinational companies, IT/ITES, and BFSI companies, among others. For the Bombay Exhibition Center, customers include exhibition organisers and exhibitors. The Company also organises its own events as well as its exhibitions where the common public is the consumer. For Nesco Foods (exhibition food courts, restaurants, outlets) customers include consumers at the food courts and visitors at exhibitions and corporate/family events.

The Indabrator business provides specialised capital goods machinery including shot blasting machines, paint booths, abrasives, and spare parts of shot blasting machines. These products meet the demands of various industry verticals, including Foundry, Indian Railway, Automotive, Defence, Shipbuilding, Chemical, and numerous other industries.

#### IV. Employees:

##### 20. Details as at the end of the Financial Year:

##### a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	220	185	84.09%	35	15.91%
2.	Other than Permanent (E)	12	11	91.67%	1	8.33%
3.	<b>Total employees (D + E)</b>	<b>232</b>	<b>196</b>	<b>84.48%</b>	<b>36</b>	<b>15.52%</b>
<b>WORKERS</b>						
4.	Permanent (F)	0	0	0	0	0
5.	Other than Permanent (G)	133	106	79.70%	27	20.30%
6.	<b>Total workers (F + G)</b>	<b>133</b>	<b>106</b>	<b>79.70%</b>	<b>27</b>	<b>20.30%</b>

Note: All employees of Mumbai business and Indabrator are considered in the permanent employee count. Other than permanent employees include employees working on a contractual basis. Workers other than permanent include the contractual workers at Nesco food courts who are employed on Fixed-Term Contracts (“FTC”). This count does not include headcount from completely outsourced contracts for example security, facility management, etc or daily wage workers.

##### b. Differently abled employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	0	0	0	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	<b>Total employees (D + E)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>WORKERS</b>						
4.	Permanent (F)	0	0	0	0	0
5.	Other than Permanent (G)	0	0	0	0	0
6.	<b>Total workers (F + G)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Note: Nesco does not currently have any differently-abled employees or workers, though the Company encourages a diverse and inclusive workplace.

## 21. Participation/Inclusion/Representation of women:

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	10*	2	20%
Key Management Personnel	2	1	50%

\* The Chairman & Managing Director, Mr. Krishna S. Patel, is included in the Board of Directors and excluded from Key Managerial Personnel.

## 22. Turnover rate (%) for permanent employees and workers:

Particulars	Turnover rate in FY 2023-24			Turnover rate in FY 2022-23*			Turnover rate in FY 2021-22*		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	19%	11%	16%	17%	5%	12%	3%	20%	2%
Permanent Workers	NA	NA	NA	NA	NA	NA	NA	NA	NA

\* Data on the turnover rate in FY 2022-23 and FY 2021-22 has been restated based on regrouping and recategorisation from BRSR 2022-23 to ensure comparability over the years.

## V. Holding, Subsidiary, and Associate Companies (including joint ventures):

### 23. (a) Names of holding/subsidiary/associate companies/ joint ventures:

S. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ subsidiary/ associate/ joint venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Nil	NA	NA	NA

Note: Nesco Hospitality Private Limited, a wholly owned subsidiary of Nesco Limited is under voluntary liquidation process as reported in the Company's FY 2022-23 BRSR. Nesco Foundation for Innovation and Development, another wholly owned subsidiary has opted for voluntary liquidation in FY 2023-24 and the process is currently in progress. The Company does not have any joint venture or associate companies.

## VI. CSR Details:

### 24. (i) Whether CSR is applicable as per section 135 of the Companies Act, 2013: Yes

(ii) Turnover (in ₹): 78,312.87 lakhs

(iii) Net worth (in ₹): 2,29,650.51 lakhs

## VII. Transparency and Disclosures Compliances:

### 25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom the complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web link for grievance redressal policy)	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of year	Remarks
Customers*	Yes. A Stakeholder's Grievance Management Policy including a grievance mechanism for all the stakeholders is in place. The link is provided below.	97	11	2 complaints are pending due to limited access to customer premises. The balance complaints will be resolved within the established turnaround time.	139	5	Pending as of 31 March 2023**
Employees and Workers		0	0	-	0	0	-
Investors and Shareholders		6	1	Resolved on 1 April 2024	6	0	-
Government Entities and Regulatory Bodies		0	0	-	0	0	-
Contractors and their Workers		0	0	-	0	0	-
Communities	0	0	-	0	0	-	
Suppliers, Business Partners	0	0	-	0	0	-	

<https://www.nesco.in/resources/images/pdf/policies-on-brsr/Grievance-Management-System.pdf>

\* Includes customer grievances for all Business Units.

\*\* Customer complaints pending resolution were closed satisfactorily in FY 2023-24.

## 26. Overview of the entity's material responsible business conduct issues:

The Company undertook a structured materiality assessment exercise in the financial year 2022-23 which was reviewed in 2023-24. The process involved peer benchmarking and one-to-one interactions with the executive leadership, business unit heads, and functional heads to obtain the priorities of the specific stakeholder groups they interface with. These were then aligned with the Board and leadership's ESG ambitions. Indicated below are critical material responsible business conduct and sustainability issues about environmental and social matters that present a risk or an opportunity to the Company's businesses.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity
1.	Energy and GHG Emissions	Risk and Opportunity	(Risk): Dependence on non-renewable energy sources coupled with inefficient energy use poses a significant challenge for businesses. Energy prices also impact the costs of the operations. Implementation of a carbon tax could escalate costs further, exacerbating financial burdens. Real estate activities contribute to greenhouse gas emissions which can lead to displaced communities and make them vulnerable to climate-related risks. (Opportunity): Green Buildings and low GHG emissions are crucial for current as well as potential occupiers. Occupiers, Exhibitors and Indabator customers prefer more sustainable facilities and operations. Focus on GHG reduction enhances business opportunities and builds resilience amid climate change adaptation needs.	As part of the BRSR disclosure, Nesco has initiated the inventory and calculation of GHG emissions. The IT Parks business is the Company's largest business and purchases only Green Energy for its energy requirements. The Company is developing a strategy for reductions in energy usage and GHG Emissions for its other business units. The risk mitigation efforts will protect the Company from downside risks. The Company's approach to reducing energy consumption and GHG Emissions is discussed in Annexure C of the Annual Report and Principle 6, Essential Indicator 8.	Positive
2.	Waste Management	Risk	Efficient waste management is essential to optimise resource usage and mitigate environmental impact. Compliance with waste management and disposal regulations is an essential component of ensuring smooth business operations. Waste management is also a social impact issue for the communities within which the Company operates. Non-compliance may result in fines, and litigation, and could also harm its reputation and social 'licence to operate'. Nesco's Goregaon facilities are accessed by a variety of stakeholders and hence the coverage goes beyond activities within its direct control.	The Company has adopted streamlined waste management protocols to ensure compliance. In addition, there is an emphasis on awareness of waste segregation supported by disposal with recycling and reuse as the intended end use. The Company is evaluating expanding Organic Waste Composting, for improving soil quality and fostering green cover and biodiversity. The Company's strategy for Waste Management has been discussed in detail in Principle 6, Essential Indicator 10.	Negative
3.	Water Management	Risk	Ensuring compliance with water regulations is crucial to safeguard groundwater resources and avoid regulatory penalties. Uncontrolled consumption can impact water availability for the Company's communities and its own operations while non-compliance can undermine occupier confidence, and impede future project approvals.	The Company has implemented initiatives for reducing water consumption and conservation of water. Nesco has invested in rainwater harvesting, Sewage Treatment Plants ("STP"), and adding water meters as well as IoT solutions to improve monitoring and drive efficiencies. The Company will be refreshing its water balance to reassess its water requirements due to the impact of the new infrastructure being added to its operational footprint. Through the implementation of water-saving technologies and responsible usage, the Company aims to mitigate resource depletion risks. Additional details are mentioned in Principle 6, Essential Indicator 5.	Negative



S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity
4.	Health Safety and Well-being	Risk	Ensuring the health and safety of employees, workers, and contractual workforce is imperative for all Nesco businesses. The health and safety context for the Company is broader due to its obligation to ensure safety for employees of occupiers, their visitors as well as other visitors for Exhibitions, Events, Restaurants and the food court. Adherence to safety regulations, incident prevention, mitigation and response to hazards help address concerns about negligence claims, compensation requests, and reputational harm to the Company. The intensity of activity during exhibitions and events heightens the risk of accidents, potentially resulting in accidents, and/or injuries.	Nesco invests in infrastructure, systems and a safety team besides training its employees and workers across its businesses. The Company takes the responsibility to create a safe environment for all internal and external stakeholders on its premises. It invests in the infrastructure and awareness of safety protocols through appropriate signages related to a variety of hazards. Nesco also provides training to its outsourced security and facility management personnel who engage with visitors and are accessible to address any safety risks.  Health and Safety Risk Management Processes are detailed in Principle 3, Essential Indicators 10-15.	Negative
5.	Human Capital Management	Opportunity and Risk	(Opportunity): Effective management of a diverse workforce results in increased resilience and productivity. The areas of concern include fair compensation, learning opportunities, career development and fostering inclusivity in the work environment.  (Risk): There is significant reliance on contractual labour within Nesco's operations which introduces compliance and operational risks.	Human capital management, covering benefits, training, career development, retention, safety, and other pertinent aspects are discussed in detail in Principle 3 and Principle 5.  Nesco has set processes to mitigate labour-related risks by ensuring appropriate labour compliance covering its workers and monitoring compliance by its third party providers of contractual workforce.	Positive
6.	Customer Centricity, Operational Excellence and Innovation	Opportunity	Customers across Nesco's diverse businesses are a key area of focus for the client-facing and operational teams. Investments in innovative technologies drive improvement in customer experience while improving operational efficiency and effectiveness.	Nesco is refining its systems and governance to maximise customer satisfaction across businesses. The Company invests in improving its sustainability performance while actively engaging with customers to identify and address issues, and maintaining operational agility to improve service levels. The use of new technologies (including digital) helps improve user experience across stakeholders while improving profitability.	Positive
7.	Sustainable Supply Chain Management	Risk	Disruptions, within the supply chain, can impact the Company's operations. A lack of attention to ethical and sustainable sourcing practices can lead to non-adherence to LEED certification requirements, increasing specific-supplier and overall supply chain risks.	Nesco has renewed its commitment to a sustainable supply chain to build operational resilience, achieve cost savings, and foster long-term relationships with suppliers. The individual businesses engage suppliers from marginalised/vulnerable communities wherever possible and localise the supply chain. The Company has rolled out a Supplier Code of Conduct which lays out its ESG, regulatory compliance and other expectations from its suppliers. The Company's approach to Sustainable Sourcing is discussed in Principle 2.	Negative

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	No#	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)*	Yes	Yes	Yes	Yes	Yes	Yes	No#	Yes	Yes
c. Web Link of the Policies, if available@.	Yes	Yes	Yes	Yes	Yes	Yes	No#	Yes	Yes
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes, wherever relevant, policies have defined procedures for stakeholders to respond to situations defined in the policies.								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes. These policies are made available to the value chain partners through Nesco's website. The Company also has a Code of Conduct for Suppliers which is a part of its purchase orders/invoices.								
4. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.**	<ul style="list-style-type: none"> <li>Platinum LEED Certification for Core and Shell at all IT Park Buildings covers Principles 2,3,6 and 9</li> <li>ISO 9001:2015 at Indabrator Division, plants at Vishnoli and Karamsad, Gujarat covers Principles 2 and 9</li> <li>ISO 14001:2015 and ISO 45001:2018 cover Principle 2, Principle 3, and Principle 6 at Vishnoli Plant</li> </ul>								
5. Specific commitments, goals, and targets set by the entity with defined timelines, if any.	<ul style="list-style-type: none"> <li>Define ESG FY2030 Roadmap by FY 2025</li> <li>Standard Safety Procedures and Protocols to be rolled out to vendors appointed by Bombay Exhibition Center ("BEC") customers</li> <li>ISO 14001:2015 Certification for IT Parks by FY2025</li> <li>70% of spend with confirmation of adherence to the Supplier Code of Conduct by FY2026</li> <li>Learning and Development - Training of 8 hours per permanent employee by 2025</li> <li>100% Training for all Employees on the Code of Business Conduct and Ethics, ("CoC") Whistleblower Policy and Prevention of Sexual Harassment at Workplace ("POSH") by 2025</li> <li>Maintain IT Parks Customer NPS &gt;80%</li> <li>Conduct Customer ESG Expectations Survey in FY2025 for IT Parks and BEC</li> <li>Conduct Annual Customer Satisfaction Surveys across all B2B businesses from FY 2025</li> </ul>								
6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	<ul style="list-style-type: none"> <li>Baseline Energy and Emissions data for FY2023 and FY 2024 calculated</li> <li>IT Parks ISO 14001:2015 Certification internal assessment conducted and certification body engaged</li> <li>Developed Supplier Code of Conduct in FY2024</li> <li>IT Parks Customer NPS &gt;80%</li> </ul>								
<b>Governance, leadership, and oversight</b>									
7. Statement by director responsible for the business responsibility report, highlighting ESG-related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure) The Chairman & Managing Director's message on <a href="#">Page no. 13</a> include ESG-related ambitions, challenges, targets, and achievements.	The Risk Management Committee of the Board is responsible for oversight of the BRSR and ESG matters. Progress on ESG, Sustainability, and BRSR is presented to the Board and Risk Management Committee periodically. The implementation of the BRSR principles and policies is carried out by the Business/Functional heads under the supervision of the Managing Director.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility Policy (ies).	The Risk Management Committee of the Board is responsible for oversight of the BRSR and ESG matters. Progress on ESG, Sustainability, and BRSR is presented to the Board and Risk Management Committee periodically. The implementation of the BRSR principles and policies is carried out by the Business/Functional heads under the supervision of the Managing Director.								
9. Does the entity have a specified Committee of the Board/Director responsible for decision-making on sustainability-related issues? (Yes/ No). If yes, provide details.	The Risk Management Committee of the Board is responsible for decision-making on sustainability-related issues.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether a review was undertaken by the Director/Committee of the Board/ any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other - please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Performance against the above policies and follow-up action.					Yes									Annual			
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances.					Yes									Annual (The Company follows the requirements of the relevance principles to the extent applicable)				

11. Has the entity carried out an independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.***	P1	P2	P3	P4	P5	P6	P7	P8	P9
	No	Yes	Yes	No	No	Yes	NA#	No	Yes

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No).						No			
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No).						Yes#			
The entity does not have the financial or human and technical resources available for the task (Yes/No).	NA	NA	NA	NA	NA	No	NA	NA	NA
It is planned to be done in the next financial year (Yes/No).						No			
Any other reason (please specify).						No			

@ Web links of all the policies aligned with the BRSR Principles are provided below.

- <https://www.nesco.in/resources/images/pdf/policy/code-of-business-conduct-and-ethics-for-directors-&-senior-management-personnel.pdf>
- <https://www.nesco.in/resources/images/pdf/policies-on-brsr/anti-bribery-corruption-and-gifting-policy.pdf>
- <https://www.nesco.in/resources/images/pdf/policy/whistle-blower-policy.pdf>
- <https://www.nesco.in/resources/images/pdf/policies-on-brsr/policy-on-human-capital-management.pdf>
- <https://www.nesco.in/resources/images/pdf/policy/nomination-and-remuneration-policy.pdf>
- <https://www.nesco.in/resources/images/pdf/policies-on-brsr/policy-on-human-rights.pdf>
- <https://www.nesco.in/resources/images/pdf/policy/policy-on-sexual-harrasment-at-workplace.pdf>
- <https://www.nesco.in/resources/images/pdf/policies-on-brsr/suppliers-code-of-conduct.pdf>
- <https://www.nesco.in/resources/images/pdf/policies-on-brsr/policy-of-stakeholder-relationships.pdf>
- <https://www.nesco.in/resources/images/pdf/policies-on-brsr/policy-n-environment-management-and-protection.pdf>
- <https://www.nesco.in/resources/images/pdf/policy/CSR-policy.pdf>
- <https://www.nesco.in/resources/images/pdf/policies-on-brsr/quality-and-customer-centricity.pdf>

#Nesco seeks to engage with public policy only through industry associations wherever applicable. However, the Company currently does not see the need for a dedicated policy on this matter, as Nesco's viewpoints are expressed through various forums.

\*The Board of Directors on the recommendation of the Leadership team including the Chairman & Managing Director reviews the Company's policies every year. During this evaluation, the policy's effective implementation is assessed, and any policy or procedure adjustments needed are identified. If any amendments are needed, these are made and shared with the Board for approval.

\*\*The Company's certifications on Quality, Health and Safety (IS) 9001, 14001, and 45001 are certified by URS India and Green Building status has been assessed by the certifying body Indian Green Buildings Council ("IGBC").

\*\*\*Nesco has identified the key policies for the Company from a compliance and materiality perspective. Independent assessment/evaluation for the working of specific aspects of policies and businesses is carried out periodically by certifying bodies as explained above. The Company will plan for an external assessment of the working of the policies in due course.

## SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE

### PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent, and Accountable

#### Essential Indicators

#### 1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total No. of training and awareness programmes held	Topics/principles covered under the training and its impact	% coverage by awareness programmes
Board of Directors	4	Familiarisation Training covers key business aspects and ESG and BRSR Overview (all principles)	100%
Key Managerial Personnel	6	1. ESG and BRSR Overview (all relevant principles) 2. Prevention of Sexual Harassment at Workplace ("POSH") and Human Rights (Principle 5) 3. Whistleblower Policy (Principle 1) 4. Prevention of Insider Trading (Principle 1) 5. Financial Planning for Women (Principle 3) 6. Human Resource Management System ("HRMS") (Principle 3)	100%

Segment	Total No. of training and awareness programmes held	Topics/principles covered under the training and its impact	% coverage by awareness programmes
Employees other than BoD and KMPs	8	1. Prevention of Sexual Harassment at the Workplace ("POSH") and human rights (Principle 5) 2. Whistleblower Policy (Principle 1) 3. Prevention of Insider Trading (Principle 1) 4. Mac training (Principle 3) 5. Human Resource Management System (HRMS) (Principle 3) 6. Training awareness sessions covering Health and Safety (Principle 3) 7. Financial planning for women (Principle 3)	100%
Workmen	2	1. Health and Safety (Principle 3)	100%

#### 2. Details of fines/penalties/punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors/ KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, as specified in regulation 30 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015) and that was disclosed on the entity's website:

	Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine					
Settlement			Nil		
Compounding fee					

	Non-Monetary			
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment				
Punishment			Nil	

#### 3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed:

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
	NA

#### 4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web link to the policy:

Yes. The Company unequivocally maintains an anti-corruption and anti-bribery stance, as articulated in its Anti Bribery, Corruption, and Gifting Policy which is available at the Company's website and can be accessed at: <https://www.nesco.in/resources/images/pdf/policies-on-brsr/anti-bribery-corruption-and-gifting-policy.pdf>.

All employees and stakeholders are mandated to adhere to the highest standards of honesty and integrity in their business dealings. Bribery, in any guise, is strictly prohibited, with no tolerance for the use of intermediaries or illicit payments. Furthermore, the policy explicitly prohibits the offering or acceptance of gifts, hospitality, or entertainment to influence business decisions. Third parties are also held accountable to uphold ethical standards and refrain from engaging in any form of corruption. Incidents related to corruption can be reported as per the Whistle Blower Policy accessible at <https://www.nesco.in/resources/images/pdf/policy/whistle-blower-policy.pdf>.

#### 5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Particulars	FY 2023-24	FY 2022-23
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

#### 6. Details of complaints with regard to conflict of interest:

Particulars	FY 2023-24		FY 2022-23	
	Number	Remark	Number	Remark
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	NA	Nil	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	NA	Nil	NA



**7. Provide details of any corrective action taken or underway on issues related to fines/penalties/ action taken by regulators/law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest:**

There have been no instances of fines, penalties, or disciplinary actions against any of the Company's directors, KMP, employees, or workers for cases related to conflict of interest or anti-bribery and anti-corruption.

**8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured) in the following format:**

Particulars	FY 2023-24	FY 2022-23
Number of days of accounts payables	34	37

**9. Openness of business: Provide details of the concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances and investments, with related parties, in the following format:**

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	14.74%	16.27%
	b. Number of trading houses where purchases are made from	29	27
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	61.10%	65.72%
Concentration of Sales	a. Sales to dealers/distributors as % of total sales	0.35%	0.48%
	b. Number of dealers/distributors to whom sales are made	10	8
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/ distributors	100%	100%
Share of RPTs in	a. Purchases (Purchases with related parties /Total Purchases)	0.16%	0.23%
	b. Sales (Sales to related parties/ Total Sales)	0.02%	0.03%
	c. Loans and advances (Loans and advances given to related parties / Total loans and advances)	-	-
	d. Investments (Investments in related parties/ Total Investments made)	-	-

**PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe**

**Essential Indicators**

**1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively:**

Nesco is committed to driving efficiency and quality, and minimising the environmental and social impacts of its activities. All the Company's businesses excluding Indabrador are services businesses so R&D expenditures are currently not applicable. In the Indabrador business, the Company provides machinery that is customised to customer requirements leaving little need for product-specific R&D. The capital expenditure incurred along with details of improvements in terms of minimising environmental or social impacts are listed below:

Particulars	FY 2023-24	FY 2022-23	Details of improvements in environmental and social impacts
R&D	Nil	Nil	Nil
Capex	34.20%	Nil	Investment in equipment for improved maintenance worker safety, working conditions, access control for security and improvement of facilities for employees and occupiers.

**2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes – Sustainable Sourcing is an emerging priority for Nesco and it is in the process of defining its procedures. In FY 2023-24, the Company drafted a Supplier Code of Conduct to define and govern ESG practices for its vendors and suppliers. Nesco is in the process of rolling this out for formal acceptance from its suppliers. The Company currently has an initial definition which considers the following:

- All of the Company's vendors are contractually obligated to meet all government regulations related to wages, health and safety and environmental compliance.
- IT Parks - All products sourced for civil construction and renovation adhere to LEED certification guidelines.
- Bombay Exhibition Center (BEC) – Any Capex would be driven by safety and energy efficiency criteria.
- Nesco Foods – Preference for marginalised/vulnerable groups where possible.
- Indabrador - Input materials and components are sourced from certified partners who are compliant with relevant standards that may apply to them from time to time.

**b. If yes, what percentage of inputs were sourced sustainably?**

Nesco will be defining and monitoring the % of products that are sourced sustainably moving forward.

**3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposal at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste, and (d) other waste:**

Nesco IT Parks, Bombay Exhibition Center, and Nesco Foods are service businesses and the reclamation at the end-of-life stage of products does not apply to the Company. The mechanisms that are used to manage and dispose of waste (including recycling and disposal) that are generated as part of its operations have been mentioned in Principle 6, Essential Indicator 10. At Indabrador, the Company produces machinery and abrasives which are B2B in nature and reclaiming is beyond its scope.

**4. Whether Extended Producer Responsibility ("EPR") is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility ("EPR") plan submitted to Pollution Control Boards? If not, provide steps taken to address the same:**

No, EPR does not apply to any of Nesco businesses.

**PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains**

**Essential Indicators**

**1. a. Details of measures for the well-being of employees:**

Categories	Total (A)	% of employees covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day care Facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
<b>1. Permanent</b>											
a. Male	185	185	100%	185	100	NA	NA	185	100	185	100%
b. Female	35	35	100%	35	100	35	100%	NA	NA	35	100%
c. <b>Total</b>	<b>220</b>	<b>220</b>	<b>100%</b>	<b>220</b>	<b>100</b>	<b>35</b>	<b>100%</b>	<b>185</b>	<b>100%</b>	<b>220</b>	<b>100%</b>
<b>2. Other than Permanent</b>											
a. Male	11	11	100%	11	100	NA	NA	11	100%	11	100%
b. Female	1	1	100%	1	100	1	100%	NA	NA	1	100%
c. <b>Total</b>	<b>12</b>	<b>12</b>	<b>100%</b>	<b>12</b>	<b>100</b>	<b>1</b>	<b>100%</b>	<b>11</b>	<b>100%</b>	<b>12</b>	<b>100%</b>

Note:Maternity/paternity benefits (health insurance cover for hospitalisation of the mother including the spouse of the employee covered as well as paid leave benefits as per the Maternity Benefit Act), health/accident insurance applies to all permanent and non-permanent employees across all Nesco's businesses.

**b. Details of measures for the well-being of workers:**

Categories	Total (A)	% of employees covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day care Facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
<b>1. Permanent</b>											
a. Male	0	0	0	0	0	0	0	0	0	0	0
b. Female	0	0	0	0	0	0	0	0	0	0	0
c. <b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2. Other than Permanent</b>											
a. Male	106	106	100%	106	100%	NA	NA	106	100%	106	100%
b. Female	27	27	100%	27	100%	27	100%	NA	NA	27	100%
c. <b>Total</b>	<b>133</b>	<b>133</b>	<b>100%</b>	<b>133</b>	<b>100%</b>	<b>27</b>	<b>100%</b>	<b>106</b>	<b>100%</b>	<b>133</b>	<b>100%</b>

Note: For Indabrador (Gujarat Manufacturing Location), the Workers are covered by the Workmen's Compensation Insurance policy, and workers in Mumbai are covered by ESIC. Employees in Mumbai whose compensation level is above the ESIC coverage are being covered as per the organisation's insurance policy.

**c. Spending on measures towards the well-being of employees and workers (including permanent and other than permanent) in the following format:**

	FY 2023-24	FY 2022-23
Cost incurred on well-being measures as a % of total revenue of the company*	0.04%	0.02%

\* The Company took Group Term Life Insurance for all its employees and workers excluding daily wage and piece rate workers at Indabrador in the financial year 2023-24. Includes Group Term Life Insurance, Group Medical Coverage, Group Personal Accident, Workmen Compensation, and Maternity benefits/Paternity benefits.

## 2. Details of retirement benefits, for current financial year and previous financial year:

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	86%	98%	Y	87%	100%	Y
Gratuity	100%	100%	N*	100%	100%	N*
ESI	0%	66%	Y	0%	65%	Y
Others	0%	0%	NA	0%	0%	NA

\*The Company doesn't deduct gratuity from employees' CTC. It makes provisions in its books of account and pays when required. PF is not paid for those who have opted out or those non-permanent employees on a retainer as consultants.

## 3. Accessibility of workplaces:

### Are the premises/offices of the entity accessible to differently-abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard:

Nesco remains committed to inclusivity and adherence to legal mandates concerning persons with disabilities ensuring accessibility for differently-abled individuals within its own offices and premises. Proactive measures have been instituted. Nesco's facilities in Mumbai have the requisite infrastructure such as ramps, walkways, turnstiles, and elevators with braille-friendly switches. Essential facilities such as washrooms, staircases, and pedestrian walkways have railings and support structures. A wheelchair is readily available in the lobby, with designated parking spaces provided for differently abled individuals. Additionally, a dedicated "P" gate streamlines access to respective floors.

Based on feedback from the Company's occupiers' community, Nesco has also created a dedicated drop-off point to facilitate ease of access for persons with disabilities. Nesco's manufacturing plants and offices in Gujarat are all on the ground floor and accessible.

## 4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web link to the policy:

The Human Capital Management Policy, approved by the Board, ensures equal opportunities at Nesco, both in recruitment and employment. Discrimination based on age, region, caste, creed, race, colour, gender, religion, national origin, social groupings, disability, or marital status is strictly prohibited, as per relevant local, state, and national laws. Employment and promotion decisions are merit-based, considering qualifications, experience, and demonstrated capacity for enhanced performance, aligning with the principle of equal opportunity.

The Company's Human Capital Management Policy can be accessed at: <https://www.nesco.in/resources/images/pdf/policies-on-brsr/policy-on-human-capital-management.pdf>.

## 5. Return to work and Retention rates of permanent employees and workers that took parental leave:

Category	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	Nil	Nil
Female	Nil	Nil	Nil	Nil
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>Nil</b>	<b>Nil</b>

Note: In the reporting year, one male employee opted for paternity leave, and subsequently returned to work. During the same period, no female employees availed maternity leave. No employees availed parental leave in the previous year.

## 6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief:

	Yes/No – (If Yes, then give details of the mechanism in brief)
Permanent Workmen	The Company implements an open-door policy, facilitating employee access to HR and Management for addressing concerns. The Human Resource Management System ("HRMS") introduced in this fiscal year manages issue resolution via a ticketing system, directing them to relevant internal functions within stipulated timelines. An escalation mechanism ensures timely resolution. This system has been recently introduced and will be strengthened in the coming years. Grievance Redressal Mechanisms for Human Rights are discussed in Principle 5, Essential Indicator 5.
Other than Permanent Workmen	
Permanent Employees	
Other than Permanent Employees	

## 7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Employees and workers are not members of any recognised unions or associations.

## 8. Details of training given to employees and workers:

Category	FY 2023-24					FY 2022-23				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	(C/A)		No. (E)	% (E/D)	No. (F)	(F/D)
<b>Employees</b>										
Male	196	196	100%	196	100%	163	163	100%	163	100%
Female	36	36	100%	36	100%	25	25	100%	25	100%
<b>Total</b>	<b>232</b>	<b>232</b>	<b>100%</b>	<b>232</b>	<b>100%</b>	<b>188</b>	<b>188</b>	<b>100%</b>	<b>188</b>	<b>100%</b>
<b>Workers</b>										
Male	106	106	100%	106	100%	78	78	100%	78	100%
Female	27	27	100%	27	100%	18	18	100%	18	100%
<b>Total</b>	<b>133</b>	<b>133</b>	<b>100%</b>	<b>133</b>	<b>100%</b>	<b>96</b>	<b>96</b>	<b>100%</b>	<b>96</b>	<b>100%</b>

Note: The data above excludes safety training provided to contractual workers and mandatory training conducted by third-party vendors for their staff (such as security and facility management personnel).

## 9. Details of performance and career development reviews of employees and workers:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	196	196	100%	163	163	100%
Female	36	36	100%	25	25	100%
<b>Total</b>	<b>232</b>	<b>232</b>	<b>100%</b>	<b>188</b>	<b>188</b>	<b>100%</b>
<b>Workers</b>						
Male	106	106	100%	78	78	100%
Female	27	27	100%	18	18	100%
<b>Total</b>	<b>133</b>	<b>133</b>	<b>100%</b>	<b>96</b>	<b>96</b>	<b>100%</b>

Performance review of Key Management Personnel ("KMP") and Senior Management Personnel ("SMP") is done by the Managing Director ("MD") and approved by the Board of Directors as recommended by the Nomination and Remuneration Committee ("NRC"). The Nomination and Remuneration Policy can be accessed at: <https://www.nesco.in/resources/images/pdf/policy/nomination-and-remuneration-policy.pdf>.

All other employees are assessed by the MD, Chief Human Resources Officer ("CHRO"), and functional heads as per their reporting structure. The assessment framework covers learning, processes, customer relations, and financial performance. It is informed by market analyses, competitiveness assessments, and industry trends for compensation adjustments. Factors guiding these assessments include talent identification and retention, alignment with the organisation's compensation philosophy and guiding principles, financial feasibility of proposed increments, and adherence to a balanced scorecard approach.

## 10. Health and safety management system:

### a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such system?

Nesco has implemented a comprehensive Occupational Health and Safety Management System ("OHSMS") to address the criticality of safety within its operations. As discussed in Section A Question 26, Nesco makes investments in the infrastructure, processes and manpower necessary to address safety for all external stakeholders who have access to our facilities at the IT Parks, Foods, BEC and Event.

A monthly review for Total Facility Management ("TFM") services is in place. Standard Operating Procedures ("SOPs") are outlined for Emergency Response Mitigation ("ERM"), Fire Life Safety ("FLS") and Occupational Safety and Health ("OSH") Policies, Nesco Care and Maintenance, Preventive Maintenance, Fire Life Safety and Security Procedures, and Total Facility Manager charter, among others. These SOPs ensure clarity and adherence to safety protocols across various operational areas. Nesco's remote monitoring system ensures regular oversight of critical parameters such as STP water parameters, Lift visual inspection, Exhaust and Ventilation, HVAC chilled water BTU monitoring, water tank levels, and AHU status. As part of infrastructure investments, a Fire Suppression Gas Detection System was installed for critical electrical panels and kitchen as auto fire detection and fighting to ensure safety.

Nesco's Indabrator manufacturing plants are certified for Occupational Health and Safety. We are in the process of obtaining ISO-45001 certification at IT Parks.



**b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

Nesco's Enterprise Risk Management ("ERM") system, inclusive of safety and health, conducts periodic reviews and assessments, highlighting areas for improvement across its businesses. The Company has implemented a comprehensive training regimen and formulated hazard identification and risk assessment processes. To maintain a safe working environment, the Company employs robust systems for identifying and evaluating work-related hazards, including factors such as lighting, air quality, fumes, noise levels, and ease of movement throughout its facilities. These hazards are systematically assessed and prioritised based on significance, with mitigation strategies implemented as necessary. The Company's internal documentation outlines its safety protocols while highlighting significant health and safety risks, ensuring that all stakeholders are well-informed and adequately trained on safety procedures and control measures. There is a process defined for employee, customer and visitor complaints related to safety that are reviewed and acted upon for redressal.

**c. Whether you have processes for workers to report work-related hazards and to remove themselves from such risks: (Yes/No)**

Yes, the Company has established processes for reporting and removal from work-related risks and hazards for all internal and external stakeholders. Communication protocols have been established to ensure rapid and efficient dissemination of information. A dedicated WhatsApp group enables immediate reporting of incidents, complemented by onsite maintenance of incident reports to document and mitigate work-related hazards. Regular training sessions and awareness programs are conducted for all stakeholders to facilitate hazard reporting and mitigation efforts. Furthermore, a comprehensive reporting and escalation system, accessible via WhatsApp, telephone, or email, allows for detailed incident reporting to senior management. These hazards are addressed based on the urgency, sensitivity, and impact of each situation.

At the Company's Indabrator premises, a structured system is in place for employees to report work-related hazards and promptly remove themselves from such situations. Comprehensive training enables the workers to recognise potential dangers and utilise available communication channels within their workplaces, including suggestion boxes. These reports are promptly reviewed and addressed, with forms provided in the local regional language (Gujarati) and incentives are in place to encourage active participation from both permanent and contractual employees and workers.

Additionally, Nesco conducts semi-annual joint fire drills for all offices and staff at Nesco and Indabrator plants to educate the personnel on emergency preparedness and fire evacuation procedures.

**d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes, employees and workers have access to non-occupational medical and healthcare services through Company-operated and external healthcare facilities, in line with Nesco's compensation policy. In addition, the Company offers access to recreational areas, a gymnasium and a rooftop turf for weekend team games as part of its commitment to employee well-being. For emergencies, the Company ensures 24x7 availability of ambulance services on the office premises, affiliated with a nearby hospital.

**11. Details of safety related incidents, in the following format:**

Safety Incident/Number	Category*	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate ("LTIFR") (per one million person-hours worked)*	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	2
No. of fatalities	Employees	0	0
	Workers	0	0
High-consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

\* Including the contract workforce.

Note: There were no fatalities or high-consequence incidents of injuries or ill health at Nesco for either year. In FY 2022-23, two contractual workers suffered minor injuries in one incident where the workers returned to work on the next day. Remedial measures were undertaken immediately.

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace:**

Nesco remains committed to maintaining a safe and healthy workplace environment through proactive measures, comprehensive training, and continuous improvement initiatives. At Nesco's business operations in Mumbai, safety and health measures are stringent, including clear signage and risk identification systems, to alert workers, employees, visitors, and occupiers' employees about necessary precautions. The Company conducts weekly training sessions for housekeeping staff and monthly sessions for the engineering team, focusing on Occupational Health and Safety ("OH&S"). Additionally, Nesco's facilities undergo rigorous monthly audits by third-party agencies, specifically targeting fire detection and suppression systems. Electrical infrastructure and elevators are audited annually by third-party professionals to ensure operational efficiency, safety,

adherence to maintenance contracts and compliance with preventive measures. Nesco's Total Facility Management ("TFM") team participates in bi-annual Reward and Recognition programs, aligning with its commitment to safety as a part of business continuity planning.

Regular client engagement sessions provide awareness of infrastructure, health, safety, and recreation. Clients' third-party audits on occupational health and safety are conducted regularly without any reported issues. Employees receive tailored training for maintenance and repair work. Critical tasks require hot and cold work permits and additionally, gas-based welding is prohibited. All relevant systems, including refrigerants, fire detection and suppression systems, as well as emergency response processes, are annually audited and are under maintenance contracts with appropriate vendors. Safety signages are prominently displayed in all plant rooms to deter unauthorised entry, while Standard Operating Procedures ("SOPs") are visibly posted for operational clarity and safety.

There are ongoing inspections and restoration to ensure the safety and integrity of the entire hall ceiling structure in the BEC exhibition halls to maintain a secure environment. Structural enhancements encompass fabricated stairs and steps in plant rooms, and various civil works such as floor levelling, drainage, and exhaust systems with automation to ensure adequate ventilation in electrical panel rooms. There are periodic checks of structures like shades, nets, and shutters at Hall No. 7 gate.

The Company ensures a conducive work environment through measures such as adequate fresh air, CO<sub>2</sub> sensors, lighting, and appropriate air conditioning. Green spaces and amenities like gyms and food courts promote well-being. Regular engagement activities are organised, and 24/7 ambulance service is available onsite.

In the Indabrator business, Personal Protective Equipment ("PPE") is provided to mitigate hazards, alongside strict adherence to cleanliness protocols. Safety inspections and security checks are routine, ensuring a safe workplace environment.

**13. Number of Complaints on the following made by employees and workers:**

Particulars	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions	0	0	NA	0	0	NA
Health and Safety	0	0	NA	0	0	NA

Note: There was one incident each of feedback on working conditions as well as Health and Safety from Nesco IT Park tenants in FY 2022-23 and resolution was agreed upon and corrective action was taken.

**14. Assessments for the year:**

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and Safety Practices*	100%
Working Conditions**	100%

\*Third-party assessments included Occupational Health and Safety at the Indabrator Plants, and Electrical and Firefighting system maintenance audits at the IT Parks, BEC and Nesco Foods. Internal assessments of critical systems maintenance are conducted daily with bi-monthly thermography inspections.

\*\*Internal assessments of working conditions by managerial staff, Human Resources, and leadership team.

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health and safety practices and working conditions:**

Yes, the Company has implemented various processes to eliminate risks related to safety and working conditions. These include weekly training sessions for housekeeping, monthly security training, and monthly occupational health and safety training for all staff. Lighting, fire exit signage, and safety instruction signage were strategically placed in the parking and refuge areas for enhanced safety. Similarly, a fire suppression system has been put in place to bolster fire safety measures. Glow-in-the-dark tape and anti-skid tape are meticulously applied on staircases to facilitate safe evacuation during emergencies.

**PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**

**Essential Indicators**

**1. Describe the processes for identifying key stakeholder groups of the entity:**

The Company categorises stakeholders as those individuals or groups that are impacted directly or indirectly by its operations and activities or influence Nesco's ability to create value. In financial year 2023-24, Nesco re-evaluated its key stakeholders. They include shareholders and investors, local communities, employees and workers, suppliers, business partners, government and regulatory authorities, and customers. The customer categories were further broken into occupiers and their employees, exhibition organisers, exhibitors and visitors, and Indabrator customers. This allows for focused engagement and actions based on the needs of each business. Recognising the relevance of these stakeholders to meet its vision and ESG ambitions,

the Company engages actively with them to understand their grievances, feedback, and expectations. These inputs are incorporated into future business plans, policies, and initiatives.

## 2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:

Stakeholder Group	Whether identified as Vulnerable and Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advt., Community Meetings, Notice Board, Website) Other (Text Box)	Frequency of Engagement (Annually/ Half yearly/ Quarterly)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	<ul style="list-style-type: none"> <li>Email</li> <li>WhatsApp</li> <li>Direct communication</li> <li>Site visits</li> <li>Technical Workshops</li> <li>Dedicated support</li> <li>Business reviews</li> <li>Customer satisfaction surveys</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> <li>Quarterly</li> <li>Half-yearly</li> <li>Need-based</li> </ul>	<ul style="list-style-type: none"> <li>Health and safety</li> <li>Fire safety and evacuation drill</li> <li>Parking and visitor management</li> <li>Customer Engagement</li> <li>Customer Satisfaction</li> <li>Event/Product/ Service requirements, contractual and commercial terms service levels</li> <li>Expansion plans, business performance, and general issues if any</li> <li>Customer complaints on facilities and resolution</li> <li>Human Rights</li> </ul>
Employees and Workers	No	<ul style="list-style-type: none"> <li>Email</li> <li>WhatsApp</li> <li>Notice Boards</li> <li>In-person Meetings</li> <li>Digital Meetings</li> <li>HRMS</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> <li>Monthly</li> <li>Quarterly</li> <li>Annual</li> <li>Event-based</li> </ul>	<ul style="list-style-type: none"> <li>Employee Engagement</li> <li>Performance Management</li> <li>Career Development</li> <li>Recruitment and Staffing</li> <li>Health and Safety including fire safety</li> <li>Human Rights</li> <li>Events logistics</li> <li>Attendee Experience</li> </ul>
Investors and Shareholders	No	<ul style="list-style-type: none"> <li>Annual Report</li> <li>Annual General Meeting</li> <li>Institutional Investor's Meetings</li> <li>Stock Exchange Communication</li> <li>Email</li> <li>Website</li> <li>Newspaper</li> <li>SMS</li> </ul>	<ul style="list-style-type: none"> <li>Annual</li> <li>Quarterly</li> <li>Event-based</li> </ul>	<ul style="list-style-type: none"> <li>Performance and direction of the Company</li> <li>Financial Results</li> <li>Dividends</li> <li>Outcome of Board Meetings</li> </ul>
Government Entities and Regulatory Bodies	No	<ul style="list-style-type: none"> <li>SMS</li> <li>Website</li> <li>Newspaper</li> <li>BSE/NSE filing portals</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly</li> <li>Event-Based</li> </ul>	<ul style="list-style-type: none"> <li>Compliance update</li> <li>Project-related clearances</li> <li>Compliance-related communications (including submission and responses)</li> </ul>
Contractors and their Workers	No	<ul style="list-style-type: none"> <li>Email</li> <li>Telephone</li> <li>In-person</li> <li>WhatsApp</li> <li>On-site meeting</li> <li>Classroom training and demonstration</li> </ul>	<ul style="list-style-type: none"> <li>Daily</li> <li>Weekly</li> <li>Monthly</li> <li>Need-basis</li> </ul>	<ul style="list-style-type: none"> <li>Project Schedule, Quality, and Specifications</li> <li>Health and Safety</li> <li>Waste Management</li> <li>Human Rights</li> <li>Safe handling of critical equipment</li> <li>Emergency Preparedness and Evacuation Drills</li> <li>Energy conservation</li> <li>Use of chemicals</li> <li>Work Ethics and Conduct</li> </ul>
Communities and Implementing Agencies	Yes	<ul style="list-style-type: none"> <li>Community engagement through CSR activities</li> <li>Verbal communication</li> <li>Letter</li> <li>Telephone</li> <li>Email</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> <li>Event-based</li> <li>Need-Based</li> </ul>	<ul style="list-style-type: none"> <li>Need Identification</li> <li>Community Meetings</li> </ul>
Suppliers and Business Partners	No*	<ul style="list-style-type: none"> <li>Email</li> <li>Telephone</li> </ul>	<ul style="list-style-type: none"> <li>Annual</li> <li>Need-based</li> </ul>	<ul style="list-style-type: none"> <li>Goods and Service Quality</li> <li>Contractual, commercial, and service-level negotiations</li> <li>Supplier identification</li> <li>Human Rights</li> </ul>

\*Some of the suppliers at Nesco Foods business are co-operatives, self-help groups and/ or represent collectives from marginalised communities.

## PRINCIPLE 5: Businesses should respect and promote human rights

### Essential Indicators

#### 1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	220	220	100%	168	168	100%
Other than permanent	12	12	100%	20	20	100%
<b>Total Employees</b>	<b>232</b>	<b>232</b>	<b>100%</b>	<b>188</b>	<b>188</b>	<b>100%</b>
<b>Workers</b>						
Permanent	0	0	0	0	0	0
Other than permanent	133	133	100%	96	96	100%
<b>Total Workers</b>	<b>133</b>	<b>133</b>	<b>100%</b>	<b>96</b>	<b>96</b>	<b>100%</b>

Note: Employees and workers were provided training on POSH and the Human Rights Policy of the Company.

#### 2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023-24					FY 2022-23				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
<b>Permanent</b>	220	0	0%	220	100%	168	0	0%	168	100%
Male	185	0	0%	185	100%	146	0	0%	146	100%
Female	35	0	0%	35	100%	22	0	0%	22	100%
<b>Other than Permanent</b>	12	0	0%	12	100%	20	0	0%	20	100%
Male	11	0	0%	11	100%	17	0	0%	17	100%
Female	1	0	0%	1	100%	3	0	0%	3	100%
<b>Workers</b>										
<b>Permanent</b>	0	0	0%	0	0%	0	0	0%	0	0%
Male	0	0	0%	0	0%	0	0	0%	0	0%
Female	0	0	0%	0	0%	0	0	0%	0	0%
<b>Other than Permanent</b>	133	0	0%	133	100%	96	0	0%	96	100%
Male	106	0	0%	106	100%	78	0	0%	78	100%
Female	27	0	0%	27	100%	18	0	0%	18	100%

#### 3. Details of remuneration/salary/wages, in the following format:

##### a. Median Remuneration and Wages:

Particulars	Male		Female	
	Number	Median remuneration/salary/ wages of respective category (₹ in lakhs)	Number	Median remuneration/salary/ wages of respective category (₹ in lakhs)
Board of Directors ("BoD")*	1	2,227.37	-	-
Key Managerial Personnel ("KMP")#	1	115.90	1	50.00
Employees other than BoD and KMP	183	5.68	34	5.65
Workers	106	2.52	27	2.18

\*The Chairman and MD compensation is included in the Board of Directors and not in the KMP though he is also a KMP. All the other Directors are Non-executive and are paid sitting fees based on the number of Board and Committee meetings held and attended by them and hence is not a relevant factor for calculation of median and hence not provided.

#In Key Managerial Personnel, the Company has covered only the Chief Financial Officer and the current Company Secretary. KMP (Company Secretary) who had resigned in the reporting year FY 2023-24 has been excluded from the disclosure above.

Note: Median Compensations for KMP, Employees and Workers have been calculated for the personnel on record as of 31 March 2024 and based on their annual compensations.



**b. Gross wages paid to females as % of total wages paid by the entity, in the following format:**

Particulars	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	10.28%	7.34%

Note: There was an increase in the number of female work force recruited in FY 2023-24 including at senior levels at higher than median compensation leading to an increase in gross wages paid to females as a percentage of total wages.

**4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

No, Nesco does not currently have an Individual or Committee responsible for addressing human rights impacts or issues. The Company's Human Rights Policy outlines its commitment to preventing violations/abuse of human rights in all operations and dealings. It provides access to grievance redressal mechanisms for all individuals whose human rights may be impacted by Nesco's operations. Further, it assesses and evaluates the impacts of human rights in operations and value chain activities directly attributable to Nesco.

The Human Rights policy can be accessed at: <https://www.nesco.in/resources/images/pdf/policies-on-brsr/policy-on-human-rights.pdf>.

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues:**

Nesco has a mechanism in place to redress grievances related to human rights. They are addressed by the Internal Complaints Committee ("ICC") according to the procedures outlined in the Prevention of Sexual Harassment at Workplace ("POSH") Policy. Furthermore, unethical behaviour can be reported through the Whistle Blower Policy, which is overseen by the Audit Committee of the Board. Both these policies are communicated to all the employees and are available on the HRMS and website of the Company. Training was provided to employees on the procedure of redressal under the POSH and Whistle Blower Policy. The employees are encouraged to make suggestions and raise concerns regarding working conditions and safety, with a suggestion box available at the Company's manufacturing location for grievance collection. Grievances of non-permanent employees are handled directly by the contractors who employ them; however, the Company co-operates and provides the necessary support, information, and documentation to the extent applicable for the smooth redressal of grievances.

**6. Number of Complaints on the following made by employees and workers:**

Particulars	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	NA	NA	Nil	NA	NA
Discrimination at workplace	Nil	NA	NA	Nil	NA	NA
Child Labour	Nil	NA	NA	Nil	NA	NA
Forced Labour/ Involuntary Labour	Nil	NA	NA	Nil	NA	NA
Wages	Nil	NA	NA	Nil	NA	NA
Other human rights-related issues	Nil	NA	NA	Nil	NA	NA

**7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

Particulars	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH")	0	0
Complaints on POSH as a % of female employees/workers	NA	NA
Complaints on POSH upheld	NA	NA

**8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases:**

Nesco maintains a comprehensive Prevention of Sexual Harassment ("POSH") policy, ensuring protection for complainants against any form of retaliation. The Policy is accessible to all employees on the Company's website and integrated into the HRMS. It safeguards individuals from adverse actions or mistreatment resulting from complaints, such as termination, demotion, or harassment. The Internal Complaints Committee ("ICC") promptly addresses sexual harassment complaints. Comprising members dedicated to women's rights and possessing expertise in legal matters, the ICC ensures confidentiality and protects complainants and witnesses from victimisation. Importantly, at least half of the committee members are women. During investigations, the ICC recommends interim relief measures, like workplace transfers or leave, to prevent further harm to the complainant.

The Policy strictly prohibits reprisals against complainants, with disciplinary action for violators, showcasing the Company's commitment to safeguarding all employees' rights and well-being. Additionally, provisions within the Policy allow for support to be provided to complainants during the investigation and resolution process, which may include counselling services, granting leave of absence, or implementing temporary arrangements to ensure a safe working environment for all parties involved.

The policy can be accessed at <https://www.nesco.in/resources/images/pdf/policy/policy-on-sexual-harrassment-at-workplace.pdf>.

**9. Do human rights requirements form part of your business agreements and contracts? (Yes/No):**

Nesco's employees and workers are governed by the Company's HR Manual which details the Code of Business Conduct and Ethics and also has a clause on Human Rights. Human rights clauses are being incorporated in the Company's leave and license policies. The Company has begun the process of integrating this clause into all new contracts with its varied customers. Additionally, it has developed a supplier code of conduct which also includes human rights clauses.

The Supplier Code of Conduct can be accessed at: <https://www.nesco.in/resources/images/pdf/policies-on-brsr/suppliers-code-of-conduct.pdf>.

The Code of Business Conduct and Ethics can be accessed at: <https://www.nesco.in/resources/images/pdf/policy/code-of-business-conduct-and-ethics-for-directors-&-senior-management-personnel.pdf>

**10. Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	Nil

Note: The Company conducts internal assessments to ensure that no child, forced, or involuntary labor occurs at its premises. Informal feedback is taken to support training for addressing Sexual harassment and discrimination. Wages compliance for its own and contractual workforce are monitored periodically. Nesco premises are also assessed periodically by the local and statutory authorities.

**11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above:**

As per the assessments conducted of Nesco's plants and offices, no corrective actions were found necessary or mandated by any third party.

**PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment**
**Essential Indicators**
**1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2023-24	FY 2022-23
<b>From Renewable Sources</b>		
Total electricity consumption (A)	57,762.648	42,826.284
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
<b>Total energy consumption from non-renewable sources (A+B+C)</b>	<b>57,762.648</b>	<b>42,826.284</b>
<b>From Non-Renewable Sources</b>		
Total electricity consumption (D)	67,159.41	55,508.15
Total fuel consumption (E)	10,222.39	7,224.07
Energy consumption through other sources (F)	0	0
<b>Total energy consumption from renewable sources (D+E+F)</b>	<b>77,381.80</b>	<b>62,732.22</b>
<b>Total energy consumed (A+B+C+D+E+F)</b>	<b>1,35,144.45</b>	<b>1,05,558.50</b>
<b>Energy Intensity per Rupee of Turnover</b> (Total energy consumed/revenue from operations)	0.0199 x 10 <sup>-3</sup>	0.0193 x 10 <sup>-3</sup>
<b>Energy Intensity per Rupee of Turnover adjusted for Purchasing Power Parity ("PPP")</b> (Total energy consumed/revenue from operations adjusted for PPP)	0.4752 x 10 <sup>-3</sup>	0.4641 x 10 <sup>-3</sup>
<b>Energy Intensity in terms of Physical Output</b>		Not Applicable
Energy intensity (optional) – the relevant metric may be selected by the entity		Not Calculated

All figures are in Giga Joules (GJ)

Note: Sources for Energy: Based on factors and equations from WRI's GHG Protocol, EPA.Gov, DEFRA, and 2016 IPCC Protocol. Renewable sources include green electricity purchased in IT Towers 3 and 4, and Bombay Exhibition Center. Non-renewable sources include grid electricity for plants and offices, diesel for DG sets, PNG and LPG for Nesco Foods and Indabrator. Diesel and petrol consumed in Company-owned vehicles are not considered in the calculations.

PPP data has been obtained from the CEIC, Organisation for Economic Co-Operation and Development. The values have been prorated from CY2022 and CY2023 for FY 2023 data (24.007) and CY2023 and CY2024 (estimated) for FY 2024 data (23.846).

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

Yes, energy evaluation and calculations have been done based on data provided by Nesco to an external agency viz. Sustainability and Strategy. This is not equivalent to an assurance.

**2. Does the entity have any sites/facilities identified as Designated Consumers (“DCs”) under the Performance, Achieve, and Trade (“PAT”) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any:**

The Company does not have any sites/facilities identified as Designated Consumers (“DCs”) under the Performance, Achieve, and Trade (“PAT”) Scheme of the Government of India.

**3. Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2023-24	FY 2022-23
<b>Water withdrawal by source (in kilo litres)</b>		
(i) Surface water	0.00	0.00
(ii) Groundwater	19,971.00	18,564.00
(iii) Third party water	2,51,477.00	2,32,792.00
(iv) Seawater / desalinated water	0.00	0.00
(v) Others	0.00	0.00
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>2,71,448.00</b>	<b>2,51,356.00</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>2,03,889.90</b>	<b>1,74,065.55</b>
<b>Water intensity per rupee of turnover</b> (Total water consumption/Revenue from operations) (litre/rupee)	0.0301 x 10 <sup>-3</sup>	0.0319 x 10 <sup>-3</sup>
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity</b> (Total water consumption/ Revenue from operations adjusted for PPP) (litre/rupee)	0.7169 x 10 <sup>-3</sup>	0.7553 x 10 <sup>-3</sup>
<b>Water Intensity in terms of Physical Output</b>	Not Applicable	
<b>Water intensity</b> (optional) – the relevant metric may be selected by the entity	Not Calculated	

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

No- For the Company’s IT Parks, Foods, Events, and Exhibitions businesses based out of Goregaon, BMC water bills are provided by the MCGM while STP plants process sewage and kitchen water discharge. The borewell water level and the STP water output are checked by the in-house team. A third-party agency is in place to carry out water quality testing for BMC inlet water, STP plant water (both inlet and outlet), and borewell water quality.

**4. Provide the following details related to water discharged:**

Parameter	FY 2023-24	FY 2022-23
<b>Water discharge by destination and level of treatment (in kilo litres)</b>		
(i) Surface water		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) Groundwater		
- No treatment	17,465.6	16,058.6
- With treatment – please specify level of treatment	700	650
(iii) To Seawater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third parties		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others		
- No treatment	12,499.2	17,937.15
- With treatment – please specify level of treatment	36,893.3	42,644.7
<b>Total water discharged (in kilolitres)</b>	<b>67,558.1</b>	<b>77,290.45</b>

Note: Water discharged has been estimated for the Bombay Exhibition Center.

**5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation:**

No, the Company is not mandated to implement Zero Liquid Discharge (“ZLD”) at its plants or operations in Mumbai.

However, water management is a material ESG topic for Nesco. Rainwater harvesting systems are installed at Nesco IT Parks in line with the Green Building norms. All rainwater from the terraces and common area is harvested into pits using natural slopes and drainpipes installed in requisite places. Additionally, three Sewage Treatment Plants (“STP”) with capacities of 500 KLD, 300 KLD, and 110 KLD respectively are operational to treat sludge and enable the recycling of water. Treated water from the STP is used for flushing and gardening. Low-flow plumbing fixtures (utilisation of aerators in washroom taps) and implementation of IoT technology to automate overhead flushing water tanks, streamlining operations and optimising water utilisation. The Indabrator plants have septic tanks and soak pits and the Company has expanded their capacity.

**6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2023-24	FY 2022-23
NOx	µg/m <sup>3</sup>	24.9	23.8
SOx	µg/m <sup>3</sup>	22.9	20.3
Total Particulate matter (“TPM”)	mg/Nm <sup>3</sup>	20.30	9.70
Persistent organic pollutants (“POP”)		NA	NA
Volatile organic compounds (“VOC”)		NA	NA
Hazardous air pollutants (“HAP”)		NA	NA
Others – please Specify		NA	NA

There are no continuous sources of air emissions in Nesco’s operations. The DG sets are operated at Nesco Goregaon, Mumbai only for equipment testing and power outages which rarely occur. Hence the air emissions of pollutants (other than GHGs) are not material.

Note: Nesco monitors other air emissions every quarter from its stacks and DG set for SOx, NOx, and Particulate Matter (PM10 and PM2.5). As a practice, the Company ensures that all air pollution parameters are within the permissible limits, and compliant with the prevalent norms prescribed by the BMC, indicating efficient management of industrial operations and stringent air pollution control processes. Nesco has provided average emissions based on data received from IT Tower 3 and IT Tower 4. DG sets are only used as a backup and for testing of equipment and hence are excluded.

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

Yes, independent assessments are carried out for air emissions, by Enviro Analysts and Engineers.

**7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & their intensity, in the following format:**

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	578.07	408.47
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	13,338.60	10,962.86
Total Scope 1 and Scope 2 emissions per rupee of Turnover	kilograms of CO <sub>2</sub> equivalent per rupees	0.00205 x 10 <sup>-3</sup>	0.00208 x 10 <sup>-3</sup>
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (“PPP”) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	kilograms of CO <sub>2</sub> equivalent per USD PPP adjusted	0.05 x 10 <sup>-3</sup>	0.05 x 10 <sup>-3</sup>
Total Scope 1 and Scope 2 emission intensity in terms of physical output		Not Applicable	
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		Not Calculated	

Note: Source for Calculation of Scope 1 GHG emissions: Based on factors and equations from WRI’s GHG Protocol, EPA.Gov, DEFRA, and IPCC’s fifth assessment report. Fuels for Stationary Combustion (2006 IPCC guidelines) include diesel for DG sets, LPG, and PNG. The calculations do not account for diesel and petrol consumed in Company-owned vehicles.

PPP data has been obtained from the CEIC, Organisation for Economic Co-Operation and Development. The values have been prorated from CY2022 and CY2023 for FY 2023 data (24.007) and CY2023 and CY2024 (estimated) for FY 2024 data (23.846).

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

Yes, GHG accounting calculations and evaluation have been done based on data provided by Nesco to an external agency viz.; Sustainability and Strategy. This is not equivalent to an assurance.



**8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details:**

Management of GHG Emissions is a material ESG topic for Nesco and it is taking a structured and progressive path for this.

**Focus on Renewable Energy:**

- IT Parks uses 100% Green Energy from its utility provider for its operations and provides occupiers the ability to switch to green power.
- At IT Park Tower 4, 37 solar street lights were installed, which operate on a timer-based system to also conserve energy.
- At BEC, the Company encourages exhibition organisers to opt for green energy and 3 exhibition organisers opted for Green Energy in FY 2023-24.

**Energy-Efficient Equipment and Building Structure:**

- At BEC, motion sensor-based lights with timers were deployed in both plant rooms and external spaces.
- 1000W Halogen streetlights were replaced with 200W LED, resulting in an 80% reduction in both energy consumption and associated expenses.
- The glass façade at IT Park buildings uses a combination of fire-rated aluminium panels and a double-glazed unitised system as well as low capital -E-rated glass with Argon Fill helps to reduce energy consumption.
- CTI (Cooling Technology Institute) certified cooling tower with superior thermal performance was installed.
- Optimised energy consumption within the HVAC system, duct AC units were upgraded to split AC systems, ensuring energy savings and maximising electricity usage efficiency.

**Energy Efficiency Technologies:**

- At BEC, the integration of water misting technology for chillers was deployed to enhance cooling effectiveness while concurrently lowering energy usage.
- Dimmer controls for lobby lighting systems, ensuring efficient illumination tailored to specific needs.
- In both IT Park and BEC, the installation of timers and motion sensor lights across external areas was undertaken to optimise energy usage.

**Other Initiatives:**

- The green cover at Nesco Center at Goregaon, Mumbai was increased to 1,500+ trees.
- EV Charging Stations equipped with Fast DC Chargers were installed at both IT Park and BEC under an OPEX model, offering a valuable addition to the facilities available to staff members.

**9. Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2023-24	FY 2022-23
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A) – Non- Biodegradable	6.60	7.40
E-waste (B)	0.30	0.84
Bio-medical waste (C)	0.00	0.00
Construction and demolition waste (D)	0.00	0.00
Battery waste (E)	0.00	0.00
Radioactive waste (F)	0.00	0.00
Other Hazardous waste. Burning Sand (G)	300.00	0.00
Other Non-hazardous waste generated (H). Please specify, if any (Break-up by composition i.e. by materials relevant to the sector)	251.80	225.95
Dry Waste	34.90	22.80
Wet Waste	206.60	195.85
Sludge	10.30	7.30
<b>Total (A+B + C + D + E + F + G+ H)</b>	<b>558.70</b>	<b>234.19</b>
<b>Waste Intensity per rupee of turnover</b> (Total waste generated/ Revenue from operations)	0.0824 x 10 <sup>-6</sup>	0.0429 x 10 <sup>-6</sup>
<b>Waste Intensity per rupee of turnover adjusted for Purchasing Power Parity</b> (Total waste generated/ Revenue from operations adjusted for PPP)	1.9645 x 10 <sup>-6</sup>	1.0297 x 10 <sup>-6</sup>
<b>Waste intensity in terms of physical output</b>	Not Applicable	
<b>Waste intensity</b> (optional) – the relevant metric may be selected by the entity	Not Calculated	
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tons)</b>		
<b>Category of waste</b>		
(i) Recycled (plastic + e-waste)	6.90	9.34
(ii) Re-used	0	0
(iii) Other recovery operations (dry + wet)	241.50	217.55
<b>Total</b>	<b>248.40</b>	<b>226.89</b>

Parameter	FY 2023-24	FY 2022-23
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	0	0
(ii) Landfilling (burning sand)	300	0
(iii) Other disposal operations	10.30	7.30
<b>Total</b>	<b>310.30</b>	<b>7.30</b>

Note: The Company uses BMC-registered and authorised vendors for dry, wet, sludge, e-waste and plastic waste disposal. The vendor is expected to recycle the waste as per regulatory mandates. The vendors ensure segregation into plastic, paper, cardboard, glass, etc. which is appropriately recycled. For example, plastic waste is eventually recycled into crude oil and other fuels. Only the hazardous material i.e., burning sand generated in the Indabrator operations is disposed of in a landfill.

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

Yes – Waste data for Nesco operations in Goregaon, Mumbai complies with the Environmental Audit Report issued by the Maharashtra Pollution Control Board.

**10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce the usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes:**

The Company has identified waste management as a material ESG topic and has formulated strategies to focus on recycling and reducing waste generated. As discussed in Section A, Question 26, the scope of waste management for IT Parks and the Restaurant businesses is impacted by stakeholders beyond the Company's control. Nesco carries out awareness drives including regular communication with all its clients to segregate the dry and wet waste for disposal in the garbage area. Waste generated at Nesco IT Park is segregated and stored in wet and dry bins. Dry waste is collected by authorised vendors and recycled. Food waste generated at Nesco Foods is stored in a refrigerated garbage room. Wet waste (food and other bio-degradable waste) is partially converted to manure in the Organic Waste Composting machines. This manure and the sludge from the Sewage Treatment Plants ("STP") are used for gardening wherever appropriate, the food services from Nesco Foods use eco-ware and paper products that are bio-degradable. The empty containers are collected in dedicated bins and disposed of through the proper Garbage Clearance Mechanism of the BMC. Similarly, plastic waste, generated primarily from water bottles, is collected by a BMC-empaneled vendor. E-waste and hazardous waste are collected, processed, and disposed of through an authorised recycling, handling and disposal agency.

For events and exhibitions, waste management is handled by the organisers and is overseen by Nesco personnel. At Indabrator, plastic waste, hazardous waste, and E-waste are disposed of through government-approved, registered recyclers and handlers. In the case of other waste materials such as wood and cardboard, approximately 50% are reused or repurposed, aligning with the Company's commitment to sustainable waste management practices.

**11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones, etc.) where environmental approvals / clearances are required, please specify details in the following format:**

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N). If no, the reasons thereof and corrective action taken, if any.
			The Company does not have operations or offices located in ecologically sensitive areas such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones, etc. Therefore, environmental approvals or clearances specific to these areas are not applicable to the Company's operations.

**12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current Financial Year:**

Name and brief details of project	EIA Notification No	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant weblink
No environmental impact assessments of projects undertaken have been conducted in the current financial year.					

**13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act, and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

S. No.	Specify the law/regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines/penalties/action taken by regulatory agencies such as pollution control boards or courts	Corrective Action taken, if any
There were no reported non-compliances for Nesco businesses regarding any of the applicable environmental laws during the reporting period.				

## PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

### Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations: Six (6)
- b. List the top 10 trade and industry chambers/ associations you are a member of/are affiliated to, based on no. of members:

S. No	Name of trade and industry chambers/ associations	Scope of Entity (State/ National)
1.	Indian Exhibition Industry Association	National
2.	Maharashtra Economic Development Council	State
3.	NASSCOM	National
4.	Indo-German Chamber of Commerce	National
5.	India Convention Promotion Bureau	National
6.	Asian Federation of Exhibition and Convention Associations	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities:

No corrective action is necessary as there have been no instances of anti-competitive conduct by the Company.

## PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

### Essential Indicators

1. Details of Social Impact Assessments ("SIA") of projects undertaken by the entity based on applicable laws, in the current Financial Year:

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant weblink
None of the projects of the Company had any stipulation to conduct a Social Impact Assessment ("SIA") during the reporting period.					

2. Provide information on the project(s) for which ongoing Rehabilitation and Resettlement ("R&R") is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R in the year	Amounts paid to PAFs in the FY
No Rehabilitation and Resettlement is ongoing or required for any of the Company's projects.						

3. Describe the mechanisms to receive and redress grievances of the community:

Nesco has in place a Stakeholder Grievances Management Policy which is made available to all its stakeholders and includes mechanisms to receive and address grievances of the community. This mechanism is posted on the website of the Company.

Nesco has established accessible channels for submission and resolution to address community grievances. Stakeholders, including visitors and community members, can share feedback or grievances directly with Nesco officials or through written communication with on-site security personnel. Additionally, letters of grievance can be marked as "Grievance" and sent to the Compliance Officer at the registered office of the Company or can be addressed at [companysecretary@nesco.in](mailto:companysecretary@nesco.in). Upon receipt, Nesco acknowledges grievances within three business days and assigns them to the appropriate officials for assessment and resolution. Grievances are categorised based on urgency and complexity, with simple issues resolved within seven business days. If a grievance remains unresolved or the complainant is dissatisfied, escalation is possible via email or courier to the Registered Office. Escalated matters receive immediate attention from senior management to ensure impartiality and prompt resolution. Regular reviews of the grievance mechanism allow for continuous improvement.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Particulars	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	39.89%	21.43%
Directly sourced within India	99.92%	100.00%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost :

Location	FY 2023-24	FY 2022-23
Rural	15.38%	17.67%
Semi-urban	0%	0%
Urban	3.31%	3.30%
Metropolitan	81.31%	79.02%

## PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

### Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback:

Nesco aims to consistently enhance customer satisfaction by delivering value through its range of products and services. Customer feedback, received via diverse channels such as letters, emails, phone calls, messages, and meetings, is meticulously addressed. Complaints are categorised as operational or contractual and then directed to the respective departments for resolution. These issues are promptly managed by the relevant client-facing teams within defined timeframes as the initial step in addressing concerns. Any unresolved issues or situations requiring managerial intervention are promptly escalated to the Business Unit ("BU") heads for further review and action, or to management if urgent decisions or permissions are necessary for swift resolution. Additionally, proactive measures include periodic customer meetings to identify and address challenges promptly. The Company also employs customer feedback forms and surveys across various service/product parameters to gauge satisfaction levels and implement targeted strategies for improvement. Nesco has in place a Stakeholder Grievances Management mechanism which is made available to all its stakeholders and the same is uploaded on the website at <https://www.nesco.in/resources/images/pdf/policies-on-brsr/Grievance-Management-System.pdf>

2. Turnover of products and/ services as a percentage of turnover from all products/services that carry information about:

Particulars	As a percentage of total turnover
Environmental and social parameters relevant to the product	7.44%
Safe and responsible usage	7.44%
Recycling and/or safe disposal	7.44%

**Note:** This indicator applies only for Nesco's Indabrotor business and the products include instruction manuals related to safe usage and relevant environmental information. Other Nesco businesses are services and hence packaging and labelling are inapplicable. In general, the Company ensures signages and infrastructure on its services business premises to enable recycling and safe disposal of waste.

3. Number of consumer complaints in respect of the following:

Particulars	FY 2023-24		Remarks	FY 2022-23		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	Nil	NA	Nil	Nil	NA
Advertising	Nil	Nil	NA	Nil	Nil	NA
Cyber-security	Nil	Nil	NA	Nil	Nil	NA
Delivery of essential services	NA*	NA*	NA*	NA*	NA*	NA*
Restrictive Trade Practices	Nil	Nil	NA	Nil	Nil	NA
Unfair Trade Practices	Nil	Nil	NA	Nil	Nil	NA
Other	Nil	Nil	NA	Nil	Nil	NA

\*Nesco's activities do not fall within the provisions of the Essential Services Maintenance Act (ESMA).

4. Details of instances of product recalls on account of safety issues:

Particulars	Number	Reasons for recall
Voluntary recalls	0	NA
Forced recalls	0	NA

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web link of the policy:

Yes, Nesco has a policy and a framework for addressing cyber security and data privacy risks. This Policy is shared with employees via the HRMS and key features and compliance expectations are shared with the Company's vendors when they access its IT infrastructure. The data accessible to the Company is limited to that of its employees and operational interactions with customers, suppliers, and other stakeholders (IT Park tenant employees access card data). Nesco ensures appropriate adherence to cyber security and data privacy norms. These include addressing user registration, user authentication, access management, and network access control which are augmented with the appropriate hardware and software-based IT security measures.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services:

No corrective actions were necessary for the aforementioned issues as no breaches occurred during the reporting period.

7. Provide the following information relating to data breaches:

- a. Number of instances of data breaches – No data breaches were reported in FY 2023-24.
- b. Percentage of data breaches involving personally identifiable information of customers – No data breaches involving customer information were reported in FY 2023-24.
- c. Impact, if any, of the data breaches – No such impact was registered, as there were no data breaches in the reporting period.



## INDEPENDENT AUDITOR'S REPORT

To  
The Members of Nesco Limited

### Report on the Financial Statements

#### Opinion

We have audited the accompanying financial statements of **Nesco Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended and notes to the financial statements, including a summary of material accounting policies and other explanatory information (herein after referred to as 'the financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditors Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr No.	Key Audit Matter	How our audit addressed the key audit matter
1.	<p><b>Recognition of lease rental income of IT Park &amp; related disclosures.</b></p> <p>Lease rental income amounting to ₹ 31,832.30 lakhs reported in the Company's financial statements is recognised based on the agreements / contract with the tenants on straight line basis over the lease term. Due to modifications in terms of agreement, risk of material misstatement on such modifications significantly increases for its accuracy, completeness, presentation, and disclosure. This can lead to revenue either being recognised in incorrect accounting periods or at incorrect value thereby impacting the results. Considering these factors, in the context of our audit this matter was of significant and hence considered as a Key Audit Matter.</p>	<ul style="list-style-type: none"> <li>Understanding the internal control environment for revenue recognition and to test check with a view to verify its operative effectiveness.</li> <li>Read terms of the contract/ modified agreements / communications with the lessee's and verified accuracy of lease rental income recognition on test basis.</li> <li>On sample basis, examining supporting documents / emails / approval for deferments / waiver given to tenants.</li> <li>Performed analytical procedures.</li> <li>Ensured that revenue is recognised in accordance with accounting standards and policy.</li> </ul> <p>Based on above procedures performed, we did not identify any material exceptions in the lease rental income recognised and related disclosures in the financial statements.</p>

#### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance, Business Responsibility and Sustainability report and Shareholder's Information, but does not include the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

#### Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in the internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditors' Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on matters specified in paragraphs 3 and 4 of the order
- 2) As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the director is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls refer to our separate report in "Annexure B"; Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, we report that in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 35(1) and (2) to the financial statements;
    - (ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
    - (iii) There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.
    - (iv)
      - (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
      - (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the notes to accounts, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
      - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under h (iv) (a) and (b) above, contain any material misstatement.
  - (v) The dividend for the year 2022-23, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

The Board of Directors of the Company have proposed dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

- (vi) Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended 31 March 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 01 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31 March 2024.

Dated: 20 May 2024  
Place: Mumbai

For Manubhai & Shah LLP  
Chartered Accountants  
Firm's Registration No: 106041W/W100136

**Ashish Shah**  
Partner  
Membership No: 103750  
UDIN: 24103750BKEXRY8977



## ANNEXURE – A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) i. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets;
- ii. The Company has maintained proper records showing full particulars of Intangible Assets.
- (b) The Company has a program of verification to cover all items of property, plant and equipment and right-of-use assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its property, plant and equipment. Pursuant to the programme, a portion of the property, plant and equipment have been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than immovable properties where the Company is the lessee and the Leave and License agreement are duly executed in favour of the Company) disclosed in the financial statements included in Property, Plant and Equipment and Investment Property are held in the name of the Company as at balance sheet date.
- (d) The Company has not revalued its Property, Plant and Equipment (including right-of-use assets) or intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company the Management has conducted physical verification of the inventories at reasonable intervals. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed during such verifications.
- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ Five crores in aggregate at point of time during the year from bank on the basis of security of Mutual funds under lien. The Company has utilised non fund based limit only and thus there was no requirement to submit the quarterly statement with the bank.
- (iii) (a) The Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to Companies, firms, Limited Liability Partnerships or any other parties during the year and hence sub clause iii (a), (c), (d), (e), (f) under clause (iii) of the order is not applicable.
- (b) The investments made, during the year are, prima facie, not prejudicial to the interest of the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not advanced any loans to the parties covered under section 185 of the Act. The Company has not given any loans and guarantees but has made investment in respect of which provisions of section 186 of the Act have been complied with.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public as per the provisions of section 73, 74, 75 and 76 or any other relevant provisions of the Act and the Rules framed there under to the extent notified.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by Central Government of India for the maintenance of cost records under section 148(1) of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained.
- (vii) (a) According to the information and explanations given to us and based on the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Excise Duty, Custom Duty, Goods and Service Tax, Cess and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and based on the records of the Company examined by us, in our opinion, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Excise Duty, Custom Duty, Goods and Service Tax, Cess and other material statutory dues, as applicable were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.

- (c) According to the information and explanations given to us and based on the records of the Company examined by us, the particulars of dues of Income Tax, Service Tax, Sales Tax, Excise Duty, Custom Duty, Value Added Tax, Goods and Service Tax, Cess and other statutory dues as at 31 March 2024 which have not been deposited on accounts of any disputes are as follows:

Name of the Statute	Nature of Dues	Amount (₹ in lakhs)	Financial Year for which amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	7.07	FY 2007-08	Assessing Officer
Income Tax Act, 1961	Income Tax	18.80	FY 2015-16	Assessing Officer
Income Tax Act, 1961	Income Tax	92.46	FY 2017-18	CIT(A)
Income Tax Act, 1961	Income Tax	130.07	FY 2020-21	Assessing Officer
Municipal Corporation Act 1949	Property Tax	564.67	FY 2020-21	Municipal Corporation (Maharashtra)
Municipal Corporation Act 1949	Property Tax	816.07	FY 2020-21 to FY 2022-23	Municipal Corporation (Maharashtra)
Municipal Corporation Act 1949	Property Tax	29.89	FY 2023-24	Municipal Corporation (Maharashtra)
Goods and Service Tax Act, 2017	Assessment Dues	50.85	FY 2019-20	Assistant Commissioner (Gujarat)

- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) According to the records of the Company examined by us and the information and explanations given to us, the Company does not have any loans or borrowings from any financial institution, bank, and Government as at the balance sheet date and hence, reporting under clause (ix) (a) of the order is not applicable.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- (c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix) (c) of the order is not applicable.
- (d) On an overall examination of the financial statements of the Company, there were no funds raised on short-term basis during the year and hence, reporting under clause (ix) (d) of the order is not applicable.
- (e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary during the year and hence the reporting requirements of clause (ix) (e) of the order is not applicable.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary, and hence the reporting requirements of clause (ix) (f) of the order is not applicable.
- (x) (a) In our opinion, and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xi) (a) To the best of our knowledge, no material fraud on or by the Company has been noticed or reported during the year nor have we been informed of any such case by the Management.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, reporting as per clause (xii) of the order is not required.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- (xiv) (a) In our opinion the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company, in determining nature, timing and extent of our audit procedure.

- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with its directors or persons connected with them. Accordingly, reporting as per clause (xv) of the order is not required.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, hence reporting requirement of clause (xvi) (a), (b), (c) and (d) of the order are not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the order is not applicable for the year.

For Manubhai & Shah LLP

Chartered Accountants  
Firm's Registration No: 106041W/W100136

**Ashish Shah**

Partner

Membership No: 103750  
UDIN: 24103750BKEXRY8977

Dated: 20 May 2024

Place: Mumbai

## ANNEXURE – B TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 2(f) under "Report on Other Legal and Regulatory Requirements" section of our report of even date,

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Nesco Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by ICAI (the "Guidance Note") and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Manubhai & Shah LLP

Chartered Accountants  
Firm's Registration No: 106041W/W100136

**Ashish Shah**

Partner

Membership No: 103750  
UDIN: 24103750BKEXRY8977

Dated: 20 May 2024

Place: Mumbai



CIN : L17100MH1946PLC004886

**BALANCE SHEET**

Particulars	Note No.	As at 31 March	
		2024	2023
(₹ in lakhs)			
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	4	11,931.07	14,954.95
Capital work-in-progress	4a	16,215.41	8,526.98
Investment Property	5	63,623.16	65,295.14
Other Intangible Assets	6	154.82	156.74
Intangible Assets Under Development	6a	-	38.02
<b>Financial Assets</b>			
Investments	7	1,16,406.30	76,749.00
Other Non-Current Financial Assets	8	5,085.33	5,542.66
Non Current Tax Assets(Net)	9	1,137.15	1,034.91
Other Non-Current Assets	10	3,577.61	1,247.73
<b>Total Non-Current Assets</b>		<b>2,18,130.85</b>	<b>1,73,546.13</b>
<b>Current Assets</b>			
Inventories	11	1,355.91	1,173.39
<b>Financial Assets</b>			
Investments	7	33,022.06	39,350.93
Trade Receivables	12	1,213.04	2,262.23
Cash and Cash Equivalents	13a	2,208.80	1,189.15
Other Balances with Banks	13b	581.43	585.59
Other Current Financial Assets	14	5,945.33	5,746.10
Other Current Assets	15	2,574.17	2,403.03
<b>Total Current Assets</b>		<b>46,900.74</b>	<b>52,710.42</b>
<b>Total Assets</b>		<b>2,65,031.59</b>	<b>2,26,256.55</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Equity Share Capital	16	1,409.20	1,409.20
Other Equity	17	2,28,241.31	1,95,043.15
<b>Total Equity</b>		<b>2,29,650.51</b>	<b>1,96,452.35</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
<b>Financial Liabilities</b>			
Lease Liabilities		9.77	25.89
Other Non-Current Financial Liabilities	18	13,420.16	12,007.93
Provisions	19	579.37	628.39
Deferred Tax Liabilities(Net)	20	2,000.77	2,488.40
Other Non-Current Liabilities	21	4,345.84	3,435.91
<b>Total Non-Current Liabilities</b>		<b>20,355.91</b>	<b>18,586.52</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Lease Liabilities		16.11	15.06
Trade Payables	22		
Total Outstanding Dues of Micro Enterprises and Small Enterprises		294.87	324.95
Total Outstanding Dues of Creditors Other Than Micro Enterprises and Small Enterprises		1,224.54	1,119.10
Other Current Financial Liabilities	23	7,495.08	5,332.89
Other Current Liabilities	24	5,596.40	4,371.44
Provisions	25	57.52	54.24
Current Tax Liabilities (Net)		340.65	-
<b>Total Current Liabilities</b>		<b>15,025.17</b>	<b>11,217.68</b>
<b>Total Equity and Liabilities</b>		<b>2,65,031.59</b>	<b>2,26,256.55</b>

Notes forming part of the financial statements 1 to 51

As per our report of even date

For and on behalf of the Board

For Manubhai & Shah LLP  
Chartered Accountants  
FRN. 106041W/W100136

**Krishna S. Patel**  
Chairman and Managing Director  
DIN- 01519572

**Sudha S. Patel**  
Non-executive Director  
DIN - 00187055

**Ashish Shah**  
Partner  
Membership No : 103750  
Mumbai, 20 May 2024

**Dipesh R. Singhania**  
Chief Financial Officer  
Mumbai, 20 May 2024

**Shalini D. Kamath**  
Company Secretary and  
Compliance Officer  
Mumbai, 20 May 2024

CIN : L17100MH1946PLC004886

**STATEMENT OF PROFIT AND LOSS**

Particulars	Note No.	For the Year	
		2023-2024	2022-2023
(₹ in lakhs)			
<b>Revenue</b>			
Revenue from Operations	26	67,818.49	54,600.16
Other Income	27	10,494.38	6,311.65
<b>Total Income</b>		<b>78,312.87</b>	<b>60,911.81</b>
<b>Expenses</b>			
Cost of Materials Consumed	28	6,211.71	3,746.61
Change in Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade	29	(267.60)	(159.13)
Employee Benefits Expenses	30	2,765.45	1,964.47
Finance Cost	31	1,405.45	1,220.78
Depreciation and Amortisation Expenses	4,5 & 6	5,416.51	3,277.42
Other Expenses	32	16,482.80	14,164.63
<b>Total Expenses</b>		<b>32,014.32</b>	<b>24,214.78</b>
<b>Profit before tax</b>		<b>46,298.55</b>	<b>36,697.03</b>
<b>Tax expense</b>	44		
Current Tax		10,534.49	8,260.00
Deferred Tax		(514.30)	(648.63)
Income Tax for Earlier Year		-	22.02
<b>Total Tax Expense</b>		<b>10,020.19</b>	<b>7,633.39</b>
<b>Profit after tax</b>		<b>36,278.36</b>	<b>29,063.64</b>
<b>Other Comprehensive Income (OCI)</b>			
Items that will not be reclassified to profit or loss			
Remeasurement of Defined Benefit Plans - Net of Tax		79.29	(4.61)
Net Fair Value Gain/(Loss) on Investment in Equity Instruments Through Other Comprehensive Income		11.21	1.71
<b>Total Other Comprehensive Income</b>		<b>90.50</b>	<b>(2.90)</b>
<b>Total Comprehensive Income for the year</b>		<b>36,368.86</b>	<b>29,060.74</b>
<b>Earning Per Equity Share (face value of ₹ 2 each)</b>	41		
Basic & Diluted ( In ₹)		<b>51.49</b>	<b>41.25</b>

Notes forming part of the financial statements 1 to 51

As per our report of even date

For and on behalf of the Board

For Manubhai & Shah LLP  
Chartered Accountants  
FRN. 106041W/W100136

**Krishna S. Patel**  
Chairman and Managing Director  
DIN- 01519572

**Sudha S. Patel**  
Non-executive Director  
DIN - 00187055

**Ashish Shah**  
Partner  
Membership No : 103750  
Mumbai, 20 May 2024

**Dipesh R. Singhania**  
Chief Financial Officer  
Mumbai, 20 May 2024

**Shalini D. Kamath**  
Company Secretary and  
Compliance Officer  
Mumbai, 20 May 2024

CIN : L17100MH1946PLC004886

## STATEMENT OF CHANGES IN EQUITY

## A. EQUITY SHARE CAPITAL

(₹ in lakhs)				
Balance as at 01 April 2023	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01 April 2023	Changes in equity share capital during the year	Balance as at 31 March 2024
1,409.20	-	1,409.20	-	1,409.20
Balance as at 01 April 2022	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01 April 2022	Changes in equity share capital during the year	Balance as at 31 March 2023
1,409.20	-	1,409.20	-	1,409.20

## B. OTHER EQUITY

(₹ in lakhs)						
Particulars	Reserves and Surplus			Other Comprehensive Income		Total Other Equity
	Retained Earnings	Preference Shares Redemption Reserve	General Reserve	Equity Instruments	Other items	
<b>Balance as at 01 April 2022 (A)</b>	<b>50.00</b>	<b>9.56</b>	<b>1,68,016.69</b>	<b>19.96</b>	<b>-</b>	<b>1,68,096.21</b>
<b>Additions during the year</b>						
Profit for the year	29,063.64	-	-	-	-	29,063.64
<b>Items of OCI for the year, net of tax</b>						
Remeasurement of the Defined Benefit Plans	(4.61)	-	-	-	-	(4.61)
Net Fair Value Gain/(Loss) on Investment in Equity Instruments Through Other Comprehensive Income	-	-	-	1.71	-	1.71
<b>Total Comprehensive Income for the year 2022-23 (B)</b>	<b>29,059.03</b>	<b>-</b>	<b>-</b>	<b>1.71</b>	<b>-</b>	<b>29,060.74</b>
<b>Reductions during the year</b>						
Dividend	(2,113.80)	-	-	-	-	(2,113.80)
<b>Total (C)</b>	<b>(2,113.80)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,113.80)</b>
<b>Transfers during the year</b>						
Retained earnings transferred to General reserve	(26,945.23)	-	26,945.23	-	-	-
<b>Total (D)</b>	<b>(26,945.23)</b>	<b>-</b>	<b>26,945.23</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance as at 31 March 2023 {E = (A + B + C + D)}</b>	<b>50.00</b>	<b>9.56</b>	<b>1,94,961.92</b>	<b>21.67</b>	<b>-</b>	<b>1,95,043.15</b>
<b>Additions during the year</b>						
Profit for the year	36,278.36	-	-	-	-	36,278.36
<b>Items of OCI for the year, net of tax</b>						
Remeasurement of the Defined Benefit Plans	79.29	-	-	-	-	79.29
Net Fair Value Gain/(Loss) on Investment in Equity Instruments Through Other Comprehensive Income	-	-	-	11.21	-	11.21
<b>Total Comprehensive Income for the year 2023-24 (F)</b>	<b>36,357.65</b>	<b>-</b>	<b>-</b>	<b>11.21</b>	<b>-</b>	<b>36,368.86</b>
<b>Reductions during the year</b>						
Dividend	(3,170.70)	-	-	-	-	(3,170.70)
<b>Total (G)</b>	<b>(3,170.70)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,170.70)</b>
<b>Transfers during the year</b>						
Retained earnings transferred to General reserve	(33,186.95)	-	33,186.95	-	-	-
<b>Total (H)</b>	<b>(33,186.95)</b>	<b>-</b>	<b>33,186.95</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance as at 31 March 2024 {I = (E + F + G + H)}</b>	<b>50.00</b>	<b>9.56</b>	<b>2,28,148.87</b>	<b>32.88</b>	<b>-</b>	<b>2,28,241.31</b>

Notes forming part of the financial statements 1 to 51

As per our report of even date

For and on behalf of the Board

For Manubhai & Shah LLP  
Chartered Accountants  
FRN. 106041W/W100136

**Krishna S. Patel**  
Chairman and Managing Director  
DIN- 01519572

**Sudha S. Patel**  
Non-executive Director  
DIN - 00187055

**Ashish Shah**  
Partner  
Membership No : 103750  
Mumbai, 20 May 2024

**Dipesh R. Singhania**  
Chief Financial Officer  
Mumbai, 20 May 2024

**Shalini D. Kamath**  
Company Secretary and  
Compliance Officer  
Mumbai, 20 May 2024

CIN : L17100MH1946PLC004886

## CASH FLOW STATEMENT

(₹ in lakhs)

Particulars	For the Year	
	2023-2024	2022-2023
<b>A) Cash Flow from operating activities</b>		
<b>Net Profit before income tax</b>	<b>46,298.55</b>	<b>36,697.03</b>
<b>Add / (Less):</b>		
Depreciation and Amortisation expense	5,416.51	3,277.42
Interest Income	(6,694.81)	(3,755.57)
Brokerage Income	(17.41)	(21.12)
Dividend Income	(15.23)	(15.17)
(Profit) / Loss on Sale of Assets	(44.89)	1,614.68
Finance Cost	1,405.45	1,220.78
Assets written off	-	253.48
Net (Gain)/Loss Arising On Financial Assets Measured at FVTPL	(3,859.37)	(2,546.21)
Net (Gain)/Loss Arising On Redemption of Bonds	181.75	144.38
Prepaid License Fee Amortised	(1,334.28)	(988.34)
Lease Rental Income	2,299.71	712.95
Bad Debts/sundry balance written off	32.83	41.30
Allowance for Doubtful Bad Debts	(130.44)	128.74
Provision for Warranty Expenses	(2.10)	4.30
Sundry Creditors/Liabilities written back (net)	(42.05)	(115.54)
	(2,804.33)	(43.90)
<b>Operating profit before change in operating assets and liabilities</b>	<b>43,494.22</b>	<b>36,653.13</b>
<b>Add / (Less):</b>		
(Increase)/Decrease in Inventories	(182.52)	(421.25)
(Increase)/Decrease in Trade & other receivables	1,146.81	(569.38)
(Increase)/Decrease in Other operating assets	(2,495.03)	(1,522.40)
Increase/(Decrease) in Trade payables	117.41	679.33
Increase/(Decrease) in Provisions	62.31	95.16
Increase/(Decrease) in Other operating liabilities	5,704.68	2,411.51
	4,353.66	672.97
<b>Cash generated from operations</b>	<b>47,847.88</b>	<b>37,326.10</b>
<b>Add / (Less):</b>		
Income Tax paid (Net of refund)	(10,296.07)	(7,583.38)
	(10,296.07)	(7,583.38)
<b>Net Cash generated from operating activities - [A]</b>	<b>37,551.81</b>	<b>29,742.72</b>
<b>B) Cash Flow from investing activities</b>		
Purchase of Fixed Assets / Capital work-in-progress / Capital Advances	(10,367.70)	(1,313.33)
Purchase of investments	(46,273.84)	(51,695.33)
Proceeds from sale of investments	16,634.25	22,652.11
Interest received	6,694.81	3,755.57
Brokerage Income	17.41	21.12
Dividend received	15.23	(33,279.86)
	(33,279.86)	(26,564.69)
<b>Net Cash used in investing activities - [B]</b>	<b>(33,279.86)</b>	<b>(26,564.69)</b>
<b>C) Cash Flow used in financing activities</b>		
Finance costs paid	(66.54)	(237.64)
Increase/(Decrease) in Lease Liability	(15.06)	(14.07)
Dividend Paid to Shareholders	(3,170.70)	(2,113.80)
	(3,252.30)	(2,365.51)
<b>Net Cash used in financing activities - [C]</b>	<b>(3,252.30)</b>	<b>(2,365.51)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>1,019.65</b>	<b>812.52</b>
Cash and Cash Equivalents at the beginning of the year	1,189.15	376.63
<b>Cash and Cash Equivalents at the end of the year</b>	<b>2,208.80</b>	<b>1,189.15</b>



(₹ in lakhs)		
Particulars	2023-2024	2022-2023
<b>Notes:-</b>		
a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS- 7) Statement of Cash Flow		
b) Cash and Cash Equivalents comprises of		
Cash on hand	0.02	1.97
Balances with Banks in Current Account	2,208.78	1,187.18
<b>Cash and Cash Equivalents in Cash Flow Statements</b>	<b>2,208.80</b>	<b>1,189.15</b>

Notes forming part of the financial statements 1 to 51

As per our report of even date

For and on behalf of the Board

For Manubhai & Shah LLP  
Chartered Accountants  
FRN. 106041W/W100136

**Krishna S. Patel**  
Chairman and Managing Director  
DIN- 01519572

**Sudha S. Patel**  
Non-executive Director  
DIN - 00187055

**Ashish Shah**  
Partner  
Membership No : 103750  
Mumbai, 20 May 2024

**Dipesh R. Singhania**  
Chief Financial Officer  
Mumbai, 20 May 2024

**Shalini D. Kamath**  
Company Secretary and  
Compliance Officer  
Mumbai, 20 May 2024

## Notes Forming Part of the Financial Statements

### Company Background

Nesco Limited ("Nesco" or "the Company") was incorporated on 15 April 1946, under the Indian Companies Act VII of 1913. The Company is domiciled in India having registered office at Nesco Center, Western Express Highway, Goregaon (East), Mumbai 400063 and listed on the Bombay Stock Exchange of India Limited (BSE) and the National Stock Exchange of India Limited (NSE).

The Company is mainly engaged in the following:

- Licencing premises in IT park buildings and providing related services.
- Licencing premises for exhibitions and providing services to the organisers.
- Manufacturing of machines and capital equipment.
- Hospitality and catering services.

### Note 1 - Basis of Preparation of Financial Statements

#### a) Compliance with Ind AS:

These Financial Statements have been prepared in compliance with Indian Accounting Standards (Ind-AS) notified under Section 133 of the Companies Act 2013 (The Act), read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

These Financial Statements have been prepared and presented under the historical cost convention, on the accrual basis of the accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

#### b) Current / Non-Current Classification:

Any asset or liability is classified as current if it satisfies any of the following conditions: -

- The asset / liability is expected to be realised / settled in the Company's normal operating cycle.
- The asset is intended for sale or consumption.
- The asset/liability is held primarily for the purpose of trading.
- The asset/liability is expected to be realised / settled within twelve months after the reporting period.
- The asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting cycle.
- In the case of a liability, the Company does not have an unconditional right to defer settlement of a liability for at least twelve months after the reporting cycle.

All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing their realisation in cash and cash equivalents.

#### c) Functional and Presentation Currency:

The Financial Statements are presented in Indian rupees which is the functional currency for the Company. Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss. Foreign exchange gains and losses are presented in the statement of profit and loss on a net basis.

#### d) Rounding of Amounts:

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of schedule III, unless otherwise stated.

### Note 2- Material Accounting Policies

#### a) Property, Plant and Equipment:

Freehold land is carried at historical cost. All other items of property, plant and equipment are carried at the historical cost, less accumulated depreciation, and accumulated impairment losses, if any. The cost of Property, Plant and Equipment comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use.

Subsequent recognition is done in assets carrying amount or as a separate asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. Profit or Loss on disposal of Property, Plant and Equipment is recognised in the Statement of Profit and Loss. All other repairs and maintenance expenses are charged to profit or loss during the reporting period in which they are incurred.

Expenses incurred on property, plant and equipment, net of income earned during the under-development stage prior to its intended use, are disclosed under Capital Work-in-progress.

#### b) Investment Property:

Investment properties are properties that are held to earn rentals and /or for capital appreciation and not occupied by the Company for its own use. Investment properties are measured initially at cost, including transaction costs and net of recoverable taxes. The cost includes the cost of replacing parts and borrowing costs if recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful

## Notes Forming Part of the Financial Statements

lives. All other repair and maintenance costs are recognised in profit or loss as incurred. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Investment properties are derecognised either when they have been disposed of or when they are being occupied by the Company for its own use or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of de-recognition.

### c) Depreciation methods, estimated useful lives and residual value:

Depreciation on Property, Plant and Equipment and Investment Property is provided using the Straight-Line Method based on the useful life of the assets as estimated by the management and is charged to the Statement of Profit and Loss as per the requirement of Schedule II of the Companies Act, 2013. The estimate of the useful life of the assets has been assessed based on technical advice which considered the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc. The estimated useful life of Property, Plant and Equipment is mentioned below:

Asset Class	Years
Factory Buildings	30
Buildings (other than Factory Buildings)	60
Plant and Equipment	15
Electrical Installations	10
Patterns and Mouldings	8
Kitchen Equipment	5
Furniture and Fixtures and Office equipment: -	
- Office furniture	10
- Computers	3
- Office equipment	5
Vehicles	10

Freehold land is not depreciated. Leasehold land and Leasehold improvements are amortised over the period of the lease. Depreciation Methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

### d) Non-Current Assets held for sale:

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use of the assets and actions required to complete such sale indicate

that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and the fair value less cost to sell. Non-current assets are not depreciated or amortised.

### e) Intangible assets:

Intangible Assets are stated at cost of acquisition less accumulated amortisation and accumulated impairment, if any. Amortisation is done over their estimated useful life on straight line basis from the date that they are available for intended use, subjected to impairment test. Purchase cost and consultancy fees for major software are amortised over the useful life of the software. Software, which is not an integral part of the related hardware is classified as an intangible asset and is amortised over the useful life of 6 years.

### f) Impairment of Assets:

At each balance sheet date, the Company's carrying amount of assets are reviewed to determine whether there is any indication of impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. If any such impairment exists, the recoverable amount of an asset is estimated to determine the extent of impairment, if any.

### g) Inventories:

Raw materials, work-in-progress, stores and spares and finished goods are valued at the lower of cost or net realizable value. However, materials and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item-by item basis.

In determining the cost of raw materials, packing material and stores and spares, weighted average method is used.

Cost of work-in-progress and finished goods comprises direct materials, direct labour, and an appropriate share of manufacturing overheads.

Cost of Inventories comprises of costs of purchase, cost of conversion, duties, and taxes (other than those refundable), inward freight and all other costs incurred in bringing them to their respective present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

## Notes Forming Part of the Financial Statements

### h) Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### 1. Investments and other Financial Assets:

##### (i) Classification:

The Company classifies its financial assets in following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on entity's business model for managing financial assets and the contractual terms of cash flow.

##### (ii) Initial recognition and measurement:

At initial recognition, the Company measures a financial asset at fair value, plus in case of a financial asset not at fair value through profit and loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transactions costs of financial assets carried at fair value through profit and loss are expensed in profit or loss.

##### (iii) Financial Assets measured at amortised cost:

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. A gain or loss on such an instrument is recognised in profit or loss. Interest income from these financial assets is included in other income using Effective Interest Rate (EIR) method. The losses arising from impairment are recognised in the Statement of Profit and Loss.

##### (iv) Financial Assets measured at fair value through other comprehensive income (FVTOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where represent solely payments of principal and interest, are measured at fair value initially as well as at each reporting date through other comprehensive income. Fair value movements in the carrying amount are recognised in the other comprehensive income, except for the recognition of impairment of gains and losses, interest revenue and foreign exchange gain or loss which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains /

(losses). Interest income from these financial assets is included in other income using the Effective Interest Rate (EIR) method.

##### (v) Financial Assets measured at fair value through profit or loss (FVTPL):

Assets that do not meet the criteria for amortised cost or FVTOCI are measured initially as well as at each reporting date at fair value through profit or loss as other income. Income from these financial assets is included in other income.

##### (vi) Investment in Subsidiary and Associates:

Investment in equity instruments of Subsidiaries and Associates are measured at cost in accordance with the option available in Ind AS 27, "Separate Financial Statements".

Investment in subsidiary and associate companies are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in economic environment.

##### (vii) Investment in Equity Instruments:

Equity instruments which are held for trading are classified as at FVTPL. All other equity instruments are classified as FVTOCI.

Fair value changes in case of the equity instruments classified as FVTOCI are recognised in the Other Comprehensive Income. There is no subsequent reclassification of gains and losses from Other Comprehensive Income to profit or loss.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gains / (losses) in the statement of profit and loss. Dividend from such investments is recognised in profit and loss as other income when the Company's right to receive payments is established. Impairment loss (and reversal of impairment loss) on equity instruments measured at FVTOCI are not accounted separately from other changes in fair value.

##### (viii) Investment in Debt Instruments:

A debt instrument is measured at amortised cost or at FVTPL. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

##### (ix) Impairment of Financial Assets:

The Company recognises loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through profit or



## Notes Forming Part of the Financial Statements

loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in profit or loss.

### (x) De-recognition of Financial Assets:

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

A financial asset is derecognised only when the Company –

- has transferred the right to receive cash flows from the financial asset or
- retains contractual rights to receive the cash flows of the financial asset, but assumes contractual obligation to pay the cash flows to one or more recipients or
- does not retain the control of the financial asset or
- does not have continuing involvement in the financial asset.

When the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of financial assets. In such cases, financial asset is derecognised. When the entity has not transferred substantially all risks and rewards of ownership of financial asset, the financial asset is not derecognised.

### (xi) Income recognition:

Interest income from debt instruments is recognised using effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When computing effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instruments.

Dividends are recognised in profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of dividend can be measured reliably.

## 2. Financial Liabilities:

### i) Classification:

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss.

### ii) Initial recognition and measurement:

All financial liabilities that are classified as to be subsequently measured not at Fair value through Profit and Loss (FVTPL), are recognised initially at fair value, being transaction price net of directly attributable transaction costs. Financial liabilities include trade and other payables, security deposits etc.

### iii) Subsequent measurement:

All Financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. The EIR amortisation is included as finance costs in the statement of profit and loss.

### iv) De-recognition of Financial Liabilities:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

## 3. Offsetting Financial Instruments:

Financial assets and liabilities are offset, and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

### i) Provisions and Contingencies:

A provision is recognised, if as a result of a past event the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are measured at the present value of the management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is the pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are not recognised but disclosed in the Financial Statements when economic inflow is probable.

### j) Segment Reporting:

Operating segments have been identified on the basis of the nature of business activities from which the Company earns revenues or incurs expenses and for which discrete financial information is available. The Management monitors the operating results of its business segments for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured

## Notes Forming Part of the Financial Statements

consistently with profit or loss in the financial statements. The Operating segments have been identified on the basis of the nature of products / services.

1. Segment revenue includes sales and other income directly identifiable with/ allocable to the segment including inter-segment revenue.
2. Expenses that are directly identifiable with/ or allocable to segments are considered for determining the segment result. Expenses which relate the Company as a whole and not allocable to segments are included in un-allocable expenditure.
3. Income which relates to the Company as a whole and not allocable to segments is included in un-allocable income.
4. Segment assets and liabilities include those directly identifiable with the respective segments. Un-allocable assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker.

### k) Revenue Recognition:

Revenue is measured at the fair value of the consideration received or receivable. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below.

#### Recognition of revenue from major business activities:

1. Revenue from Industrial Capital Goods Division operations includes sale of manufactured machines and capital equipment, engineering fees, services, and other charges. Revenue from sale of goods is recognised when all the control on the goods have been transferred to the buyer as per the terms of the contracts and no significant uncertainty exists regarding the amount of consideration that will be derived from the sale of goods.
2. Revenue from Bombay Exhibition Center operations includes income from renting of halls for exhibitions, events and providing other related services to the organisers. Revenue from such renting activity and the related services is recognised in the accounting period in which the event occurs.
3. Revenue from IT Park operations includes income of renting of office space in IT park and providing related services to IT /ITES companies.
4. Revenue from Nesco foods includes catering at the Social/Corporate Events, running food court at exhibition centre and operations at restaurants. Revenue from such activity is recognised in the accounting period in which services are rendered.

5. Interest income is recognised using Effective Interest Rate (EIR) method and dividend income is recognised when the right to receive the payment is established.

### l) Income tax:

Income tax expense comprises current tax and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

#### 1. Current tax:

Current tax comprises of the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of the previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- has a legally enforceable right to set off the recognised amounts; and
- Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### 2. Deferred tax:

Deferred tax is recognised for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date, using the tax rates and laws that are enacted or substantively enacted as on reporting date. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses and credits can be utilised. Deferred tax relating to items recognised in other comprehensive income and directly in equity is recognised in correlation to the underlying transaction.

Deferred tax assets and liabilities are offset only if:

- Entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- Deferred tax assets and the deferred tax liabilities relate to the income taxes levied by the same taxation authority.

### m) Cash and cash equivalents:

Cash and cash equivalents include cash on hand, Balances with Banks, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

## Notes Forming Part of the Financial Statements

### n) Trade Receivables:

Trade receivables are non-interest bearing and receivable in normal operating cycle. Trade receivables are recognised initially at fair value (that is transaction price on initial recognition) and subsequently measured at amortised cost using effective interest method, less provision for impairment.

### o) Leases

The Company's lease asset classes primarily consist of license for land for office premises. The Company, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered into on or after 01 April 2020.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets (assets of less than ₹1,00,000 in value). The Company recognises the lease payments associated with these leases as an expense over the lease term.

#### Leases as lessor

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers

substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for a major part of the economic life of the asset. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'Revenue From Operation'.

### p) Earnings Per Share:

Basic Earnings per share is calculated by dividing:

- the profit attributable to owners of the Company.
- by the weighted average number of equity shares outstanding during the financial year.

### q) Employee Benefits:

#### 1. Short term obligations:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognised in the period in which the employee renders the related service. The Company recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

#### 2. Other long term employee obligations:

Entitlements to annual leave are recognised when they accrue to employees. Annual leave can either be availed or encashed at the time of separation or retirement subject to a restriction on the maximum number of 42 days of accumulation of leave. The Company determines the liability for such accumulated leaves using the Projected Unit Credit method with actuarial valuations being carried out at each Balance Sheet date.

#### 3. Post-employment obligations:

The Company operates the following post-employment schemes.

##### i) Defined benefit plans (gratuity):

The Company has unfunded defined benefit gratuity plan for employees.

##### Recognition and measurement of Defined Benefit plans:

The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date.

## Notes Forming Part of the Financial Statements

The defined benefit obligations recognised in the Balance Sheet represent the present value of the defined benefit obligations.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability / (asset) are recognised in the Statement of Profit and Loss. Re-measurements of the net defined benefit liability / (asset) comprising actuarial gains and losses are recognised in Other Comprehensive Income. Such re-measurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

The Company presents the above liability/(asset) as current and non-current in the Balance Sheet as per actuarial valuation by the independent actuary.

### ii) Defined contribution plans such as provident fund:

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expenses when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

### r) Proposed Dividend:

The final dividend recommended by the Board of Directors is accounted in the financial year in which it is approved by the shareholders in the Annual General Meeting.

### s) Recent Accounting pronouncements:

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended March 31 2023. Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

### Note 3- Key Accounting Estimates and Judgements:

The preparation of the Company's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

This note provides an overview of the areas that involved a higher degree of judgement or complexity and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

### Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

#### a) Income Taxes:

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

#### b) Property, Plant and Equipment and Investment Property:

Property, Plant and Equipment and Investment Property represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

#### c) Defined Benefit Obligation:

The costs of providing other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed since assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates.

#### d) Fair value measurement of Financial Instruments:

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.



## Notes Forming Part of the Financial Statements

### Note 4 - Property, Plant and Equipment

#### Changes in carrying value of Property, Plant and Equipment for the year ended 31 March 2024

(₹ in lakhs)

Particulars	Freehold land	Right-of-use - Leasehold Land*	Freehold building	Plant and machinery	Electrical Installations	Furniture, fixture & office equipment	Vehicles	Total
Additions	-	-	55.59	85.90	19.88	301.65	6.65	469.67
Deductions / Adjustments	-	-	-	(5.32)	(14.10)	(50.83)	-	(70.25)
<b>Closing gross carrying amount (A)</b>	<b>638.23</b>	<b>68.17</b>	<b>12,196.44</b>	<b>4,797.98</b>	<b>1,423.72</b>	<b>1,411.77</b>	<b>239.43</b>	<b>20,775.74</b>
Opening accumulated depreciation	-	29.74	1,696.20	2,093.31	795.78	689.80	116.54	5,421.37
Depreciation during the year	-	14.87	2,891.53	298.66	135.59	121.37	21.36	3,483.38
Deductions / Adjustments	-	-	-	(3.00)	(12.40)	(44.68)	-	(60.08)
<b>Closing accumulated depreciation and impairment (B)</b>	<b>-</b>	<b>44.61</b>	<b>4,587.73</b>	<b>2,388.97</b>	<b>918.97</b>	<b>766.49</b>	<b>137.90</b>	<b>8,844.67</b>
<b>Net carrying amount (A-B)</b>	<b>638.23</b>	<b>23.56</b>	<b>7,608.71</b>	<b>2,409.01</b>	<b>504.75</b>	<b>645.28</b>	<b>101.53</b>	<b>11,931.07</b>

\* Leave and License Agreement is duly executed in favour of the Company.

#### Changes in carrying value of Property, Plant and Equipment for the year ended 31 March 2023

(₹ in lakhs)

Particulars	Freehold land	Right-of-use - Leasehold Land*	Freehold building	Plant and machinery	Electrical Installations	Furniture, fixture & office equipment	Vehicles	Total
Additions	-	-	38.96	361.99	65.23	335.22	-	801.40
Deductions / Adjustments	-	-	(1,759.36)	(40.08)	-	(15.08)	(131.88)	(1,946.39)
<b>Closing gross carrying amount (A)</b>	<b>638.23</b>	<b>68.17</b>	<b>12,140.85</b>	<b>4,717.40</b>	<b>1,417.94</b>	<b>1,160.95</b>	<b>232.78</b>	<b>20,376.32</b>
Opening accumulated depreciation	-	14.87	994.72	1,857.53	664.44	625.12	195.28	4,351.96
Depreciation during the year	-	14.87	773.98	254.90	131.34	77.15	25.11	1,277.35
Deductions / Adjustments	-	-	(72.50)	(19.12)	-	(12.47)	(103.85)	(207.94)
<b>Closing accumulated depreciation and impairment (B)</b>	<b>-</b>	<b>29.74</b>	<b>1,696.20</b>	<b>2,093.31</b>	<b>795.78</b>	<b>689.80</b>	<b>116.54</b>	<b>5,421.37</b>
<b>Net carrying amount (A-B)</b>	<b>638.23</b>	<b>38.43</b>	<b>10,444.65</b>	<b>2,624.09</b>	<b>622.16</b>	<b>471.15</b>	<b>116.24</b>	<b>14,954.95</b>

\* Leave and License Agreement is duly executed in favour of the Company.

Title deeds of all immovable properties are in the name of the Company.

### Note 4a - Capital Work-in-Progress

(₹ in lakhs)

Particulars	Property, Plant & Equipment		Investment Property		Total	
	As at 31 March		As at 31 March		As at 31 March	
	2024	2023	2024	2023	2024	2023
Plant and machinery	-	-	-	70.67	-	70.67
Freehold building	8,247.41	752.38	7,905.78	7,701.45	16,153.19	8,453.83
Electrical Installations	34.88	-	-	-	34.88	-
Furniture, fixture & office equipment	27.34	2.48	-	-	27.34	2.48
<b>Total</b>	<b>8,309.63</b>	<b>754.86</b>	<b>7,905.78</b>	<b>7,772.12</b>	<b>16,215.41</b>	<b>8,526.98</b>

## Notes Forming Part of the Financial Statements

### a) CWIP Ageing Schedule as at 31 March 2024

(₹ in lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	7,761.58	303.28	7,354.00	796.55	16,215.41
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>7,761.58</b>	<b>303.28</b>	<b>7,354.00</b>	<b>796.55</b>	<b>16,215.41</b>

### b) CWIP Ageing Schedule as at 31 March 2023

(₹ in lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	376.43	7,354.00	675.94	120.61	8,526.98
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>376.43</b>	<b>7,354.00</b>	<b>675.94</b>	<b>120.61</b>	<b>8,526.98</b>

CWIP as at 31 March 2024 includes ₹ 7,904.40 lakhs shown under more than 2 years towards ongoing project of construction of Tower 2 in IT Park division which is under statutory approval stage from the MCGM.

There are no projects whose completion is overdue or has exceeded the cost compared to its original budget as on 31 March 2024 & 31 March 2023.

### Note 5 - Investment Property

#### Changes in carrying value of Investment property for the year ended 31 March 2024

(₹ in lakhs)

Particulars	Freehold building	Plant and machinery	Electrical Installations	Furniture, fixture & office equipment	Total
Additions	1.89	81.72	7.50	119.35	210.46
Deductions / Adjustments	-	(9.29)	(19.43)	(5.26)	(33.98)
<b>Closing gross carrying amount (A)</b>	<b>63,419.87</b>	<b>3,668.09</b>	<b>5,333.02</b>	<b>1,556.85</b>	<b>73,977.83</b>
Opening accumulated depreciation	4,619.34	1,261.90	2,272.76	352.21	8,506.21
Depreciation during the year	1,025.83	249.35	454.84	147.05	1,877.07
Deductions / Adjustments	-	(5.45)	(18.16)	(5.00)	(28.61)
<b>Closing accumulated depreciation and impairment (B)</b>	<b>5,645.17</b>	<b>1,505.80</b>	<b>2,709.44</b>	<b>494.26</b>	<b>10,354.67</b>
<b>Net carrying amount (A-B)</b>	<b>57,774.70</b>	<b>2,162.29</b>	<b>2,623.58</b>	<b>1,062.59</b>	<b>63,623.16</b>

#### Changes in carrying value of Investment property for the year ended 31 March 2023

(₹ in lakhs)

Particulars	Freehold building	Plant and machinery	Electrical Installations	Furniture, fixture & office equipment	Total
Additions	49.84	46.54	38.87	105.06	240.31
Deductions / Adjustments	-	-	(2.55)	(310.58)	(313.13)
<b>Closing gross carrying amount (A)</b>	<b>63,417.98</b>	<b>3,595.66</b>	<b>5,344.95</b>	<b>1,442.77</b>	<b>73,801.35</b>
Opening accumulated depreciation	3,594.16	1,007.81	1,800.56	203.95	6,606.47
Depreciation during the year	1,025.18	254.09	472.36	200.53	1,952.16
Deductions / Adjustments	-	-	(0.16)	(52.26)	(52.42)
<b>Closing accumulated depreciation and impairment (B)</b>	<b>4,619.34</b>	<b>1,261.90</b>	<b>2,272.76</b>	<b>352.21</b>	<b>8,506.21</b>
<b>Net carrying amount (A-B)</b>	<b>58,798.64</b>	<b>2,333.76</b>	<b>3,072.19</b>	<b>1,090.55</b>	<b>65,295.14</b>

Title deeds of all immovable properties are in the name of the Company.

## Notes Forming Part of the Financial Statements

### Note:-

The fair value of freehold building as at 31 March 2024 is ₹ 3,66,218.00 lakhs ( Previous year ₹ 3,66,218.00 Lakhs) which is based on Stamp Duty Ready Reckoner published by Government of Maharashtra.

The Company has no restrictions on the realisability of its investment properties.

### The amount recognised in the Statement of Profit and Loss :-

Particulars	Amount	
	(₹ in lakhs)	
1) Total Income from Investment Property	31,832.30	
2) Direct operating expenses (including repairs and maintenance) arising from investment property that generated total income during the period	7,277.15	
3) Direct operating expenses (including repairs and maintenance) arising from investment property that did not generated total income during the period	-	

### Note 6 - Other Intangible Assets

#### Changes in carrying value of Other Intangible Assets for the year ended 31 March 2024

Particulars	As at 31 March	
	2024	2023
Opening gross carrying amount	310.25	310.01
Additions	54.14	0.24
Deductions / Adjustments	-	-
<b>Closing gross carrying amount(A)</b>	<b>364.39</b>	<b>310.25</b>
Opening accumulated depreciation	153.51	105.60
Depreciation during the year	56.06	47.91
Deductions / Adjustments	-	-
<b>Closing accumulated depreciation and impairment (B)</b>	<b>209.57</b>	<b>153.51</b>
<b>Net carrying amount (A-B)</b>	<b>154.82</b>	<b>156.74</b>

### Note 6a - Intangible Assets under Development:

Particulars	As at 31 March	
	2024	2023
Software	-	38.02
<b>Total</b>	<b>-</b>	<b>38.02</b>

### Intangible assets under development ageing schedule as at 31 March 2024

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1- 2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-

### Intangible assets under development ageing schedule as at 31 March 2023

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1- 2 years	2-3 years	More than 3 years	
Projects in progress	8.59	2.04	2.40	24.99	38.02

## Notes Forming Part of the Financial Statements

### Note 7 - Investments

Particulars	As at 31 March	
	2024	2023
<b>Investments - Non-Current</b>		
<b>Unquoted</b>		
Investment in Equity Instruments - Subsidiary measured at cost*	-	1.00
Other Investment measured at cost	2.03	1.03
Less:- Provision for Diminution in value of Investments	(1.03)	(1.03)
<b>Total (A)</b>	<b>1.00</b>	<b>1.00</b>
<b>Quoted</b>		
Investment carried at fair value through OCI		
Fully paid equity shares	32.80	21.66
<b>Total (B)</b>	<b>32.80</b>	<b>21.66</b>
<b>Investment in Mutual Funds carried at fair value through profit and loss</b>		
Fixed Maturity Plans	936.25	869.81
Equity Funds & Debt Funds #	10,004.84	9,000.14
Dynamic Asset Allocation Fund	-	211.91
<b>Total (C)</b>	<b>10,941.09</b>	<b>10,081.86</b>
<b>Investment carried at amortised cost</b>		
Non Convertible Debentures and Bonds	1,05,231.41	66,444.48
Preference Shares	200.00	200.00
<b>Total (D)</b>	<b>1,05,431.41</b>	<b>66,644.48</b>
<b>Total Non Current Investments (A+B+C+D)</b>	<b>1,16,406.30</b>	<b>76,749.00</b>
<b>Total aggregate amount of quoted and unquoted Investment at cost</b>	<b>1,15,369.56</b>	<b>76,481.65</b>
<b>Aggregate amount of impairment in value of Investments</b>	<b>1.03</b>	<b>1.03</b>

Particulars	As at 31 March	
	2024	2023
<b>Investments - Current</b>		
<b>Investment in Mutual Funds carried at fair value through profit and loss</b>		
Debt Funds	893.72	13,122.40
Short Term Debt Funds	867.14	8,201.78
Floating rate Debt Funds	2,325.68	4,084.83
Balanced Funds	7,742.79	806.15
Equity Funds	4,616.55	1,329.33
Dynamic Asset Allocation Fund	971.78	550.78
Liquid Funds	-	2,158.43
Debt funds - ultra short term bond funds	14,888.70	9,097.23
<b>Total (A)</b>	<b>32,306.36</b>	<b>39,350.93</b>
<b>Investment carried at amortised cost</b>		
Non-Convertible Debentures and Bonds	715.70	-
<b>Total (B)</b>	<b>715.70</b>	<b>-</b>
<b>Total Current Investments (A+B)</b>	<b>33,022.06</b>	<b>39,350.93</b>
<b>Total aggregate amount of Quoted and Unquoted Investment at Cost</b>	<b>26,247.27</b>	<b>32,791.57</b>
<b>Aggregate amount of impairment in value of investments</b>	<b>-</b>	<b>-</b>

\* The wholly owned subsidiary namely, Nesco Foundation for Innovation and Development (NFID) has gone under voluntary liquidation w.e.f. 20 October 2023. Hence the same has been classified under other investment as on 31 March 2024.

# Domestic Bank Guarantee given by bank on Company's behalf ₹ 583.33 lakhs (Previous year ₹ 706.98 lakhs) is secured by lien of Mutual Fund (Investments in Debt Funds -Index Fund ) of value ₹ 1,346 lakhs (Previous year ₹ 1,093.77 lakhs).



## Notes Forming Part of the Financial Statements

### Note 8-Other Non Current Financial Assets

(₹ in lakhs)

Particulars	As at 31 March	
	2024	2023
Security Deposits (Unsecured, Considered Good)	445.07	447.29
Lease Rental Receivables	4,640.26	5,095.37
	<b>5,085.33</b>	<b>5,542.66</b>

### Note 9-Non Current Tax Assets(Net)

(₹ in lakhs)

Particulars	As at 31 March	
	2024	2023
Advance Payment of Income Tax (Net)	1,137.15	1,034.91
	<b>1,137.15</b>	<b>1,034.91</b>

### Note 10-Other Non Current Assets

(₹ in lakhs)

Particulars	As at 31 March	
	2024	2023
Capital Advances	2,171.51	128.06
Other Long Term Advances	1,406.10	1,119.67
	<b>3,577.61</b>	<b>1,247.73</b>

### Note 11-Inventories (At lower of cost and net realisable value)

(₹ in lakhs)

Particulars	As at 31 March	
	2024	2023
Raw Materials	732.91	819.29
Work-in-progress	590.43	322.83
Stores and Spares	32.57	31.27
	<b>1,355.91</b>	<b>1,173.39</b>

### Note 12-Trade Receivables

(₹ in lakhs)

Particulars	As at 31 March	
	2024	2023
a) Unsecured-Considered Good	1,213.04	2,262.23
b) Credit Impaired	159.20	165.77
	<b>1,372.24</b>	<b>2,428.00</b>
Less : Allowances for Doubtful Trade Receivables	(159.20)	(165.77)
	<b>1,213.04</b>	<b>2,262.23</b>

## Notes Forming Part of the Financial Statements

### Trade Receivables ageing schedule for the year ended 31 March 2024

(₹ in lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 - 2 Years	2 - 3 Years	More than 3 Years	
(i) Undisputed Trade receivables – considered good	130.29	1,008.93	42.78	27.40	-	3.64	1,213.04
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	6.17	5.93	14.03	11.05	11.14	48.32
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	7.85	18.93	-	84.10	110.88
<b>Total</b>	<b>130.29</b>	<b>1,015.10</b>	<b>56.56</b>	<b>60.36</b>	<b>11.05</b>	<b>98.88</b>	<b>1,372.24</b>

### Trade Receivables ageing schedule for the year ended 31 March 2023

(₹ in lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 - 2 Years	2 - 3 Years	More than 3 Years	
(i) Undisputed Trade receivables – considered good	802.44	1298.95	150.57	-	0.03	10.25	2,262.23
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	1.86	13.45	11.84	10.58	6.33	44.05
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	5.50	0.54	21.31	6.58	87.79	121.72
<b>Total</b>	<b>802.44</b>	<b>1,306.31</b>	<b>164.56</b>	<b>33.15</b>	<b>17.19</b>	<b>104.36</b>	<b>2,428.00</b>

### Note 13-Cash and Bank Balances

(₹ in lakhs)

Particulars	As at 31 March	
	2024	2023
<b>a) Cash and cash equivalents</b>		
Balances With Banks in Current Accounts	2,208.78	1,187.18
Cash On Hand	0.02	1.97
	<b>2,208.80</b>	<b>1,189.15</b>
<b>b) Other balances with banks</b>		
Bank Deposits With Less Than 12 Months of Original Maturity	-	318.12
Earmarked Balances with banks		
Margin Money Deposit against bank Guarantee*	402.34	50.04
Unclaimed Dividend**	163.82	183.82
Unspent CSR***	15.27	33.61
	<b>581.43</b>	<b>585.59</b>

\* Deposit under lien against bank guarantee of ₹ 378.68 lakhs (Previous year ₹ 50.00 lakhs).

\*\*The Company can utilise these balances only towards settlement of unclaimed dividend.

\*\*\*The Company can utilise these balances only towards CSR Activities.

## Notes Forming Part of the Financial Statements

### Note 14-Other Financial Assets

Particulars	As at 31 March	
	(₹ in lakhs)	
	2024	2023
Deposits(Others)	55.75	51.86
Other Receivables	5,889.58	5,694.24
<b>Total</b>	<b>5,945.33</b>	<b>5,746.10</b>

### Note 15-Other Current Assets

Particulars	As at 31 March	
	(₹ in lakhs)	
	2024	2023
Advance Recoverable in Cash or Kind	271.05	242.43
Balances with Government Authorities		
Sales Tax and GST	703.26	601.25
Advances to Suppliers	813.10	785.25
Advance to Staff	12.84	12.35
Other Receivables	773.92	761.75
<b>Total</b>	<b>2,574.17</b>	<b>2,403.03</b>

### Note 16 - Equity Share Capital

Particulars	As at 31 March	
	(₹ in lakhs)	
	2024	2023
<b>Share Capital</b>		
<b>Authorised</b>		
7,37,50,000 Equity Shares of ₹ 2 each (Previous year 7,37,50,000 Equity Shares of ₹ 2 each)	1,475.00	1,475.00
2,50,000 Preference Shares of ₹ 10 each (Previous year 2,50,000 Preference Shares of ₹ 10 each)	25.00	25.00
<b>Total</b>	<b>1,500.00</b>	<b>1,500.00</b>
<b>Issued, Subscribed and Paid up Capital</b>		
7,04,59,960 Equity Shares of ₹ 2 each, fully paid up (Previous year 7,04,59,960 Equity Shares of ₹ 2 each)	1,409.20	1,409.20
<b>Total</b>	<b>1,409.20</b>	<b>1,409.20</b>

#### a) Reconciliation of shares outstanding at the beginning and at the end of the year

Particulars	As at 31 March 2024		As at 31 March 2023	
	Equity Shares Number	Equity Shares ₹	Equity Shares Number	Equity Shares ₹
	At the beginning of the year	7,04,59,960	14,09,19,920	7,04,59,960
Changes in Equity Share Capital during the year	-	-	-	-
<b>At the end of the year</b>	<b>7,04,59,960</b>	<b>14,09,19,920</b>	<b>7,04,59,960</b>	<b>14,09,19,920</b>

#### b) Terms / Rights Attached to Equity Shares

The Company has only one class referred to as equity shares having a par value of ₹ 2/- per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. Payment of dividend is also made in foreign currency to shareholders outside India.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### c) Proposed Dividend

The Board of Directors at its meeting held on 20 May 2024 have recommended a payment of dividend of ₹ 6 (Rupees Six) per equity share of face value ₹ 2 each for the financial year ended 31 March 2024 amounting to ₹ 4,227.60 lakhs and subject to approval at the ensuing AGM of the Company and hence is not recognised as a liability.

## Notes Forming Part of the Financial Statements

### d) Details of Shareholders holding more than 5% Equity Shares in the Company - @

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
	Chandler & Price India Pvt. Ltd.	1,95,84,718	27.80	1,95,84,718
Late Sumant J. Patel	88,67,335	12.58	88,67,335	12.58
Patel Consultancy Services Pvt. Ltd.	53,62,500	7.61	53,62,500	7.61
Mrs. Sudha S. Patel	45,74,720	6.49	45,74,720	6.49
Engineering Global Pte Limited	44,72,000	6.35	44,72,000	6.35

@ As per the records of the Company, including its register of members.

### e) Details of Shareholding of Promoters

Particulars	As at 31 March 2024		As at 31 March 2023		% of change during the year
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	
	Chandler & Price India Pvt. Ltd.	1,95,84,718	27.80	1,95,84,718	
Late Sumant J. Patel	88,67,335	12.58	88,67,335	12.58	-
Patel Consultancy Services Pvt. Ltd.	53,62,500	7.61	53,62,500	7.61	-
Mrs. Sudha S. Patel	45,74,720	6.49	45,74,720	6.49	-
Engineering Global Pte Limited	44,72,000	6.35	44,72,000	6.35	-
Sumant J. Patel HUF	31,63,640	4.49	31,63,640	4.49	-
Mr. Krishna S. Patel	21,25,400	3.02	21,25,400	3.02	-
Aarav K. Patel	1,40,000	0.20	1,40,000	0.20	-

### Note 17-Other Equity

Particulars	Reserves and Surplus			Other Comprehensive Income		Total Other Equity
	Retained Earnings	Preference Shares Redemption Reserve	General Reserve	Equity instruments	Other items	
<b>Balance as at 01 April 2022 (A)</b>	50.00	9.56	1,68,016.69	19.96	-	1,68,096.21
<b>Additions during the year</b>						
Profit for the year	29,063.64	-	-	-	-	29,063.64
<b>Items of OCI for the year, net of tax</b>						
Remeasurement of Defined Benefit Plans - Net of Tax	(4.61)	-	-	-	-	(4.61)
Net Fair Value Gain/(Loss) on Investment in Equity Instruments Through Other Comprehensive Income	-	-	-	1.71	-	1.71
<b>Total Comprehensive Income for the year 2022-23 (B)</b>	<b>29,059.03</b>	<b>-</b>	<b>-</b>	<b>1.71</b>	<b>-</b>	<b>29,060.74</b>
<b>Reductions during the year</b>						
Dividend	(2,113.80)	-	-	-	-	(2,113.80)
<b>Total (C)</b>	<b>(2,113.80)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,113.80)</b>
<b>Transfers during the year</b>						
Retained earnings transferred to General reserve	(26,945.23)	-	26,945.23	-	-	-
<b>Total (D)</b>	<b>(26,945.23)</b>	<b>-</b>	<b>26,945.23</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance as at 31 March 2023</b>	<b>50.00</b>	<b>9.56</b>	<b>1,94,961.92</b>	<b>21.67</b>	<b>-</b>	<b>1,95,043.15</b>
<b>{E = (A + B + C + D)}</b>						
<b>Additions during the year</b>						
Profit for the year	36,278.36	-	-	-	-	36,278.36
<b>Items of OCI for the year, net of tax</b>						



## Notes Forming Part of the Financial Statements

### Note 17-Other Equity

Particulars	Reserves and Surplus			Other Comprehensive Income		Total Other Equity
	Retained Earnings	Preference Shares Redemption Reserve	General Reserve	Equity instruments	Other items	
Remeasurement of Defined Benefit Plans - Net of Tax	79.29	-	-	-	-	79.29
Net Fair Value Gain/(Loss) on Investment in Equity Instruments Through Other Comprehensive Income	-	-	-	11.21	-	11.21
<b>Total Comprehensive Income for the year 2023-24 (F)</b>	<b>36,357.65</b>	-	-	<b>11.21</b>	-	<b>36,368.86</b>
<b>Reductions during the year</b>						
Dividend	(3,170.70)	-	-	-	-	(3,170.70)
<b>Total (G)</b>	<b>(3,170.70)</b>	-	-	-	-	<b>(3,170.70)</b>
<b>Transfers during the year</b>						
Retained earnings transferred to General reserve	(33,186.95)	-	33,186.95	-	-	-
<b>Total (H)</b>	<b>(33,186.95)</b>	-	<b>33,186.95</b>	-	-	-
<b>Balance as at 31 March 2024 {I = (E + F + G + H)}</b>	<b>50.00</b>	<b>9.56</b>	<b>2,28,148.87</b>	<b>32.88</b>	-	<b>2,28,241.31</b>

#### Description of nature and purpose of each reserve

General Reserve	This reserve was created from time to time by way of transfer profits from retained earnings for appropriation purposes. General Reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.
Equity Instruments through Other Comprehensive Income	This represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, under an irrevocable option, net of amounts reclassified to retained earnings when such assets are disposed off.
Preference Shares Redemption Reserve	This reserve was created for redemption of preference shares.
Other Comprehensive Income	This represents cumulative gain and losses on revaluation of long term employee benefits.
Retained Earnings	Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

### Note 18-Other Financial Liabilities

Particulars	As at 31 March	
	2024	2023
	(₹ in lakhs)	
Security Deposits from IT Park Licensees and Others	13,420.16	12,007.93
	<b>13,420.16</b>	<b>12,007.93</b>

### Note 19-Provisions

Particulars	As at 31 March	
	2024	2023
	(₹ in lakhs)	
a) Employee benefits (Refer Note 43)		
Gratuity	322.09	365.18
Leave Encashment	92.28	98.21
b) Compensation Payable	165.00	165.00
	<b>579.37</b>	<b>628.39</b>

## Notes Forming Part of the Financial Statements

### Note 20-Deferred Tax Liabilities (Net)

Particulars	As at 31 March	
	2024	2023
	(₹ in lakhs)	
Opening Balance	2,488.40	3,138.58
Difference between written down value of fixed assets as per the Companies Act, 2013 and Income tax Act, 1961	(492.34)	(308.40)
Provision for expenses allowed for tax purpose on payment basis	(18.48)	(32.39)
Difference in carrying value and tax base of investments measured at FVTPL	368.10	(158.68)
Allowance of doubtful debts and advances	32.02	(32.47)
Lease Equalisation Reserve assets	(405.15)	(125.61)
Remeasurement of the defined benefit plan through OCI	28.22	7.37
	<b>2,000.77</b>	<b>2,488.40</b>

(Refer Note 44 "Income Taxes" for further details)

### Note 21-Other Non-Current Liabilities

Particulars	As at 31 March	
	2024	2023
	(₹ in lakhs)	
Advance Lease Rentals	3,278.59	2,601.12
Advance from Customers	1,067.25	834.79
	<b>4,345.84</b>	<b>3,435.91</b>

### Note 22-Trade Payables

Particulars	As at 31 March	
	2024	2023
	(₹ in lakhs)	
Total Outstanding Dues of Micro Enterprises and Small Enterprises (Refer Note 36)	294.87	324.95
Total Outstanding Dues of Creditors Other Than Micro Enterprises and Small Enterprises	1,224.54	1,119.10
	<b>1,519.41</b>	<b>1,444.05</b>

#### Trade Payables ageing schedule for the year ended 31 March 2024

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
		(₹ in lakhs)				
(i) MSME	253.18	6.07	-	-	-	259.25
(ii) Others	726.98	288.28	20.12	7.98	-	1043.36
(iii) Disputed dues - MSME	-	35.50	0.12	-	-	35.62
(iv) Disputed dues - Others	-	57.88	17.39	-	105.91	181.18
<b>Total</b>	<b>980.16</b>	<b>387.73</b>	<b>37.63</b>	<b>7.98</b>	<b>105.91</b>	<b>1,519.41</b>

#### Trade Payables ageing schedule for the year ended 31 March 2023

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
		(₹ in lakhs)				
(i) MSME	183.80	139.18	-	-	-	322.98
(ii) Others	660.81	323.37	8.38	-	1.89	994.45
(iii) Disputed dues - MSME	-	1.97	-	-	-	1.97
(iv) Disputed dues - Others	3.40	16.59	-	-	104.66	124.65
<b>Total</b>	<b>848.01</b>	<b>481.11</b>	<b>8.38</b>	-	<b>106.55</b>	<b>1,444.05</b>

## Notes Forming Part of the Financial Statements

### Note 23-Other Financial Liabilities

Particulars	(₹ in lakhs)	
	As at 31 March	
	2024	2023
Unclaimed dividend	163.82	183.82
Payable to Employees	17.16	154.88
Payable towards Capital Expenditure	456.22	254.27
Security Deposits	4,194.48	3,218.54
Other Payables	2,663.40	1,521.38
	<b>7,495.08</b>	<b>5,332.89</b>

### Note 24-Other Current Liabilities

Particulars	(₹ in lakhs)	
	As at 31 March	
	2024	2023
a) Revenue received in advance		
Advance from Customers	3,812.86	3,314.04
b) Others		
Statutory Payables		
Payable Towards VAT	12.63	8.77
Payable Towards GST	709.78	652.71
Payable Towards TDS/TCS	1,037.82	377.26
Payable Towards PF/ESIC/PT	23.31	18.66
	<b>5,596.40</b>	<b>4,371.44</b>

### Note 25-Provisions

Particulars	(₹ in lakhs)	
	As at 31 March	
	2024	2023
Provision for Employee benefits (Refer Note 43)		
Gratuity	23.70	18.21
Leave Encashment	11.27	11.38
Provision for Warranty (Refer Note 47)	22.55	24.65
	<b>57.52</b>	<b>54.24</b>

### Note 26-Revenue From Operations

Particulars	(₹ in lakhs)	
	For the Year	
	2023-2024	2022-2023
a) <b>Sale of Products</b>		
Sales of Machines and Spares	4,879.54	4,437.07
b) <b>Sale of Services</b>		
Bombay Exhibition Center (Rental and Services)	20,907.50	15,582.63
Nesco IT Park (Rental and Services)	31,832.30	29,502.70
Hospitality Services	9,928.77	4,862.56
Engineering Fees, Services and Other Charges	270.38	215.20
	<b>67,818.49</b>	<b>54,600.16</b>

## Notes Forming Part of the Financial Statements

### Note 27-Other Income

Particulars	(₹ in lakhs)	
	For the Year	
	2023-2024	2022-2023
Interest Income	6,694.81	3,755.57
Dividend from Mutual Fund Investments	15.23	15.17
Net Gain Arising on Financial Assets Measured at FVTPL	3,859.37	2,546.21
Net (Loss)/ Gain Arising on Redemption of Bonds	(181.75)	(144.38)
Sundry Creditors/liabilities written back(net)	42.05	115.54
Other Miscellaneous Income	64.67	23.54
	<b>10,494.38</b>	<b>6,311.65</b>

### Note 28-Cost of Materials Consumed

Particulars	(₹ in lakhs)	
	For the Year	
	2023-2024	2022-2023
Opening Stock	819.29	559.61
Add: Purchases	6,125.33	4,006.29
	6,944.62	4,565.90
Less: Closing Stock	732.91	819.29
Cost of Materials Consumed	<b>6,211.71</b>	<b>3,746.61</b>

### Note 29-Changes in Inventories of Finished Goods and Work-in-progress

Particulars	(₹ in lakhs)	
	For the Year	
	2023-2024	2022-2023
Opening stock of work-in-progress	322.83	163.70
Less: Closing stock of work-in-progress	(590.43)	(322.83)
	<b>(267.60)</b>	<b>(159.13)</b>

### Note 30-Employee Benefits Expense

Particulars	(₹ in lakhs)	
	For the Year	
	2023-2024	2022-2023
Salaries and Wages	2,462.79	1,752.64
Contribution to Provident and other funds	128.78	90.49
Gratuity (Refer Note 43)	91.93	71.93
Staff welfare expenses	81.95	49.41
	<b>2,765.45</b>	<b>1,964.47</b>

### Note 31-Finance Costs

Particulars	(₹ in lakhs)	
	For the Year	
	2023-2024	2022-2023
Interest on Financial Liabilities Carried at Amortised Cost	1,338.91	1,192.92
Bank Charges & Guarantee Commission	18.56	10.01
Others	47.98	17.85
	<b>1,405.45</b>	<b>1,220.78</b>

## Notes Forming Part of the Financial Statements

### Note 32-Other Expenses

(₹ in lakhs)

Particulars	For the Year			
	2023-2024		2022-2023	
Consumption of Stores and Spares		219.42		182.40
Power, Fuel & Electricity		2,408.68		1,824.72
Contract Manpower		2,290.94		1,891.77
Repairs and maintenance of :				
- Buildings & Property	1,124.41		1,173.91	
- Plant & Machinery	452.06		325.92	
- Other Assets	791.99	2,368.46	539.11	2,038.94
Printing, Stationery, Postage and Communication expenses		86.38		67.04
Rent		8.40		8.12
Hire Charges		228.13		205.16
Catering and Other Operating Expenses		706.73		293.45
Rates and Taxes		1,772.12		1,372.49
Water Charges		67.72		110.94
Advertisement and Sales Promotion		229.21		237.80
Membership and Subscription		18.83		12.56
Insurance		145.93		114.89
Housekeeping and Other Office Expenses		163.88		114.53
Travelling, Conveyance and vehicle expenses		256.60		218.82
Payment to Auditors :				
- Audit Fees	40.00		34.50	
- Certification work	0.35	40.35	0.25	34.75
Legal & professional fees		699.47		482.89
Event Expenses		685.88		271.10
CSR Expenses		504.11		441.08
Donation		4.44		151.01
Freight and handling charges		112.69		119.98
Commission to Directors		2,100.00		750.00
Directors' sitting fees		56.30		26.15
Security charges		136.65		111.31
Bad Debts/Sundry Balance Written Off		32.83		41.30
Loss on Sale of Asset		-		1,868.15
Allowance for Doubtful Bad Debts, Stock and Deposits		(130.44)		128.74
Commission & Brokerage		1,198.85		980.06
Software and IT Expenses		52.76		51.00
Miscellaneous Expenses		17.48		13.48
		<b>16,482.80</b>		<b>14,164.63</b>

## Notes Forming Part of the Financial Statements

### Note 33-Category Wise Classification of Financial Instruments

The carrying value of financial instruments by categories as of 31 March 2024 is as follows:

(₹ in lakhs)

Financial Assets / Financial Liabilities	Amortised cost	Fair Value through profit or loss	Fair Value through other comprehensive income	Total carrying value
<b>Financial Assets</b>				
Investments				
Equity Instruments	-	-	32.80	32.80
Mutual Funds	-	43,247.44	-	43,247.44
Corporate Deposits, Non-convertible Debentures, Bonds and Preference Shares	1,06,147.12	-	-	1,06,147.12
Other Investments	1.00	-	-	1.00
Trade Receivables	1,213.04	-	-	1,213.04
Cash and Cash Equivalents	2,208.80	-	-	2,208.80
Other Balances with Banks	581.43	-	-	581.43
Other financial assets	11,030.66	-	-	11,030.66
<b>Total Financial Assets</b>	<b>1,21,182.05</b>	<b>43,247.44</b>	<b>32.80</b>	<b>1,64,462.29</b>
<b>Financial Liabilities</b>				
Trade Payables	1,519.41	-	-	1,519.41
Lease Liabilities	25.88	-	-	25.88
Other financial liabilities	20,915.24	-	-	20,915.24
<b>Total Financial Liabilities</b>	<b>22,460.53</b>	<b>-</b>	<b>-</b>	<b>22,460.53</b>

The carrying value of financial instruments by categories as of 31 March 2023 is as follows:

(₹ in lakhs)

Financial Assets / Financial Liabilities	Amortised cost	Fair Value through profit or loss	Fair Value through other comprehensive income	Total carrying value
<b>Financial Assets</b>				
Investments				
Equity Instruments	-	-	21.66	21.66
Mutual Funds	-	49,432.79	-	49,432.79
Corporate Deposits, Non-convertible Debentures, Bonds and Preference Shares	66,644.48	-	-	66,644.48
Other Investments	1.00	-	-	1.00
Trade Receivables	2,262.23	-	-	2,262.23
Cash and Cash Equivalents	1,189.15	-	-	1,189.15
Other Balances with Banks	585.59	-	-	585.59
Other financial assets	11,288.76	-	-	11,288.76
<b>Total Financial Assets</b>	<b>81,971.21</b>	<b>49,432.79</b>	<b>21.66</b>	<b>1,31,425.66</b>
<b>Financial Liabilities</b>				
Trade Payables	1,444.05	-	-	1,444.05
Lease Liabilities	40.95	-	-	40.95
Other financial liabilities	17,340.82	-	-	17,340.82
<b>Total Financial Liabilities</b>	<b>18,825.82</b>	<b>-</b>	<b>-</b>	<b>18,825.82</b>

#### Fair value hierarchy

**Level 1** Quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as



## Notes Forming Part of the Financial Statements

at the reporting period. The mutual funds are valued using the closing NAV.

**Level 2** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3** Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

Particulars	As of 31 March 2024	Fair value hierarchy at the end of the reporting period/year using		
		Level 1	Level 2	Level 3
Investments in Equity Instruments	32.80	32.80	-	-
Investments in Mutual Funds	43,247.44	43,247.44	-	-

Particulars	As of 31 March 2023	Fair value hierarchy at the end of the reporting period/year using		
		Level 1	Level 2	Level 3
Investments in Equity Instruments	21.66	21.66	-	-
Investments in Mutual Funds	49,432.79	49,432.79	-	-

### Financial instrument measured at amortised cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company did not anticipate that the carrying amounts would be significantly different from the values that would be received or settled.

### Note 34-Financial Risk Management:

#### Financial Risk Factors:

The Company's financial liabilities comprises mainly of trade payables and other payables. The Company's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other receivables.

The Company's activities are exposed to Market risk, credit risk and liquidity risk. The Company has set up Risk Management Committee to minimise any adverse effects of the risk exposure on the financial performance of the Company.

#### 1. Market Risk:

Market risk comprises of three types of risk: Currency Risk, Interest rate Risk and Other Price Risk.

##### a. Foreign Currency Risk:

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate due to changes in foreign currency exchange rates. The carrying amounts of the Company's foreign currency denominated monetary items are as follows:

Particulars	Liabilities		Assets	
	As at 31 March		As at 31 March	
	2024	2023	2024	2023
Currency				
USD	NIL	NIL	0.94	9.29

The Company has not entered into any forward contract during the year ended 31 March 2024 and 31 March 2023. The Company has not entered into any forward instrument for trades or speculation purpose.

## Notes Forming Part of the Financial Statements

##### b. Interest Rate Risk:

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since the Company has NIL interest bearing borrowings, the exposure to risk of changes in market interest rate is NIL. The Company has not used any interest rate derivatives.

##### c. Other Price Risk:

Other Price risk is the risk that fair value of a financial instrument will fluctuate due to changes in market traded price. Other price risk arises from both financial assets such as investments in equity instruments and bonds.

The Company invests in units of mutual funds including Fixed Maturity Plans, various debt Funds and Equity funds, and hence exposed to Other Price risk. Company's Treasury department manages investments portfolio diversification in order to minimise risk and ongoing monitoring of market prices of investments.

### 2. Credit Risk:

Credit risk refers to the risk of default on its obligation by the counterparty resulting in financial loss. Trade receivables are typically unsecured and are derived from customers from four operations Nesco IT Park lease, Bombay Exhibition Center (BEC) revenue, sale of Industrial Capital Goods and Nesco Foods.

The maximum exposure to credit risk on account of trade receivables, at the reporting date is ₹ 1,213.04 lakhs and ₹ 2,262.23 lakhs as on 31 March 2024 and 31 March 2023 respectively.

The Company minimises credit risk relating to IT Park lease and BEC business as follows:

- The Company obtains security deposits from IT Park lessees and entitled to terminate lease agreement in case lessee makes defaults in payment of lease for a period of two consecutive months.
- BEC customers are required to pay advance and place refundable security deposit with the Company.
- Hospitality customers are required to pay advances to the Company.

Whereas, in case of trade receivables from Industrial Capital Goods division for sale of machineries, credit risk is managed through credit approvals, establishing credit limits, and continuously monitored by creditworthiness of customers to whom, credit terms are granted in normal course of business.

The Company takes into account available credit risk factors as Company's historical experience for customers, customers' standing for credit defaults in market.

The allowance for lifetime expected credit loss on customer balances as on 31 March 2024 and 31 March 2023 was ₹ 159.20 lakhs and ₹ 165.77 lakhs respectively.

Particulars	As at 31 March	
	2024	2023
Balance at the beginning	165.77	134.24
Loss allowance measured at lifetime Expected Credit Losses (ECL)	(6.57)	31.53
Balance at the end	159.20	165.77

#### Credit risk of financial assets other than Trade receivables:

- Investments in mutual fund schemes are marked to market on ongoing basis, which is major part of total Non-current and current investments.
- Long term loans and advances include deposits with local authorities, electricity Board, electricity companies etc.
- Cash and Cash equivalents are balances with Public and Private Banks.
- Other current assets include lease rentals receivables and deposits with more than 12 months maturities with Public and Private Banks and Earnest Money Deposits with Government customer.

Credit risk arising from investment in mutual funds, financial instruments and other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the international credit rating agencies.

The allowance for lifetime expected credit loss on current license and other fees receivables as on 31 March 2024 and 31 March 2023 was ₹97.64 lakhs and ₹218.31 lakhs respectively.

## Notes Forming Part of the Financial Statements

Particulars	As at 31 March	
	2024	2023
Balance at the beginning	218.31	120.83
Loss allowance measured at lifetime Expected Credit Losses (ECL)	(120.67)	97.48
Balance at the end	97.64	218.31

### 3. Liquidity Risk:

The Company's principal sources of liquidity are cash and cash equivalents, Balances and cash flows that are generated from business. The Company does not have any borrowings. The Company believes that their working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

The Company manages the liquidity risk by maintaining adequate cash and cash equivalent ₹ 2,208.80 lakhs and ₹ 1,189.15 lakhs as on 31 March 2024 and 31 March 2023 respectively.

The table below provides details regarding the contractual maturities of significant financial liabilities as on 31 March 2024:

Particulars	As at 31 March			
	Less than 1 year	1-5 years	More than 5 years	Total
<b>Other financial liabilities (non-current)</b>				
Lease Liabilities	-	9.77	-	9.77
Security Deposits from IT Park Licensees and Others	-	13,420.16	-	13,420.16
<b>Other financial liabilities (current)</b>				
Lease Liabilities	16.11	-	-	16.11
Security deposit from licensees and customers	4,194.48	-	-	4,194.48
Trade Payables	1,519.41	-	-	1,519.41
Other financial liabilities	3,300.60	-	-	3,300.60
<b>Total</b>	<b>9,030.60</b>	<b>13,429.93</b>	<b>-</b>	<b>22,460.53</b>

The table below provides details regarding contractual maturities of significant financial liabilities as on 31 March 2023:

Particulars	As at 31 March			
	Less than 1 year	1-5 years	More than 5 years	Total
<b>Other financial liabilities (non-current)</b>				
Lease Liabilities	-	25.89	-	25.89
Security Deposits from IT Park Licensees and Others	-	12,007.93	-	12,007.93
<b>Other financial liabilities (current)</b>				
Lease Liabilities	15.06	-	-	15.06
Security deposit from licensees and customers	3,218.54	-	-	3,218.54
Trade Payables	1,444.05	-	-	1,444.05
Other financial liabilities	2,114.34	-	-	2,114.34
<b>Total</b>	<b>6,791.99</b>	<b>12,033.82</b>	<b>-</b>	<b>18,825.81</b>

### 4. Capital Management

For the purpose of the Company's capital management, capital includes issued capital, and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value.

As of 31 March 2024, the Company has only one class of shares referred to as Equity Shares and has NIL debt. Consequent to such capital structure, there are no externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Company allocates its capital for distribution as dividend or re-investment into business based on its long-term financial plans.

## Notes Forming Part of the Financial Statements

### Note 35-Contingent Liabilities and Commitments:

- Income tax and GST demand disputed by the Company ₹ 299.25 lakhs (Previous year ₹ 157.14 lakhs).
- Claims against the Company not acknowledged as debts ₹ 5,361.51 lakhs (Previous year ₹ 4,499.59 lakhs).
- Estimated value of contracts remaining to be executed on capital account and not provided for is ₹ 5,372.97 lakhs (Previous year ₹ 3,439.20 lakhs) against which an advance of ₹ 2,171.51 lakhs (Previous year ₹ 128.06 lakhs) has been paid.
- Domestic Bank Guarantee given by bank on Company's behalf ₹ 962.01 lakhs (Previous year ₹ 756.98 lakhs) secured by lien of Mutual Fund (Fixed Maturity Plan) of value ₹ 1,346.12 lakhs (Previous year ₹ 1,093.77 lakhs) and Bank Fixed Deposit of ₹ 402.34 (Previous year ₹ 50.04 lakhs).

### Note 36-Disclosure under the MSMED Act, 2006:

Disclosure under the MSMED Act, 2006 is provided as under for the year 2023-24, to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act.

Particulars	As at 31 March	
	2024	2023
1. Principal amount and the interest due thereon remaining unpaid in each supplier at the end of each accounting year (but within due date as per the MSMED Act, 2006)		
Principal amount due to Micro and Small Enterprise	294.87	324.95
Interest due on above	-	-
2. Interest paid by the Company in terms of Section 16 of the MSMED Act, 2006, along- with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
3. Interest due and payable for the period of the delay in making payment (which have been paid but beyond the appointed day during the period), but without adding interest specified under the MSMED Act, 2006	(1.05)	2.06
4. The amount of interest accrued and remaining unpaid at the end of each accounting year	2.85	3.90
5. Interest due and remaining payable even in the succeeding years, until such date when the interest dues as above are actually paid to the Small Enterprises	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified based on information collected by the Management. This has been relied upon by the auditors.

### Note 37 - Details of Hedged and Unhedged exposure in foreign currency denominated monetary items.

- Exposure in Foreign Currency - Hedged: - The Company has not entered into any foreign exchange contract. The Company does not enter into any derivative instruments for trading or speculative purpose.
- Exposure in Foreign Currency - Un-Hedged: - The foreign currency exposure not hedged as on 31 March 2024 are as under:

Currency	Payables		Receivables	
	As at 31 March		As at 31 March	
	2024	2023	2024	2023
USD	NIL	NIL	0.94	9.29

### Note 38 - Disclosure as per Section 186 of the Companies Act, 2013

The details of loans, guarantees and investments under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

- Details of Investments made are given in Note 7.
- There are no loans given to any related party during the year.
- There are no guarantees issued by the Company in accordance with Section 186 of the Companies Act, 2013 read with rules issued thereunder.

## Notes Forming Part of the Financial Statements

### Note 39-Corporate Social Responsibility expense:

- Gross amount required to be spent by the Company during the year 2023-24 ₹ 501.21 lakhs (Previous year ₹ 438.23 lakhs) towards CSR activities prescribed under Schedule VII of the Companies Act, 2013.
- Amounts spent during the year on:

Nature of activities	Year 2023-2024			Year 2022-2023		
	In Cash**	Yet to be paid in cash	Total	In Cash	Yet to be paid in cash	Total
<b>Promoting Education: -</b>						
(i) Construction of school	-	-	-	-	-	-
(ii) Purpose other than (i) above	504.11	-	504.11	441.08	-	441.08
<b>Total</b>	<b>504.11</b>	<b>-</b>	<b>504.11</b>	<b>441.08</b>	<b>-</b>	<b>441.08</b>

- Related party transactions in relation to Corporate Social Responsibility

Nature of activities	Year 2023-2024			Year 2022-2023		
	In Cash**	Yet to be paid in cash	Total	In Cash	Yet to be paid in cash	Total
Related party transactions	18.52	-	18.52	11.81	-	11.81

\*\* Represents actual outflow during the year.

- Provision movement during the year

Particulars	For the Year	
	2023-2024	2022-2023
<b>Opening Provision</b>	33.17	63.09
Addition during the year	-	-
Utilised during the year	18.34	29.92
<b>Closing Provision</b>	<b>14.83</b>	<b>33.17</b>

- Amount earmarked for ongoing project

Particulars	Year 2023-2024			Year 2022-2023		
	With Company	In separate CSR Unspent A/C	Total	With Company	In separate CSR Unspent A/C	Total
<b>Opening Balance</b>	(0.44)	33.61	33.17	41.56	21.53	63.09
Amount required to be spent during the year	-	-	-	-	-	-
Transfer to CSR Unspent A/C	-	-	-	(42.00)	42.00	-
Amount spent during the year	-	18.34	18.34	-	29.92	29.92
<b>Closing Balance</b>	<b>(0.44)</b>	<b>15.27</b>	<b>14.83</b>	<b>(0.44)</b>	<b>33.61</b>	<b>33.17</b>

There is no unspent amount at the end of the year to be deposited in specified fund of Schedule VII under section 135(5) of the Companies Act, 2013.

- Details of Excess Amount spent

Particulars	Opening Balance	Amount required to be spent during the year	Amount spent during the year	Closing balance
Details of excess amount spent	9.04	501.21	504.11	11.94

- Nature of CSR Activities undertaken by the Company

The Company's CSR activities primarily include one or more of the items covered under Schedule VII of the Act with special focus on the following:

- Promoting preventive health care and sanitation and making available safe drinking water;
- Promoting education, including special education and employment enhancing vocation skills especially among children.
- Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine.

## Notes Forming Part of the Financial Statements

### Note 40-Leases:

Pursuant to Ind AS 116 – Leases, following information is disclosed:

#### Company as Lessor:

Ind AS 116 "Leases" requires the lessor to recognise income from operating leases on a straight-line basis over the lease term which includes rent free period. Thus, contracted lease rental income including future escalation is straight lined over the lease term. This has resulted in derecognising unearned lease income amounting to ₹2,299.71 lakhs (Previous year derecognising ₹712.95 lakhs) for the year ended 31 March 2024.

The Company has entered into operating leases on its Investment Property located at Byculla and Goregaon IT Park premises.

Future minimum rentals receivable under these non-cancellable operating leases are, as follows:

Particulars	As at 31 March	
	2024	2023
Within one year	28,499.66	25,764.16
After one year but not more than five years	57,986.68	39,928.04
More than 5 years	57.21	66.22

There is no contingent rent receivable from lessees under the lease agreements.

Lease income recognised during the year in Statement of profit and loss is ₹ 31,832.30 lakhs (Previous year ₹ 29,502.70 lakhs).

#### Company as Lessee:

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The Company has taken factory land at Karamsad, Gujarat under non-cancellable Operating Lease. These lease rentals are payable by the Company on a monthly basis. Company recognises this lease as right-of-use assets and lease liability.

The Company recognises the lease payments associated with these leases as an expense over the lease term. There is no contingent rent payable to lessors under the lease agreements.

The following is the carrying amounts of Company's Right-of-use assets (ROU), Movement in liabilities, amount recognised in Profit and Loss and Cash outflow for ROU assets: -

Particulars	For the Year	
	2023-2024	2022-2023
<b>Opening</b>	38.43	53.30
Addition of Right-of-use Assets	-	-
Depreciation for Right-of-use Assets	14.87	14.87
Carrying Amount of Right-of-use Assets	23.56	38.43
Interest Expense on Lease Liabilities	2.87	3.85
Expense relating to Short term Leases	8.40	8.12
Repayment of Right-of-use Assets	17.93	17.93

Contractual maturity analysis of undiscounted lease liabilities is given below:-

Particulars	As at 31 March	
	2024	2023
Less than one year	17.93	17.93
One to two years	10.45	28.38
Two to five years	-	-
More than five years	-	-
<b>Total</b>	<b>28.38</b>	<b>46.31</b>



## Notes Forming Part of the Financial Statements

### Note 41 - Earnings per share:

Particulars	For the Year	
	2023-2024	2022-2023
Profit after Tax as per statement of Profit and Loss (₹ in lakhs)	36,278.36	29,063.64
Weighted average Number of equity shares outstanding during the year	7,04,59,960	7,04,59,960
Basic and diluted earnings per share in Rupees (Face value ₹ 2 per share)	51.49	41.25

### Note 42 - Related party disclosures:

#### 1. List of related parties and relationships: -

Subsidiary	Nesco Foundation for Innovation and Development (NFID) (till 20 October 2023)
Entities in which KMPs have significant influence	Patel Consultancy Pvt Ltd.
	J V Patel Investment and Trading Co. Pvt. Ltd.
	Engineering Global Pte Ltd.
	Chandler and Price India Pvt. Ltd.
	K S Patel Finance & Investment Company Pvt. Ltd.
Key Management Personnel	Inaya Trade Pte Ltd.
	Mr. Krishna S. Patel – Chairman and Managing Director
	Mr. Dipesh R. Singhania – Chief Financial Officer
Relative of Key Management Personnel	Ms. Jinal J. Shah - Company Secretary and Compliance Officer (till 18 August 2023)
	Ms. Shalini D. Kamath - Company Secretary and Compliance Officer (from 08 November 2023)
	Estate of Sumant J. Patel
Independent Non-executive Directors	Mrs. Sudha S. Patel - Non-executive Director
	Mr. Mahendra K. Chouhan (till 31 March 2024)
	Mr. Manu M. Parpia (from 15 July 2023 to 31 March 2024.)
	Mr. Jai S. Diwanji (till 31 March 2024)
	Mr. K. S. Srinivasa Murty (till 31 March 2024)
	Mrs. Amrita Verma Chowdhury
	Mr. Manish I. Panchal (from 15 July 2023)
	Mr. Arun L. Tadarwal (from 13 February 2024)
	Dr. Ramakrishnan Ramamurthi (from 15 July 2023)

#### 2. Related Party Transactions:

Particulars	For the Year	
	2023-2024	2022-2023
<b>Brokerage Income</b>		
Chandler and Price India Pvt. Ltd.	17.41	21.12
<b>Rent Expense</b>		
Estate of Sumant J. Patel	17.93	17.93
<b>Corporate Social Responsibility Expense</b>		
Nesco Foundation for Innovation and Development (NFID)	18.52	11.81
<b>Remuneration, perquisites, commission</b>		
Mr. Krishna S. Patel	2,227.37	870.96
Mr. Dipesh R. Singhania	115.90	114.44
Ms. Jinal J. Shah	4.77	11.30
Ms. Shalini D. Kamath	17.12	-
<b>Director sitting fees</b>		
Mrs. Sudha S. Patel	7.45	3.25
Mr. Mahendra K. Chouhan	11.10	6.10
Mr. Manu M. Parpia	3.35	-
Mr. Jai S. Diwanji	11.45	6.60
Mr. K. S. Srinivasa Murty	8.30	5.35
Mrs. Amrita Verma Chowdhury	7.95	4.85

## Notes Forming Part of the Financial Statements

Particulars	For the Year	
	2023-2024	2022-2023
Mr. Manish I. Panchal	3.35	-
Dr. Ramakrishnan Ramamurthi	3.35	-
<b>Amount Payable / (Receivable)</b>		
Mr. Krishna S. Patel	1,169.00	422.25
Mr. Dipesh R. Singhania	5.19	5.07
Ms. Shalini D. Kamath	3.80	-

#### Employee benefits for Key Management Personnel is as follows: -

(₹ in lakhs)

Particulars	For the Year	
	2023-2024	2022-2023
Short-term employee benefits	2,365.16	996.70
Post-employment benefits	128.71	168.39
Other long-term benefits	21.10	24.61

### Note 43 - Employee Benefits:

#### 1. Post-employment benefits:

##### a. Defined Contribution plan

##### Provident Fund and Employee State Insurance Scheme

Defined contribution plans are Provident Fund Scheme and Employee State Insurance Scheme. The Company contributes to the Government administered provident funds on behalf of its employees.

##### b. Defined Benefit plan

##### Gratuity scheme

The Company operates a defined benefit gratuity plan for employees. The liability for the Defined Benefit Plan is provided on the basis of a valuation, using the Projected Unit Credit Method, as at the Balance Sheet date, carried out by an independent actuary. The Company creates adequate provision in its books every year based on actuarial valuation. These benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and investment risk.

The amounts recognised in the Company's financial statements as at year end are as under:

Particulars	Gratuity (Unfunded)	
	As at 31 March	
	2024	2023
Present Value of Benefit Obligation at the Beginning of the Period	383.39	309.30
Interest Cost	28.62	22.25
Current Service Cost	63.30	49.67
Benefit Paid Directly by the Employer	(23.57)	(3.99)
Actuarial (Gains)/Losses on Obligations - Due to Change in		
- Financial Assumptions	10.15	(11.54)
- Demographic Assumptions	(24.10)	(3.14)
Actuarial (Gains)/Losses on Obligations - Due to Experience	(92.00)	20.85
Present Value of Benefit Obligation at the End of the Period	345.80	383.39

#### Amount Recognised in the Balance Sheet

Present Value of Benefit Obligation at the end of the Period	345.80	383.39
Funded Status (Surplus/ (Deficit))	(345.80)	(383.39)
Net (Liability)/Asset Recognised in the Balance Sheet	(345.80)	(383.39)

#### Expenses Recognised in the Statement of Profit and Loss for Current Period

Current Service Cost	63.30	49.67
Net Interest Cost	28.62	22.25
Expenses Recognised	91.93	71.92

## Notes Forming Part of the Financial Statements

Particulars	Gratuity (Unfunded)			
	As at 31 March			
	2024	2023		
<b>Expenses Recognised in the Other Comprehensive Income (OCI) for Current Period</b>				
Actuarial (Gains)/Losses on Obligation for the Period	(105.95)	6.16		
Net (Income)/Expense for the Period Recognised in OCI	(105.95)	6.16		
<b>Balance Sheet Reconciliation</b>				
Opening Net Liability	383.39	309.30		
Expenses Recognised in Statement of Profit and Loss	91.93	71.92		
Expenses Recognised in OCI	(105.95)	6.16		
Benefit Paid Directly by the Employer	(23.57)	(3.99)		
Net Liability/(Asset) Recognised in the Balance Sheet	345.80	383.39		
<b>Other Details</b>				
No of Active Members	322	264		
Per Month Salary for Active Members	95.13	78.04		
Average Past Services (Years)	3.46	4.28		
Average Age (Years)	35.45	36.82		
Average Expected Future Service	22.57	21.21		
Projected Benefit Obligation	345.80	383.39		
<b>Assumptions</b>				
Expected Return on Plan Assets	N.A.	N.A.		
Rate of Discounting	7.20%	7.45%		
Rate of Salary Increase	10.00%	10.00%		
Mortality Rate During Employment	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)		
Mortality Rate After Employment	N.A.	N.A.		
<b>Maturity Analysis of the Benefit Payments: From the Employer</b>				
Projected Benefits Payable in Future Years from the Date of Reporting				
1 <sup>st</sup> Following Year	23.70	18.20		
2 to 5 Years	109.50	80.24		
6 to 10 Years	160.83	137.97		
More than 10 Years	463.35	802.75		
<b>As at 31 March</b>				
Particulars	2024	2023		
Defined Benefit Obligation (Base)	345.80	383.39		
<b>Sensitivity Analysis</b>				
Particulars	As at 31 March 2024		As at 31 March 2023	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	379.40	316.54	430.83	342.80
(% change compared to base due to sensitivity)	9.7%	(8.5%)	12.4%	(10.6%)
Salary Growth Rate (- / + 1%)	316.99	378.17	343.33	429.19
(% change compared to base due to sensitivity)	(8.3%)	9.4%	(10.4%)	11.9%
Attrition Rate (- / + 50% of attrition rates)	363.87	331.87	390.68	376.94
(% change compared to base due to sensitivity)	5.2%	(4.0%)	1.9%	(1.7%)
Mortality Rate (- / + 10% of mortality rates)	345.96	345.63	383.65	383.14
(% change compared to base due to sensitivity)	0.0%	0.0%	0.1%	(0.1%)

The sensitivity analysis has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. There is no change in the method of valuation for the prior years. For change in assumptions refer above.

## Notes Forming Part of the Financial Statements

### 2. Long Term Employee Benefits:

The liability towards compensated absences (annual leave) as on 31 March 2024, based on actual valuation carried out by using the project accrued benefit method amount to (₹ 0.19) lakhs (Previous year ₹ 29.24 lakhs) has been recognised on the Statement of Profit and Loss.

### Note 44-Income Taxes:

#### A. The major components of Income Tax expense for the year are as under:

Particulars	For the Year	
	2023-2024	2022-2023
	(₹ in lakhs)	
Current Taxes	10,534.49	8,260.00
Deferred Taxes	(514.30)	(648.63)
Income Tax for earlier year	-	22.02
<b>Income Tax Expenses as per statement of Profit and Loss</b>	<b>10,020.19</b>	<b>7,633.39</b>

Particulars	For the Year	
	2023-2024	2022-2023
	(₹ in lakhs)	
Deferred Tax Benefit on Remeasurement of defined benefit plans	26.67	(1.55)

#### B Reconciliation of tax expense and the accounting profit for the year is as under:

Particulars	For the Year	
	2023-2024	2022-2023
	(₹ in lakhs)	
Profit before tax	46,298.55	36,697.03
Enacted Tax rate in India	25.168%	25.168%
<b>Computed enacted tax expenses</b>	<b>11,652.42</b>	<b>9,235.91</b>
Add / (Less): Expenses not allowable for tax purposes	(383.40)	853.40
Add / (Less): Income not considered for tax purpose	323.20	(748.44)
Add / (Less): Effect of expenses, computed differently in tax	278.87	(117.45)
Add / (Less): Effect of expenses, which are allowed on payment basis	96.23	88.05
Add / (Less): Effect of income, considered under other head of income	(1,947.13)	(1,700.10)
<b>Total</b>	<b>10,020.19</b>	<b>7,611.37</b>
(Excess)/short provision of earlier years	-	22.02
<b>Income Tax Expense as per statement of Profit and Loss</b>	<b>10,020.19</b>	<b>7,633.39</b>

The tax rate used for reconciliation above is the corporate tax rate of 25.168 % (Previous Year 25.168%) payable by corporate entities in India on taxable profits under Indian law.

- Income considered under other head of income, mainly comprises of IT Park rental income considered under 'Income from House property' as per the provisions of Income Tax Act, 1961.
- Income not considered for tax purpose mainly consists of other income on account of fair valuation of Investments in Mutual funds.

#### Details of income tax assets and liabilities as of 31 March 2024 and 31 March 2023 are as follows:

Particulars	As at 31 March	
	2024	2023
	(₹ in lakhs)	
Income tax Assets	1,137.15	1,034.91
Current Income Tax Liabilities	(340.65)	-
Net current income tax Assets / (Liabilities)	796.50	1,034.91

## Notes Forming Part of the Financial Statements

The gross movement in the Current Tax assets / (liabilities) for the year ended 31 March 2024 and 31 March 2023 is as follows:

Particulars	As at 31 March	
	2024	2023
Net current tax assets / (liabilities) at the beginning of the year	1,034.91	1,733.54
Income tax paid :		
Advance tax and TDS	10,296.08	8,255.28
Self-Assessment Tax paid/Previous year adjustments	-	(693.91)
Current income tax expenses	(10,534.49)	(8,260.00)
Net current tax Assets / (Liabilities) at the end of the year	<b>796.50</b>	<b>1,034.91</b>

Details of deferred tax assets and liabilities as of 31 March 2024 and 31 March 2023 are as follows:

Particulars	As at 31 March	
	2024	2023
Deferred tax Assets/(Liabilities) at the beginning	(2,488.40)	(3,138.58)
Deferred Tax Assets/(Liabilities)	487.63	650.18
Net deferred tax Assets / (Liabilities) at the end	<b>(2,000.77)</b>	<b>(2,488.40)</b>

Detailed bifurcation of deferred tax assets and liabilities as of 31 March 2024 and 31 March 2023 are as follows:

Particulars	As at 31 March	
	2024	2023
Net deferred tax assets / (liabilities) at the beginning	(2,488.40)	(3,138.58)
Difference between written down value of fixed assets as per the Companies Act, 2013 and Income tax Act, 1961	(492.34)	308.40
Provision for expenses allowed for tax purpose on payment basis	(18.48)	32.39
Difference in carrying value and tax base of investments measured at FVTPL	368.11	158.68
Allowance of doubtful debts and advances	32.03	32.47
Lease Equalisation Reserve assets	(405.15)	125.61
Remeasurement of the defined benefit plan through OCI	28.22	(7.37)
Net deferred tax assets / (liabilities) at the end	<b>(2,000.77)</b>	<b>(2,488.40)</b>

The credits relating to temporary differences during the year ended 31 March 2024 and 31 March 2023 are primarily on account of other income due to fair valuation of investments on mutual funds and Ind AS 116 adjustment.

### Note 45 – Proposed Dividend:

The Board of Directors at its meeting held on 20 May 2024 have recommended a payment of dividend of ₹ 6 (Rupees Six Only) per equity share of face value ₹ 2 each for the financial year ended 31 March 2024 amounting to ₹ 4,227.60 lakhs and subject to approval at the ensuing AGM of the Company and hence not recognised as a liability.

### Note 46 - Segment Reporting:

The Company has following business segments, which are its reportable segments. Operating segment disclosures are consistent with the information provided to and reviewed by the management.

Reportable Segment	Products / Services
IT Park	Licensing premises in IT park buildings and providing related services.
Bombay Exhibition Center	Licensing premises and Providing services to the organisers and organising exhibitions & events.
Industrial Capital Goods Division	Manufacturing of machines and capital equipments.
Nesco Foods	F&B and catering services.

## Notes Forming Part of the Financial Statements

(₹ in lakhs)

Particulars	For the Year	
	2023-2024	2022-2023
<b>Revenue by Segment</b>		
IT Park	31,832.30	29,502.70
Bombay Exhibition Center	20,907.50	15,582.63
Industrial Capital Goods Division	5,149.92	4,652.27
Nesco Foods	9,928.77	4,862.56
Income from Investments/ Other Income	10,494.38	6,311.65
<b>Total</b>	<b>78,312.87</b>	<b>60,911.81</b>
<b>Segment profit before tax and finance cost</b>		
IT Park	25,963.53	23,636.26
Bombay Exhibition Center	12,298.45	9,931.65
Industrial Capital Goods Division	122.88	199.71
Nesco Foods	1,759.30	601.75
Unallocable expenses & Finance Cost net off Unallocable income	6,154.39	2,327.66
<b>Total Operating profit before tax</b>	<b>46,298.55</b>	<b>36,697.03</b>
<b>Capital Employed: -</b>		
<b>Segment Assets: -</b>		
IT Park	83,439.65	87,606.45
Bombay Exhibition Center	19,262.68	12,814.57
Industrial Capital Goods Division	4,256.16	4,035.51
Nesco Foods	4,293.27	4,213.05
Unallocable Assets	1,53,779.83	1,17,586.97
<b>Total</b>	<b>2,65,031.59</b>	<b>2,26,256.55</b>
<b>Segment Liabilities: -</b>		
IT Park	22,565.18	19,105.63
Bombay Exhibition Center	6,308.06	4,390.50
Industrial Capital Goods Division	920.40	837.86
Nesco Foods	1,650.61	1,116.17
Unallocable Liabilities	3,936.83	4,318.04
<b>Total</b>	<b>35,381.08</b>	<b>29,804.20</b>
<b>Capital Employed: -</b>		
IT Park	60,874.46	68,500.82
Bombay Exhibition Center	12,954.63	8,424.07
Industrial Capital Goods Division	3,335.76	3,161.65
Nesco Foods	2,642.66	3,096.88
Unallocable Assets net of Unallocable Liabilities	1,49,843.00	1,13,268.93
<b>Total</b>	<b>2,29,650.51</b>	<b>1,96,452.35</b>
<b>Capital Expenditure</b>		
IT Park	344.11	338.08
Bombay Exhibition Center	7,400.73	287.88
Industrial Capital Goods Division	255.87	31.12
Unallocable Assets	87.15	86.08
Nesco Foods	296.82	628.17
<b>Total</b>	<b>8,384.68</b>	<b>1,371.33</b>
<b>Revenue from Operation</b>		
India	67,661.47	54,532.93
Outside India	157.02	67.23
<b>Total Revenue</b>	<b>67,818.49</b>	<b>54,600.16</b>



## Notes Forming Part of the Financial Statements

### Note 47 - Pursuant to the IND AS 37 – ‘Provisions, Contingent Liabilities and Contingent Assets’, the disclosure relating to provisions made in the accounts for the year ended 31 March 2024 is as follows:

(₹ in lakhs)

Particulars	Compensation Payable *		Provision for Warranty #	
	As at 31 March		As at 31 March	
	2024	2023	2024	2023
Opening Balance	165.00	165.00	24.65	20.35
Additions	-	-	-	4.30
Utilisations/Reversals	-	-	(2.10)	-
<b>Closing Balance</b>	<b>165.00</b>	<b>165.00</b>	<b>22.55</b>	<b>24.65</b>

\* These provisions represent estimates made mainly for probable claims arising out of litigations / disputes pending with authorities under various statutes. The probability and the timing of the outflow with regard to these matters depend on the final outcome of the litigations/ disputes. Hence, the Company is not able to reasonably ascertain the timing of the outflow.

# Provision for warranty represents cost associated with providing post-sales support services which are accrued at the time of recognition of revenues and are expected to be utilised over a period of two years.

### Note 48 - Ratio Analysis

(₹ in lakhs)

Sr. No	Particulars	Numerator		Denominator		Ratios		Difference (in %)		
		Particulars	2023-24	2022-23	Particulars	2023-24	2022-23		2023-24	2022-23
1	Current Ratio	Current Assets	46,900.74	52,710.42	Current Liabilities	15,025.17	11,217.68	3.12	4.70	(33.62)*
2	Debt Equity Ratio	Total Debt (Borrowings)	-	-	Shareholder's Equity	2,29,650.51	1,96,452.35	NA	NA	NA
3	Debt Service Coverage Ratio	Revenue from operations	67,818.49	54,600.16	Debt Service	-	-	NA	NA	NA
4	Return on Equity Ratio	Profit after tax	36,278.36	29,063.64	Average Shareholders Equity	2,13,051.43	1,82,978.88	17.03%	15.88%	7.24
5	Inventory Turnover Ratio	Net Sales of Indabrador & Nesco Foods Division	15,078.69	9,514.84	Average Inventory	1,264.65	962.76	11.92	9.88	20.65
6	Trade Receivables Turnover Ratio	Revenue from Operations	67,818.49	54,600.16	Average Trade Receivables	1,737.63	2,062.56	39.03	26.47	47.45**
7	Trade Payables Turnover Ratio	Total Purchases	16,106.22	11,426.02	Average Trade Payables	1,481.73	1,162.16	10.87	9.83	(10.58)***
8	Net Capital Turnover Ratio	Total Income	78,312.87	60,911.81	Average Working Capital	(3,355.29)	952.66	(23.34)	63.94	(136.50)^
9	Net Profit Ratio	Profit After Tax	36,278.36	29,063.64	Net Sales	78,312.87	60,911.81	46.32%	47.71%	(2.91)
10	Return on Capital employed	EBIT	47,704.00	37,917.81	Capital Employed	2,29,650.51	1,96,452.35	20.77%	19.30%	7.62
11	Return on Investment	Return/Profit/Earnings	10,387.78	6,179.57	Average Investment	1,32,764.14	1,00,376.55	7.82%	6.16%	26.95^^

\*Increase in Current Liability vis a vis reduction in current assets.

\*\* Faster realisation of trade receivables due to reduced credit sales.

\*\*\* Due to increase in MSME procurement and reduced credit period.

^ Faster realisation of Receivables.

^^ Increase in bonds and as per market interest rate.

## Notes Forming Part of the Financial Statements

### Note 49-Additional Regulatory Information required by Schedule III to the Companies Act, 2013.

- (i) The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- (ii) The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.
- (iii) The Company has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.
- (iv) Utilisation of borrowed funds and share premium:
- I The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
    - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
    - (b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
  - II The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
    - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
    - (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- (v) There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.
- (vi) The Company has not traded or invested in crypto currency or virtual currency during the year.
- (vii) The Company does not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies beyond the statutory period.
- (viii) During the year, the Company had no transactions with struck off companies.

**Note 50** - Previous year's figures have been regrouped / reclassified wherever necessary.

**Note 51** - The financial statements are approved for issue by the Audit Committee and thereafter by the Board of Directors at its meeting held on 20 May 2024.

Notes forming part of the financial statements 1 to 51

As per our report of even date

For and on behalf of the Board

For Manubhai & Shah LLP  
Chartered Accountants  
FRN. 106041W/W100136

**Krishna S. Patel**  
Chairman and Managing Director  
DIN- 01519572

**Sudha S. Patel**  
Non-executive Director  
DIN - 00187055

**Ashish Shah**  
Partner  
Membership No : 103750  
Mumbai, 20 May 2024

**Dipesh R. Singhania**  
Chief Financial Officer  
Mumbai, 20 May 2024

**Shalini D. Kamath**  
Company Secretary and  
Compliance Officer  
Mumbai, 20 May 2024



NESCO LIMITED

CIN No: L17100MH1946PLC004886

Registered Office: Nesco Center, Western Express Highway, Goregaon (East),  
Mumbai – 400 063, Tel. No.: (022) 6645 0123

Website: [www.nesco.in](http://www.nesco.in), Email: [companysecretary@nesco.in](mailto:companysecretary@nesco.in)

## NOTICE

**NOTICE** is hereby given that the **65th Annual General Meeting** (“AGM”) of the members of Nesco Limited, will be held on **Friday, 2 August 2024 at 3:30 p.m.** (IST) through Video Conference (VC)/Other Audio-Visual Mode (“OAVM”) to transact the following business:

### ORDINARY BUSINESS:

#### 1. Adoption of Audited Financial Statements

To receive, consider, and adopt the audited financial statements of the Company for the financial year ended 31 March 2024 and the reports of the Board of Directors and statutory auditors thereon.

#### 2. Declaration of dividend

To declare a dividend of ₹ 6/- (300%) per equity share of face value of ₹ 2/- each, of the Company for the financial year ended 31 March 2024.

#### 3. Appointment of Statutory Auditors

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

“**RESOLVED THAT** pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof for the time being in force), and pursuant to the recommendation of the Audit Committee and the Board of Directors M/s. S G D G & Associates LLP, Chartered Accountants (Firm Registration No. W100188), be and are hereby appointed as statutory auditors of the Company in place of retiring auditors M/s. Manubhai & Shah LLP, Chartered Accountants (Firm Registration No. 106041W/W100136), to hold office for a term of five consecutive years from the conclusion of this 65th Annual General Meeting of the Company till the conclusion of the 70th Annual General Meeting at such remuneration as may be agreed by the Board of Directors in consultation with the statutory auditors;

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

### SPECIAL BUSINESS:

#### 4. Appoint a Director in place of Mrs. Sudha S. Patel (DIN:00187055) who retires from office by rotation, and being eligible, offers herself for re-appointment and continuation in office

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

“**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, the Articles of Association of the Company and Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members of the Company be and is hereby accorded to the re-appointment of Mrs. Sudha S. Patel (DIN:00187055), Non-executive Director who has attained the age of 75 (seventy-five) years and retires from office by rotation and being eligible, offers herself for re-appointment and continuation as a Director of the Company, liable to retire by rotation;

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any committee thereof) be and is hereby authorised to do all such acts, deeds or things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

#### 5. Ratification of Cost Auditor’s remuneration for the financial year ending 31 March 2025

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

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the remuneration of ₹ 45,000 (Rupees Forty Five Thousand only) plus applicable taxes and out-of-pocket expenses incurred in connection with the cost audit and payable to M/s. Y.S. Thakar & Co., cost accountants (Firm Registration No.000318), appointed by the Board of Directors on the recommendation of the Audit Committee, as cost auditors to conduct the audit of cost records maintained by the Company for the financial year ending 31 March 2025 be and is hereby ratified;

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any committee thereof) be and is hereby authorised to do all such acts, deeds or things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By Order of the Board of Directors,

Mumbai  
20 May 2024

**Registered Office:**

Nesco Center, Western Express Highway  
Goregaon (East), Mumbai – 400 063

**Shalini D. Kamath**  
Company Secretary  
ACS 14933

## NOTES:

- In view of the various circulars issued by the Ministry of Corporate Affairs (“MCA”) read with relevant circulars issued by the Securities and Exchange Board of India (“the SEBI”), from time to time (hereinafter collectively referred to as “the Circulars”) the Company is permitted to hold its 65th Annual General Meeting (“AGM”) through Video Conference/Other Audio-Visual Mode (“OAVM”), without the physical presence of the members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“the Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”), and the Circulars, the AGM of the Company is being held through VC. The deemed venue for the 65th AGM shall be the Registered Office of the Company at Nesco Center, Western Express Highway, Goregaon (East), Mumbai – 400 063.
- A statement setting out material facts pursuant to Section 102(1) of the Act, with respect to the items of Special Business is annexed hereto.
- In compliance with the aforesaid Circulars, Notice of this AGM along with the annual report 2023-24 is being sent only through electronic mode to those members whose e-mail addresses are registered with the Company/Depositories. The annual report shall also be available on the Company’s website at [www.nesco.in](http://www.nesco.in) and that of the exchanges namely [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com). In case any member is desirous of obtaining physical copy of the annual report for the financial year 2023-24, they may send a request to the Company by writing to the Company Secretary at [companysecretary@nesco.in](mailto:companysecretary@nesco.in). The AGM Notice is also disseminated on the website of National Securities Depository Limited (“NSDL”) the agency appointed for providing the e-voting facility.
- 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, physical attendance of members has been dispensed with. Accordingly the facility for appointment of proxies by the members will not be available for the AGM and hence the proxy form and attendance slip are not annexed to this Notice.
- Members can join the AGM in the VC/OAVM mode fifteen minutes before and after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1,000 members on a first come first-served basis. 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, stakeholders relationship committee, auditors etc., who can attend the AGM without restriction on account of first come first-served basis.
- Institutional/Corporate Shareholders (i.e., other than Individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG format) of its Board or governing body resolution/authorisation, etc., authorising its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said resolution/authorisation shall be sent to the scrutiniser at [ndassociates2128@gmail.com](mailto:ndassociates2128@gmail.com).
- Pursuant to Section 108 of the Act and the Rules made thereunder, Regulation 44 of the Listing Regulations, and the Circulars, the Company is providing the 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 e-voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by NSDL.
- Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- In the case of joint holders, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
- The statutory registers as required under the Act and the documents referred to in the Notice shall be available for inspection through electronic mode. Interested shareholders seeking an inspection of the same may write to the Company Secretary at [companysecretary@nesco.in](mailto:companysecretary@nesco.in) for an electronic copy.
- The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, 27 July 2024 to Friday 2 August 2024 (both days inclusive) for the purpose of AGM and ascertaining entitlement of members eligible to receive the dividend if any approved by the members at the ensuing AGM.
- The Dividend, as recommended by the Board of Directors, if approved at the AGM will be subject to deduction of tax at source and will be paid on or before Tuesday, 20 August 2024 to those members whose names are registered in the Register of Members of the Company as on Friday, 26 July 2024 and to the beneficiary holders as per the beneficiary list as on Friday, 26 July 2024 provided by NSDL and Central Depository Services (India) Limited (“CDSL”).

The Company provides the facility to the members for remittance of Dividend directly in electronic mode through National Automated Clearing House (“NACH”). Members holding shares in physical form and desirous of availing this facility of electronic remittance are requested to provide their latest bank account details (Core Banking Solutions Enabled Account Number, 9 digit MICR and 11 digit IFSC Code), along with their Folio Number to the Company’s RTA at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).



Shareholders holding shares in dematerialised form are requested to provide the said details to their respective Depository Participants.

Members holding shares in physical form to request changes, if any, about their postal and e-mail address, telephone/ mobile numbers, Permanent Account Number etc may write to [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in). Members holding shares in the dematerialised form are hereby informed that the bank particulars registered against their respective depository accounts will be used by the Company for payment of Dividend.

The Company or its RTA cannot act on any request received directly from the members holding shares in the dematerialised form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members.

In accordance with the provisions of the Income Tax Act, 1961 as amended by and read with the provisions of the Finance Act, 2020, with effect from 1 April 2020, dividend declared and paid by the Company is taxable in the hands of its members and the Company is required to deduct tax at source from dividend paid to the members at the applicable rates. A separate e-mail will be sent at the registered email ID of the members describing about the detailed process to submit the documents/declarations along with the formats in respect of deduction of tax at source on the dividend paid-out. Sufficient time will be provided for submitting the documents/declarations by the members who are desiring to claim beneficial tax treatment. The intimation will also be uploaded on the website of the Company at [www.nesco.in](http://www.nesco.in).

13. Members may kindly note that in accordance with SEBI Circular reference SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/131 dated 31 July 2023, the Company has registered on the newly launched SMART ODR Portal (Securities Market Approach for Resolution through Online Disputes Resolution Portal). This platform aims to enhance investor grievance resolution by providing access to Online Dispute Resolution Institutions for addressing complaints. Members can access the SMART ODR portal via the following link: <https://smartodr.in/login>. Members may feel free to utilise this online conciliation and/or arbitration facility, as outlined in the circular, to resolve any outstanding disputes between members and the Company (including RTA). Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the above mentioned ODR Portal.
14. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD-PoD1/P/CIR/2023/37 dated 16 March 2023 (subsumed as part of the SEBI Master Circular No. SEBI/HO/ MIRSD/POD-1/P/CIR/2024/37 dated 7 May 2024), in supersession of earlier circular(s) issued on the subject, has prescribed common and simplified norms for processing investor service requests by RTAs and norms for furnishing PAN, KYC

(contact details, bank details and specimen signature), and nomination details. The Company has sent individual letters to all the shareholders holding shares of the Company in physical form for furnishing their PAN, KYC, and nomination details. Accordingly, the members are advised to register their details with the RTA or DPs, in compliance with the aforesaid SEBI guidelines for smooth processing of their service requests and trading without any hindrance.

15. SEBI vide its notification dated 24 January 2022 has mandated that all requests for transfer of securities including transmission and transposition shall be processed only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, the members are advised to dematerialise their holdings. Further, SEBI vide its Circular No. SEBI/HO/ MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25 January 2022 (subsumed as part of the SEBI Master Circular No. SEBI/HO/MIRSD/ POD-1/P/CIR/2024/37 dated 7 May 2024) has mandated listed companies to issue securities for the following investor service requests only in dematerialised form: (i) issue of duplicate securities certificate; (ii) claim from unclaimed suspense account; (iii) renewal/exchange of securities certificate; (iv) endorsement; (v) sub-division/splitting of securities certificate; (vi) consolidation of securities certificates/folios; (vii) transmission and (viii) transposition. Accordingly, the members are requested to comply with the aforesaid SEBI guidelines.
16. Pursuant to Section 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (" the IEPF Rules"), dividends that are unpaid or unclaimed for a period of seven consecutive years from the date of their transfer are required to be transferred by the Company to the IEPF, administered by the Central Government. The Company requests all the members to encash/ claim their respective dividends within the prescribed period. The dividend amount and shares transferred to the IEPF can be claimed by the concerned shareholder(s)/legal heir(s) from the IEPF Authority after complying with the procedure prescribed under the IEPF Rules.

Members who have not yet encashed their dividends from the financial year ended 2016-17 are requested to forward their claims to the Company's Registrar and Share Transfer Agents on or before 9 September 2024. It may be noted that once the unclaimed dividend is transferred to IEPF as above, no claim shall rest with the Company in respect of such amount. It may also be noted that the unclaimed dividend amounts which were lying with the Company up to the FY 2015-16 have been transferred to IEPF.

The details of the unclaimed dividends are available on the Company's website at <https://www.nesco.in/shareholder-services> and IEPF website at [www.iepf.gov.in](http://www.iepf.gov.in). Members are requested to contact the Company's RTA to claim the unclaimed /unpaid dividends.

17. During the year under review, RTA of the Company has launched 'SWAYAM', Investor Self-Service Portal, designed exclusively for the investors serviced by the RTA of the Company. 'SWAYAM' is a secure, user-friendly platform that empowers investors to effortlessly access information through a dashboard and avail various services in digital mode.

Following are the key features and benefits of 'SWAYAM' Portal:

- Updated status on electronic holdings across various companies serviced by the RTA and its subsidiaries.
- Tracking of corporate actions.
- Generate and track service requests/complaints raised on this portal.
- Shareholders holding shares in physical form can register on the said Portal only after updating their KYC details in their folio.

The investors can visit and access the 'SWAYAM' Portal at <https://swayam.linkintime.co.in/#>

18. Since the AGM will be held through VC/OAVM, the route map of the AGM is not annexed in this Notice.
19. Pursuant to the provisions of the Listing Regulations, the Company is maintaining an e-mail id namely [companysecretary@nesco.in](mailto:companysecretary@nesco.in) exclusively for prompt redressal of members/investors grievances.
20. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast fifteen days prior to the meeting mentioning their name, demat account number/folio number, e-mail id, mobile number at [companysecretary@nesco.in](mailto:companysecretary@nesco.in). The shareholders who do not wish to speak during the AGM but have queries may send their request in advance fifteen days prior to meeting mentioning their name, demat account number/folio number, e-mail id, mobile number at [companysecretary@nesco.in](mailto:companysecretary@nesco.in). These queries will be replied to, by the Company suitably.

21. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
22. The Company has appointed Ms. Neeta H. Desai (COP No. 4741), ND & Associates, Practising Company Secretary as a scrutiniser for conducting the remote e-voting and voting at the meeting fairly and transparently.

### 23. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Tuesday, 30 July 2024 at 9:00 A.M. (IST) and ends on Thursday, 1 August 2024 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The members, whose names appear in the Register of Members/Beneficial Owners as on the record date (cut-off date) i.e. Friday, 26 July 2024 may cast their vote electronically. The voting rights of shareholders shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date, being Friday, 26 July 2024.

#### How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

##### Step 1: Access to NSDL e-Voting system

#### A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

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 advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.



Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the <b>"Beneficial Owner"</b> icon under <b>"Login"</b> which is available under <b>"IDeAS"</b> section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on <b>"Access to e-Voting"</b> under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select <b>"Register Online for IDeAS Portal"</b> or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App <b>"NSDL Speede"</b> facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>   </div>
Individual Shareholders holding securities in demat mode with CDSL.	<ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then use your existing my easi username &amp; password.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

## B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

### How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

### 5. Password details for shareholders other than Individual shareholders are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- How to retrieve your 'initial password'?
  - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

### 6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

available under 'Shareholder/Member' section.

- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

- Your User ID details are given below :

- Click on **"Forgot User Details/ Password?"**(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- Physical User Reset Password?"** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

- After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

- Now, you will have to click on "Login" button.
- After you click on the "Login" button, Home page of e-Voting will open.

### Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

#### How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

- After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

- Select "EVEN" of the Company to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
- Now you are ready for e-Voting as the Voting page opens.
- Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- Upon confirmation, the message "Vote cast successfully" will be displayed.
- You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### General Guidelines for shareholders

- Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser by e-mail to [ndassociates2128@gmail.com](mailto:ndassociates2128@gmail.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
- In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on.: 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre, Sr. Manager at [evoting@nsdl.com](mailto:evoting@nsdl.com)

#### Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

- In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-

attested scanned copy of Aadhar Card) by email to [companysecretary@nesco.in](mailto:companysecretary@nesco.in)

- In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [companysecretary@nesco.in](mailto:companysecretary@nesco.in). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
- Alternatively shareholder/members may send a request to [evoting@nsdl.com](mailto:evoting@nsdl.com) for procuring user id and password for e-voting by providing above mentioned documents.
- 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.

#### THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE /AGM ARE AS UNDER:-

- The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

#### INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be

displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

- Members are encouraged to join the Meeting through Laptops for better experience.
- Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- Any person who becomes a member of the Company after dispatch of the Notice of the AGM and holding shares as on the cut-off date i.e. Friday, 26 July 2024 and wishing to participate in the e-voting may obtain User ID and

password by sending a letter or e-mail to the Company's RTA at [evoting.investors@linkintime.co.in](mailto:evoting.investors@linkintime.co.in) providing details such as name of the Member, DP ID/Client ID no. and name of the Company. User ID and password will be provided through e-mail or SMS or letter as per details of the member provided by the Depositories or available with the RTA. A person who is not a member, as on the cut-off date should treat this Notice for information purposes only.

- The voting results shall be declared within two working days from conclusion of the AGM and the resolutions shall be deemed to be passed on the date of the AGM, subject to receipt of requisite number of votes. The declared results along with the report of the scrutiniser shall be placed on the website of the Company [www.nesco.in](http://www.nesco.in) and on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after the declaration of results by the Chairman or a person authorised by him. The results along with the report of the scrutiniser shall also be immediately forwarded to BSE Limited and NSE Limited.
- Subject to the receipt of the requisite number of votes, the resolutions shall be deemed to be passed on the date of the AGM i.e., Friday, 2 August 2024.

By Order of the Board of Directors,

**Shalini D. Kamath**  
Company Secretary  
ACS 14933

Mumbai  
20 May 2024

#### Registered Office:

Nesco Center, Western Express Highway  
Goregaon (East), Mumbai – 400 063



## STATEMENT SETTING OUT MATERIAL FACTS UNDER SECTION 102 OF THE COMPANIES ACT, 2013

### Item No. 3: Appointment of Statutory Auditors

(Even though explanatory statement is not required for ordinary business the same is given here on voluntary basis)

M/s. Manubhai & Shah LLP, Chartered Accountants (Firm Registration No. 106041W/W100136), were re-appointed as the statutory auditors of the Company to hold office for a second term of five consecutive years, from the conclusion of the 60th Annual General Meeting ("AGM") of the Company (held on 5 August 2019) upto the conclusion of the 65th AGM.

As per the provisions of the Act, no listed company shall appoint an audit firm (including its affiliate firms) as auditors for more than two terms of five consecutive years. M/s. Manubhai & Shah LLP, Chartered Accountants will complete their second term of five consecutive years at the conclusion of the forthcoming 65th AGM. During the year under review, the retiring auditors have not reported any matter under Section 143(12) of the Act. The Board of Directors place on record their appreciation for the services rendered by M/s. Manubhai & Shah LLP, Chartered Accountants during their term.

Pursuant to provisions of Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the Board of Directors of the Company at its meeting held on 20 May 2024, on recommendation of the Audit Committee, have approved and recommended to the shareholders the appointment of M/s. S G D G & Associates, LLP, Chartered Accountants, (Firm Registration No. W100188) ("S G D G") as the statutory auditors of the Company, in place of retiring auditors M/s. Manubhai & Shah LLP, Chartered Accountants for a term of five years to hold office from the conclusion of the 65th AGM until the conclusion of the 70th AGM of the Company at a remuneration as may be agreed upon by the Board of Directors and the auditors based on the recommendation of the Audit Committee.

After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company has, based on the recommendation of the Audit Committee, proposed the appointment of S G D G as the statutory auditors of the Company. Brief profile of S G D G is given below:

S G D G is a firm of Chartered Accountants registered with The Institute of Chartered Accountants of India ("ICAI") having office in Mumbai. S G D G is a member of MSI Global Alliance ("MSI") a leading international association of independent legal and accounting firms with more than 250 member firms in over 100 countries. S G D G is also empanelled with RBI/NBFC and Comptroller and Auditor General of India ("C & AG"). The firm is Peer Review compliant with ICAI.

With an experience of more than 15 years, S G D G & Associates LLP provides value-added services in the arena of audit, assurance, risk assessment, taxation, corporate advisory, valuations and

consultation apart from the traditional practices in these areas. The firm has six partners who have rich experience in aforesaid functional areas. They have clients across various industries such as real estate, banking, financial institutions, power and energy, infrastructure, manufacturing construction, IT, retail etc.

S G D G have consented to act as statutory auditors and have confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. S G D G have also confirmed, that they are not disqualified to be appointed as statutory auditors in terms of the provisions of Sections 139(1), 141(2) and 141(3) of the Act and the Rules.

The fees proposed to be paid to S G D G from the conclusion of the 65th AGM till the conclusion of 66th AGM is ₹ 42.50 lakhs excluding applicable taxes and out of pocket expenses with the authority of the Board to make revisions as it may deem fit based on the recommendation of the Audit Committee. There will be no material change in the remuneration proposed to be paid to the said auditors from the last statutory fees paid to M/s. Manubhai & Shah, the retiring auditors. The remuneration to be paid to S G D G for the remaining term shall be mutually agreed upon by the Board of Directors and the auditors based on recommendations of the Audit Committee.

The fees for other statutory certifications and other permissible non audit services will be in addition to the above statutory audit fees and will be decided by the management in consultation with the auditors and shall be reviewed by the Audit Committee.

None of the Directors or Key Managerial Personnel or their relatives are concerned or interested (financially or otherwise) in the resolution set out at Item No. 3 of this Notice except to the extent of their shareholdings, if any held in the Company. The Board recommends the Ordinary Resolution as set out at item no. 3 of the Notice for approval of the members.

### Item No. 4: Appoint a Director in place of Mrs. Sudha S. Patel (DIN:00187055) who retires from office by rotation, and being eligible, offers herself for re-appointment and continuation in office

The Members of the Company had approved the following with respect to the directorship of Mrs. Sudha S. Patel (DIN:00187055):

- At the 64th AGM of the Company, held on 4 August 2023, members approved the re-appointment of Mrs. Sudha S. Patel as a Director retiring by rotation and who being eligible had offered herself for re-appointment.
- At the 64th AGM of the Company held on 4 August 2023, members approved the continuation of Directorship of Mrs. Sudha S. Patel on attaining the age of seventy five (75) years in terms of Regulation 17(1A) of the Listing Regulations. On the onset of the said Regulations in the year 2019 similar approval was also sought from the shareholders under the said Regulations.

In terms of Section 152(6) of the Act, Mrs. Sudha S. Patel is liable to retire by rotation at the ensuing AGM and being eligible, offers herself for re-appointment. Approval of the members

is accordingly sought for her re-appointment as well as her continuation as a Director on attainment of seventy-five (75) years in terms of the said Regulations.

Mrs. Sudha S. Patel has completed her Masters from University of Southern California, USA. She founded Sudha Garments over four decades ago to elevate the status of Indian textiles and clothing for exports namely to the Australian and European markets. She is involved in various philanthropic activities. Mrs. Patel is serving as a trustee of Shrujan Creations in Kutch, where she regularly interacts with the local artisans. As the Chairperson of the CSR Committee, she has played an active role in the establishment of schools and creating health infrastructures in Karamsad and Tarapur, Gujarat, as part of her Corporate Social Responsibility initiatives.

Other disclosures relating to Mrs. Sudha S. Patel, as required under the Listing Regulations are set out as an Annexure 1 to the Notice.

Mrs. Sudha S. Patel is not disqualified from continuing as a Director in terms of Section 164 of the Act, and has consented to continue as a Director of the Company. She is not debarred from holding the office of Director by virtue of any order passed by the Securities and Exchange Board of India or any other such authority pursuant to BSE Circular No. LIST/COMP/14/2018-19 and NSE Circular No. NSE/CML/2018/24, both dated 20 June 2018.

Based on the recommendation of the Nomination and Remuneration Committee, and taking in account Mrs. Patel's seniority, expertise and vast experience, the Board of Directors are of the opinion that re-appointment of Mrs. Sudha S. Patel and her continuation as a Non-executive Director beyond the age of seventy-five (75) years will immensely benefit the Company and accordingly recommends the Special Resolution set out in item no. 4. for approval of the shareholders.

Other than Mrs. Sudha S. Patel and Mr. Krishna S. Patel (CMD) who is her son, and members of promoter group none of the

other Directors, Key Managerial Personnel or their relatives are interested or concerned in the proposed resolution except to the extent of the shareholding if any held in the Company.

### Item No. 5: Ratification of Cost Auditor's remuneration for the financial year ending 31 March 2025

The Board of Directors at its meeting held on 20 May 2024, based on the recommendation of the Audit Committee, appointed M/s. Y.S. Thakar & Co., Cost Accountants, Mumbai as cost auditors (Firm Registration No. 000318) for undertaking cost audit of the cost accounting records maintained by the Company for its Indabrator division at Gujarat (which constitutes 6.58% of the turnover of the Company) for the financial year ending 31 March 2025 at a remuneration not exceeding ₹ 45,000 (Rupees Forty Five Thousand Only) plus applicable taxes and out-of-pocket expenses at actuals. The auditors have confirmed their willingness and that they are eligible for appointment as cost auditors. Considering the limited scope of work at the Company's Indabrator division at Gujarat, the remuneration proposed for ratification of the shareholders commensurate with the scope of the cost auditor's work.

As per Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the said cost auditors is required to be ratified by the members of the Company.

None of the Directors or Key Managerial Personnel or their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 5 except to the extent of their shareholding, if any, in the Company.

Accordingly, resolution at item no. 5 of the Notice is recommended by Board of Directors for members approval as an Ordinary Resolution.

By Order of the Board of Directors,

**Shalini D. Kamath**  
Company Secretary  
ACS 14933

Mumbai  
20 May 2024

**Registered Office:**  
Nesco Center, Western Express Highway  
Goregaon (East), Mumbai – 400 063



## Annexure 1

As required by Regulation 36(3) of the Listing Regulations and the Secretarial Standards on General Meetings (SS-2) as laid-down by The Institute of Company Secretaries of India, additional information relating to the particulars of the Director seeking retirement by rotation is given herein.

<b>Name of the Director</b>	<b>Mrs. Sudha S. Patel</b>
DIN	00187055
Age	85 years
Date of first Appointment	16 July 2001
Brief Profile, Qualification and Expertise in Specific Functional Area	As covered in the explanatory statement under Item no. 4.
Terms and conditions of re-appointment	As detailed in the resolution and explanatory statement under item no. 4.
Remuneration last drawn (including sitting fees, if any)	₹ 7.45 lakhs for FY 2023-24 (Sitting fees for Board and Committee meetings).
Remuneration proposed to be paid	Sitting fees will be paid for Board and Committee meetings attended by Mrs. Sudha S. Patel.
Number of Meetings of the Board attended during the financial year 2023-24	Mrs. Patel has attended all the five Board Meetings held by the Company during the FY 2023-24. She has also attended all the committee meetings in which she is a member and is detailed in the corporate governance report.
No. of shares held in the Company	45,74,720 Equity shares of ₹ 2/- each (6.49% of the paid-up share capital of the Company).
Directorships in other Listed Companies	Nil
Membership/Chairmanship of Committees	-Chairperson of Stakeholders Relationship Committee -Chairperson of Corporate Social Responsibility Committee -Member of Nomination and Remuneration Committee
Resigned/retired as the Director in any listed entities in the past three financial years.	Not applicable since she is not a Director in any other listed Company.
Relationship between Directors and KMP <i>inter-se</i>	Mother of Mr. Krishna S. Patel (CMD) and part of Promoter and Promoter Group. She is not related to any other Director or other KMP of the Company.

By Order of the Board of Directors,

**Shalini D. Kamath**  
Company Secretary  
ACS 14933

Mumbai  
20 May 2024

### Registered Office:

Nesco Center, Western Express Highway  
Goregaon (East), Mumbai – 400 063

## Notes



## Nesco Center

Western Express Highway, Goregaon (East),  
Mumbai 400063 Maharashtra, India