



NESCO LIMITED
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04 August 2023

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: Chairman's Speech

Dear Sir,

Enclosed herewith is the speech delivered by the Chairman & Managing Director of the Company at the 64th Annual General Meeting held on 04 August 2023.

Kindly take the same on record.

Thanking you

Yours faithfully,

For Nesco Limited

JINAL
JITENDRA
SHAH

Digitally signed by JINAL JITENDRA
SHAH
DN: cn=JINAL JITENDRA SHAH,
c=IN, ou=Bandra,
ou=PERSONAL, ou=JITENDRA
SHAH, email=jitendra@nesco.in,
serial=123456789, date=2023.08.04 20:54:12 +0530

Jinal J. Shah
Company Secretary and
Compliance Officer

Encl: As above

NESCO LIMITED

Statement of Mr. Krishna S. Patel, Chairman & Managing Director at the 64th Annual General Meeting on Friday, 04 August 2023

Ladies and Gentlemen, the year 2022-23 witnessed intense geo-political and economic volatility. The ongoing Russia-Ukraine conflict and other geo-political tensions have disrupted the smooth functioning of global supply chains. There has been a surge in inflation, especially in the developed markets. The global economic outlook for 2023 appears to have downside risk and the global GDP is expected to grow at less than 3%.

However, the outlook for the Indian economy remains positive. The estimated GDP growth in India is expected to be over 6% in 23-24 and will remain one of the fastest growing economies. The way people collaborate, work and engage has changed dramatically.

To briefly summarize the performance of your Company in 22-23:

- i. Nesco IT Park registered growth of 12%, its revenues rising from Rs. 264 crores to Rs. 295 crores. Tower 04 in IT Park is almost 97% contracted and Tower 03 is almost 85% contracted.

Our clients are leading MNCs such as Apollo Financials, Sodexo, KPMG, PwC, BlackRock, Here Solutions, Ericsson, MSCI, Framestore, Priceline and many others.

- ii. Indabrador revenues remained static. The division had increased the abrasives production capacity. Orders which were placed on hold since a long time, should witness dispatch shortly.
- iii. Bombay Exhibition Center normally holds over 150 exhibitions in a year but could barely hold just a few exhibitions due to the restrictions that the BMC had placed.

However, in FY 22-23, revenues increased from Rs. 16 crores to Rs. 156 crores and the Center was able to hold 95 events during the year.

Our Nesco Events group successfully hosted 10 events and this initiative has been welcomed by corporates and the events industry.

- iv. Nesco Foods saw revenue increase from Rs. 11 crores to Rs. 49 crores, as their main supplies are to exhibitions visitors and banquets.
- v. Our income from investments increased from Rs. 45 crores to Rs. 63 crores and liquid resources increased from Rs. 856 crores to Rs. 1179 crores
- vi. Overall our revenues went up by 59% from Rs. 382 crores to Rs. 609 crores.

Profit before tax increased from Rs. 227 crores to Rs. 367 crores, an increase of 62%. Our PBT was 60% of our revenues.

Now coming to 23-24 and onwards:

- i. Nesco IT Park - We expect IT Park revenues to grow by about 6%.

Our Company has finally obtained a Campus-Wide Environmental Clearance from the MOEF. This is an instrumental NOC and can often take upto a couple years to obtain.

Now that the new IT Policy has been issued last month, we are in the process of finalising plans of our next Tower, over 45 Lac square feet. We hope to commence construction in Q4.

- ii. Indabrador - We expect similar momentum operations of the division in the current financial year.
- iii. Bombay Exhibition Center – The business has recovered well post covid. We now propose to go ahead with stage-wise modernization of the facilities.

This would include an additional new hall and refurbishment of existing capacity. The works for the new hall have just begun. This facility will have 1.5 lacs sq. ft. of net exhibition space and shall function as a standalone facility.

- iv. Nesco Foods - will have revenues from exhibitions, banquets and this year also from restaurants. We expect better revenues this year.

Overall, we expect better revenues and PBT in 23-24 in all business groups.

We have initiated focused efforts to align the Board and Executive leadership of Nesco towards leveraging an ESG-defined multi-stakeholder value creation strategy. We have incorporated the evaluation of environmental and social risks into our Enterprise Risk Management (ERM) policy as we expand our framework to encompass ESG parameters across all of our businesses. We have also identified key stakeholders across our value chain to improve the focus on sustainability within our spheres of influence. We have expanded our disclosures in line with the BRSR requirements of SEBI and will be expanding the width and depth of our disclosures along this progressive journey.

On the social front, our Company continued to enlarge its activities, spent an amount of Rs. 4.4 crores on CSR initiatives which is 2% of the average net profit of last three years. So far we have set up a girls ' hostel in a rural area; an Industrial Training Institute; three English Medium Schools; a surgical ICU in a large medical complex; several toilets; water supply systems; supported a covid care centre, distributed sanitization/hygiene kits, provided affordable education and provided self-employment training. Nesco has contributed to the organisations engaged in providing education, health facilities and vocational training to those from the deserving economic strata.

The Nesco Incubation Centre was established at Karamsad, Gujarat and is supporting young entrepreneurs who want to set up their own business with some new products. We look forward to increasing our CSR activities.

Company's Board of Directors met today to consider unaudited financial results for the first quarter of the current financial year which ended on 30 June 2023, which incorporate the Indian Accounting Standards notified under the Companies Rules, 2015.

Income in first quarter was Rs. 161 crores as against Rs. 111 crores in the corresponding quarter of the previous year, while profit before tax stood at Rs. 94 crores as against Rs. 63 crores in the corresponding quarter of previous year.

I would like to thank our shareholders, customers and other stakeholders for the support and confidence they have always extended to us.
