

08 August 2022

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 63rd Annual General Meeting held on 08 August 2022.

Request you to take the same on your records.

Thanking you

Yours faithfully,

For NESCO Limited



Jinal J. Shah
Company Secretary and
Compliance Officer



Encl: As above

NESCO LIMITED

Statement of Mr. Krishna S. Patel, Chairman & Managing Director at the 63rd Annual General Meeting on Monday, 08 August 2022

On behalf of the Board of Directors and Nesco, I extend a warm welcome to all of you to the 63rd Annual General Meeting of your Company.

Covid – 19 was a very difficult time for your Company and for everyone. However, we are proud that during these trying times we were able to help the society at large.

To briefly summarize performance of your Company in 21-22:

- i) Nesco IT Park registered growth of 7%, its revenues rising from Rs. 246 crores to Rs. 264 crores. Tower 04 in IT Park has a constructed area of 17 lakhs sq. ft. and is 92% contracted. Tower 03 is 8 lakhs sq. ft. in constructed area and is 80% contracted. License agreements have been finalized with leading MNCs including Apollo Financials, Sodexo, KPMG, BlackRock, Here Solutions, Ericsson, MSCI, Framestore, Priceline, ISS Governance, etc.
- ii) Indabratr saw revenues increase by over 70% from Rs. 26 crores to Rs. 45 crores. The division had increased the abrasives production capacity.
- iii) Bombay Exhibition Center normally holds 150 exhibitions in a year but could hold only 16 exhibitions in the year as the MCGM did not allow exhibitions to take place for most part of the year. This adversely affected our Bombay Exhibition Center and in turn, our Nesco Foods division. Bombay Exhibition Center revenues increased from Rs. 6 crores to Rs. 16 crores.
- iv) Nesco Foods saw revenues decrease from Rs. 13 crores to Rs. 11 crores, as their main supplies are to exhibitions visitors and banquets. Foods division was able to provide packed meals to several NGO's, MCGM and contractors who in turn were delivering those meals across the city and beyond, on all days even during the peak of the pandemic conditions.
- v) Our income from investments reduced to Rs. 42 crores, previous year was Rs. 62 crores; liquid resources increased by 4% from Rs. 819 crores to Rs. 856 crores.
- vi) Overall our revenues went up by almost 8% from Rs. 355 crores to Rs. 382 crores, profit before tax increase from Rs. 216 crores to Rs. 226 crores, increase of almost 5%. Our PBT was 60% of our revenues.

Now coming to 22-23 and onwards:

- i) Nesco IT Park - We expect IT Park revenues to grow marginally. We are expecting to shortly complete contracts for the remaining floors in Tower 03 and in Tower 04.

We have approached the GOM for special concessions towards MCGM charges for our next IT Building and are hopeful for their support.

We shall thereafter pursue the approvals for Tower 02 and expect to start on the project shortly. Tower 02 was designed by well-known foreign architects and shall have constructed area of over 45 lakhs sq.ft.

- ii) Indabratr - We expect similar levels of operations of the division in the current financial year.

- iii) Bombay Exhibition Center - customers had to reschedule or cancel their exhibitions. Revenues were affected as there were no exhibitions over the last 2 years. We are now starting to see revenues again from this division. We propose to go ahead with hall-wise expansion and modernization of Bombay Exhibition Center. This would begin with the addition of a new hall and thereafter refurbishment of existing capacity.
- iv) Nesco Foods - We are confident that revenues from exhibitions and banquets shall increase rapidly and we hope to soon reach the pre-covid levels.

Overall, we expect better revenues and PBT in 22-23 in all business groups.

On the social front, our Company continued to enlarge its activities, spent an amount of Rs. 5 crores on CSR initiatives which is 2% of the average net profit of last three years. So far we have set up multiple schools, hostels, medical facilities and training institutes in rural areas.

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 2022, which incorporate the Indian Accounting Standards notified under the Companies Rules, 2015.

Income in first quarter was Rs. 110.85 crores as against Rs. 85.65 crores in the corresponding quarter of the previous year; while profit before tax stood at Rs. 63.40 crores as against Rs. 50.41 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.