



INDEPENDENT AUDITOR'S REPORT

To The Members of Nesco Hospitality Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Nesco Hospitality Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the financial statement, including a summary of significant 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 March 31, 2022, the loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We have 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 statement 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.

Emphasis of Matters

Attention is drawn to Note No. 19 to financial statement which states that, The shareholders in their Extra Ordinary General Meeting held on 17 January 2022 approved Voluntary Liquidation under Section 59 of Insolvency & Bankruptcy Code, 2016. Accordingly, the company has appointed a Liquidator and has also filed Form GNL-2 and Form MGT-14 with the MCA which have been approved. Accordingly the Company has drawn the accounts on liquidation basis i.e. Assets have been recorded at their realizable value and liabilities recorded at their known estimated settlement value.

Our opinion is not modified in respect of this matter.





Information Other than the Financial Statement 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 Annexure to Board's Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report there on.

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 statement our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statement 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 Statement

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 statement 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statement, 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 Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 statement.

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 statement, 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 statement 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 auditor's 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 statement, including the disclosures, and whether the financial statement represents the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statement may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statement.

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 statement of the current period and are therefore the key audit matters. We describe these matters in our auditor's 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 of India in terms of section 143(11) of the Act, we give in the **Annexure A**, a statement on the matters specified in the paragraphs 3 and 4 of the order, to the extent applicable.

(A) 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 loss, 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 statement 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 31st March, 2022 taken on record by the Board of Directors, none of the director is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act;
- f. Since the Company's turnover as per last audited financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of





the company and the operating effectiveness of such controls vide notification dated June 13, 2017;

- g. (B) 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 does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts hence the question of making a provision for any resulting material foreseeable losses does not arise; and;
 - iii. There were no amounts which were 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, no funds (which are material either individually or in the aggregate) 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, no funds (which are material either individually or in the aggregate) 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;





SARA & ASSOCIATES

Chartered Accountants

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M.Com., F.C.A., DISA | B.Com., F.C.A. | B.Com., F.C.A. | B.Com., F.C.A. | B.Com., F.C.A.

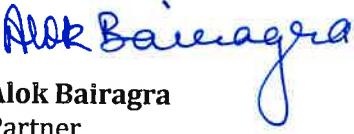
Rachana Kanol | Kamal Sharma | Rakesh Joshi | Aditya Tulsian | Chirag Shah | Purvesh Shah
B.Com., F.C.A., C.S. | B.Com., F.C.A. | B.Com., F.C.A. | B.Com., F.C.A. | B.Com., F.C.A. | B.Com., A.C.A.

(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) contain any material misstatement.

For S A R A & Associates

Chartered Accountants

Firm Registration No: 120927W


Alok Bairagra

Partner

Membership No: 105153

Place: Mumbai

Date: 19th May, 2022

UDIN No: 22105153AJLQCF8654





**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE
MEMBERS OF NESCO HOSPITALITY PRIVATE LIMITED ON THE FINANCIAL
STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

- i. The Company has no Property, Plant and Equipment. Therefore the provisions of Clause 3(i) ((a), (b), (c), (d) and (e) of the said Order are not applicable to the Company.
- ii. (a) As explained to us, inventory has been physically verified by the management during the year and no material discrepancies were noticed.
(b) According to information and explanations given to us and on the basis of our examination of the records of company, the company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions during the year on the basis of security of current assets.
- iii. The company has not made investment in, provided any guarantee or security or granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnership or other parties. Therefore the provisions of the Clause 3(iii)(a), (b), (c), (d), (e) & (f) of the Order are not applicable to the Company.
- iv. According to the information and explanations given to us the company has not given/made any loans, investments, guarantees, and security accordingly provisions of section 185 and 186 of the Companies Act, 2013 are not applicable.
- 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. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the company.
- 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 income tax, sales tax, custom duty, value added tax, goods & service tax, cess and any other statutory dues with the appropriate authorities and no such dues are outstanding for more than six months from the date they become applicable.





- (b) According to the information and explanations given to us, no disputed dues are payable by the Company on account of Income tax/ Sales tax / Duty of Custom/ Goods & Service Tax.
- viii. According to information and explanations given to us, there are no transactions which are not recorded in the books of account and have been disclosed or surrendered before the tax authorities as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, clause 3(viii) of the Order is not applicable to the Company.
- ix. In our opinion, and according to the information and explanations given to us, the Company has not borrowed any money during the year. Therefore the provisions of the Clause 3(ix)(a), (b), (c), (d), (e) & (f) of the Order are not applicable to the Company.
- x. (a) According to the information and explanations given to us, the Company has not raised any fund by way of public offer, further public offer (including debt instruments) and term loans. Accordingly, the Clause 3(ix) of the order are not applicable to the company.
- (b) The company has not made any Preferential Allotment or Private placement of share or Convertible Debentures during the year. The Clause 3(ix) (b) of the order are not applicable to the company.
- xi. (a) According to the information and explanations given to us, no material fraud has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) During the year no whistle-blower complaints has been received by the company.
- 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 paragraph 3(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 statement as required by the applicable Indian Accounting Standards.





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Rachana Kanoi B.Com., F.C.A., C.S.	Kamal Sharma B.Com., F.C.A.	Rakesh Joshi B.Com., F.C.A.	Aditya Tulsian B.Com., F.C.A.	Chirag Shah B.Com., F.C.A.
				Purvesh Shah B.Com., A.C.A.

- xiv. (a) The company has proper Internal audit system in accordance with it's size and business activities
(b) The company is not required to appoint internal auditor u/s 138 of the act. Accordingly, the provisions of Clause 3(xiv) (b) of the Order are not applicable to the Company.
- 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 paragraph 3(xv) of the Order is not required.
- xvi. a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

(b) The company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the provisions of Clause 3(xvi)(c) of the Order are not applicable to the Company.

(d) The Group does not have CIC as part of the Group Accordingly, clause 3(xvi)(d) of the Order is not applicable to the Company
- xvii. According to the information and explanations given to us and based on our examination of the records of the Company the company has incurred cash losses of Rs. 13.12 Lacs in the financial year and Rs. 4.77 Lacs in the immediately preceding financial year.
- xviii. There has been resignation of Statutory Auditor during the financial year. However, the outgoing auditors have not raised any issues, objections or concerns.
- 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





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Rachana Kanol | Kamal Sharma | Rakesh Joshi | Aditya Tulsian | Chirag Shah | Purvesh Shah
B.Com., F.C.A., C.S. | B.Com., F.C.A. | B.Com., F.C.A. | B.Com., F.C.A. | B.Com., F.C.A. | B.Com., A.C.A.

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, as our reporting is based on the facts up to the date of the audit report.

- xx. According to the information and explanations given to us and based on our examination of the records of the Company, the company is not required to transfer any unspent amount to Funds specified in Schedule VII under Corporate Social Responsibility, therefore the provisions of Clause 3(xx) of the Order are not applicable to the Company.
- xxi. The company is not required to prepare consolidated financial statement, therefore the provisions of Clause 3(xxi) of the Order are not applicable to the Company

For S A R A & Associates

Chartered Accountants

Firm Registration No: 120927W

Alok Bairagra

Alok Bairagra

Partner

Membership No: 105153

Place: Mumbai,

Date: 19th May, 2022

UDIN No: 22105153AJLQCF8654



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Xb-2

Particulars	Notes	(₹ in lakhs)	
		As at 31-03-2022	As at 31-03-2021
Assets			
Non-Current Assets			
Financial Assets			
Non Current Tax Assets(Net)	2	-	0.11
Other Non Current Financial Assets	3	-	10.19
Total Non-Current Assets			10.30
Current Assets			
Inventories			4.91
Financial Assets			
Investments Current		-	-
Trade Receivables		-	-
Cash and Cash Equivalents	4	225.05	338.12
Current Tax Assets (Net)		-	-
Other Current Assets	5	-	3.50
Total Current Assets		225.05	346.52
Total Assets		225.05	356.82
Equity and Liabilities			
Equity			
Equity Share Capital	6	25.00	25.00
Other Equity		26.67	274.72
Total Equity		28.67	299.72
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Other Non Current Financial Liabilities		-	-
Provisions - Non Current		-	-
Deferred Tax Liabilities (Net)		-	-
Other Non-Current Liabilities		-	-
Total Non-Current Liabilities			-
Current Liabilities			
Financial Liabilities			
Trade Payables		-	-
Total Outstanding Dues of Micro Enterprises and Small Enterprises	7	-	-
Total Outstanding Dues of Creditors Other Than Micro Enterprises and Small Enterprises		7.68	0.09
Other Current Financial Liabilities	8	-	56.98
Other Current Liabilities	9	0.50	0.02
Current Tax Liabilities (Net)		-	-
Total Current Liabilities		7.68	57.09
Total Equity and Liabilities		225.05	356.82

Notes forming part of the financial statements

1 to 19

As per our report of even date

For S A R A & Associates
Chartered Accountants
FRN. 120927W

Alok Bairagi
Alok Bairagi
Partner
Membership No : 105153
Mumbai

Dt. 19th May, 2022

Udin.2205153AJLQCF8654

General

(AJAY KUMAR)

Liquidator for Nesco Hospitality Private Limited in Voluntary Liquidation
(IP Regn No.: IUBI/IPA-002/IP-H00139/2017-18/10377)

LIQUIDATOR



Nesco Hospitality Private Limited
 CIN: U55204MH2014PTC260414

Statement of Profit and Loss

(in Lakhs)

Particulars	Notes	For the Year ended 31.03.2022	For the Year ended 31.03.2021
Revenue			
Income from Operations		-	0.32
Income from Other Sources		7.27	3.63
Total Income		7.27	3.95
Expenses			
Cost of Materials Consumed		-	0.78
Change in Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade	10	4.91	-
Employee Benefits Expenses		-	-
Finance Cost		0.05	-
Other Expenses	11	15.43	7.93
Total Expenses		20.39	8.72
Profit/(Loss) before tax		(13.12)	(4.77)
Tax Expense			
Current Tax		-	-
Deferred Tax		-	-
Income Tax for Earlier Year		(0.06)	-
Total Tax Expense		(0.06)	-
Profit/(Loss) after tax		(13.06)	(4.77)

Notes forming part of the financial statements

1 to 19

As per our report of even date

For S A R A & Associates
 Chartered Accountants
 FRN: 120927W

Alok Bairagya
 (AJAY KUMAR)
 Liquidator for Nesco Hospitality Private Limited in Voluntary Liquidation
 (IP Regn No.: IBBI/IPA-002/IP-N00139/2017-18/10377)



LIQUIDATOR



Alok Bairagya
 Partner
 Membership No : 105153
 Mumbai
 Dt. 19th May, 2022

UDIN No : 22105153 AJL0CF 8654

Particulars	Year		(₹ in Lakhs)
	2021-2022	2020-2021	
A) Cash Flow From Operating Activities			
Net Profit Before Income Tax	(13.12)	(4.77)	
Add/(Less):			
Interest Income	(7.27)	(3.59)	
Finance Cost	0.05	-	
Bad Debts/Sundry Balance Written Off	2.49	-	
Sundry Creditors/Liabilities Written Back (Net)	-	(4.74)	(0.04)
Operating Profit Before Change In Operating Assets And Liabilities	(17.86)	(8.39)	
Add/(Less):			
(Increase)/Decrease in Inventory	4.91	0.78	
(Increase)/Decrease in Trade & Other Receivable	(2.49)	-	
(Increase)/Decrease in Other Operating Assets	13.68	(3.39)	
Increase/(Decrease) in Trade Payables	7.79	0.09	
Increase/(Decrease) in Provisions	-	-	
Increase/(Decrease) in Other Operating Liabilities	(56.50)	23.86	21.35
Cash Generated From Operations	(50.47)		12.95
Add/(Less):			
Income Tax Paid (Net of Refund)	0.17	0.17	(0.56)
Net Cash Generated from Operating Activities - [A]	(50.30)		12.39
B) Cash Flow From Investing Activities			
Investments in Deposits	-	0.60	
Interest Received	7.27	3.59	
Net Cash Used in Investing Activities - [B]	7.27		4.19
C) Cash Flow Used in Financing Activities			
Finance Costs Paid	(0.05)	-	-
Net Cash Used in Financing Activities - [C]	(0.05)		-
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	(43.07)	16.59	
Cash and Cash Equivalents as at 01 April	338.12	321.53	
Cash and Cash Equivalents as at 31 March	<u>295.05</u>	<u>338.12</u>	

Notes:

- 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

	Year		(₹ in Lakhs)
	2021-2022	2020-2021	
Cash On Hand	-	-	
Other Balances with Banks	-	-	
Balances With Banks in Current Accounts	295.05	338.12	
	<u>295.05</u>	<u>338.12</u>	

As per our report of even date

For S A R A & Associates
Chartered Accountants
FRN. 120927W

Alok Bairaqua
Alok Bairaqua
Partner
Membership No : 105153
Mumbai

Dt. 19th May, 2022

Udin 22105153AJLGCF8654



Ajay Kumar
(AJAY KUMAR)
Liquidator for Nesco Hospitality Private Limited in Voluntary Liquidation
(IP Regn No.: 1BBI/IPA-002/IP-N00139/2017-18/10377)

LIQUIDATOR



A. Equity Share Capital

(1) Current reporting period

				(₹ in lakhs)
Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period

25.00

-

-

-

25.00

(2) Previous reporting period

				(₹ in lakhs)
Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period

25.00

-

-

-

25.00

B. Other Equity

(1) Current reporting period

	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus												Total
			Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Debt Instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify)	Money received against share warrants		
Balance at the beginning of the current reporting period						274.72									274.72
Changes in accounting policy or prior period errors															
Restated balance at the beginning of the current reporting period															
Total Comprehensive Income for the current year						-13.05									-13.05
Dividends															
Transfer to retained earnings															
Any other change (to be specified)															
Balance at the end of the current reporting period						261.67									261.67

(2) Previous reporting period

	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus												Total
			Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Debt Instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify)	Money received against share warrants		
Balance at the beginning of the current reporting period						279.49									279.49
Changes in accounting policy or prior period errors															
Restated balance at the beginning of the current reporting period															
Total Comprehensive Income for the current year						-4.77									-4.77
Dividends															
Transfer to retained earnings															
Any other change (to be specified)															
Balance at the end of the current reporting period						274.72									274.72



1. Statement of significant accounting policies and practices

A. Corporate Information

Nesco Hospitality Private Limited ("NHPL" or the "Company"), incorporated on 26 December 2014, is a 100% subsidiary of Nesco Limited which is a public limited Company. The Company is primarily engaged in the business of providing hospitality services.

B. Basis of accounting

The company is currently under liquidation. Accordingly, these financial statements have not been prepared on a going concern basis and have been prepared on Liquidation Basis. Assets and liabilities are presented as current. Assets have been recorded at their realizable value and liabilities recorded at their known estimated settlement value.

C. Basis of preparation: - 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)[the Companies (Indian Accounting Standards) Rules, 2015], and other relevant provisions of the Act, on the accrual basis under historical cost convention.

D. Revenue recognition

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection.

E. Inventories

Stock of food and beverages and stores and operating supplies are carried at the lower of cost (computed on a weighted average basis) or net realizable value. Cost include the cost of purchase including duties and taxes (other than those refundable), inward freight, and other expenditure directly attributable to the purchase.

F. Employee benefits

- i. Short term employee benefits payable within twelve months of rendering the service are classified as short term employee benefits and they are recognised as an expense in the statement of profit and loss.
- ii. Post-employment and other long term employee benefits are recognised as an expense in the statement of profit and loss for the year in which the employee has rendered services. The expense is recognised at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post-employment and other long-term benefits are charged to the statement of profit and loss.

G. Trade receivables

Trade receivables are stated after writing off debts considered as bad.

H. Provisions and contingencies

The company creates a provision when there exists a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources, when there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

I. Cash and cash equivalents

Cash and cash equivalents include cash and cheques in hand, bank balances, demand deposits with banks and other short term highly liquid investments where the original maturity is three months or less.



Nesco Hospitality Private Limited
Notes Forming part of the Financial Statements

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
2 Non Current Tax Assets		
Advance Payment of Income Tax (Net)	-	0.11
	-	0.11
3 Other Non Current Financial Assets		
Security Deposits with Public Bodies	-	10.19
	-	10.19
4 Cash and Bank Balances		
Cash On Hand	-	-
Other Balances with Banks	-	-
Balances With Banks in Current Accounts	295.05	338.12
	295.05	338.12
5 Other Current Assets		
Advance Recoverable in Cash Or Kind	-	3.50
GST credit to be availed and other prepaid taxes	-	-
	-	3.50
6 Equity Share Capital		
Authorised		
1,000,000 Equity Shares of Rs. 10 each	100.00	100.00
Issued and Paid-up		
250,000 Equity Shares of Rs. 10 each	25.00	25.00
	25.00	25.00
<u>Details of Shareholders holding more than 5% Equity Shares</u>		
Nesco Limited (Holding Company)	No. of Shares	2,50,000
(including those held through nominees of Nesco Limited)	% of Holding	100.00%
		100.00%
<u>Reconciliation of number of shares outstanding</u>		
Issued on incorporation of the Company		2,50,000
Outstanding at the end of the year		2,50,000
		2,50,000
<u>Terms / Rights Attached to Equity Shares</u>		
The company has only one class of equity shares having par value of Rs.10/- per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the board of directors is subject to the approval of shareholders in the ensuring annual general meeting.		
<u>Details of Shareholders holding of Promoters</u>		
Shares held by promoters at the end of the year		
	As at 31 March 2022	As at 31 March 2021
Promoter Name	Nesco Ltd	Nesco Ltd
No. of Shares**	2,50,000	2,50,000
% of total shares**	100.00%	100.00%
Total	2,50,000	2,50,000



Nesco Hospitality Private Limited
Notes Forming part of the Financial Statements

Note no.7

Particulars	As at 31 March 2022	As at 31 March 2021
Trade payables		
(a) Micro and Small Enterprises (Including acceptance) (Refer Note i & ii below)	-	-
(b) Others (Refer Note i & ii below)	7.88	0.09
Total	7.88	0.09

Trade Payables aging schedule for FY 21 - 22

Particulars	Outstanding for following periods from due date of payment				(₹ in lakhs)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME					
(ii) Others					
(iii) Disputed dues – MSME	7.88				
(iv) Disputed dues - Others					7.88

Trade Payables aging schedule for FY 20 - 21

Particulars	Outstanding for following periods from due date of payment				(₹ in lakhs)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME					
(ii) Others					
(iii) Disputed dues – MSME	0.09				
(iv) Disputed dues - Others					0.09



Nesco Hospitality Private Limited
 Notes Forming part of the Financial Statements

(₹ in Lakhs)

Particulars	As at 31 March	As at 31 March
	2022	2021
8 Other Financial Liabilities		
Other Payables	-	54.98
Provisions	-	-
Liabilities Payable	-	-
Security Deposits	-	2.00
	<hr/>	<hr/>
	-	56.98
9 Other Current Liabilities		
Payable Towards TDS / TCS	0.50	0.02
	<hr/>	<hr/>
	0.50	0.02



Nesco Hospitality Private Limited
Notes Forming part of the Financial Statements

Particulars	(₹ in Lakhs)	
	As at 31 March 2022	As at 31 March 2021
10 Cost of Materials Consumed		
Opening Stock	4.91	5.69
Add : Purchases	-	-
Less: Closing Stock	-	4.91
	4.91	0.78
11 Other Expenses:		
Audit Fees	0.44	0.30
Legal & Professional Fees	8.79	0.48
Printing, Stationery, Postage and Communication	-	0.22
Advertisement and Sales Promotion	0.18	-
Bad Debts/Sundry Balance Written Off	2.49	-
Rates and Taxes	3.53	6.93
	15.43	7.93



Nesco Hospitality Private Limited
Notes Forming part of the Financial Statements

Note 12 Category wise classification of financial instrument
The carrying value of financial instruments by categories as of 31 March 2022 is as follows

Financial Assets / Financial Liabilities	Amortised cost	Fair value through profit or loss	Fair value through comprehensive income	Total carrying value
Financial Assets				
Cash and cash equivalents	295.05	-	-	295.05
Total Financial Assets	295.05	-	-	295.05
Financial Liabilities				
Trade Payables	7.88	-	-	7.88
Other financial liabilities		-	-	-
Total Financial Liabilities	7.88	-	-	7.88

The carrying value of financial instruments by categories as of 31 March 2021 is as follows

Financial Assets / Financial Liabilities	Amortised cost	Fair value through profit or loss	Fair value through comprehensive income	Total carrying value
Financial Assets				
Cash and cash equivalents	338.12	-	-	338.12
Total Financial Assets	338.12	-	-	338.12
Financial Liabilities				
Trade Payables	0.09	-	-	0.09
Other financial liabilities	56.98	-	-	56.98
Total Financial Liabilities	57.07	-	-	57.07



Nesco Hospitality Private Limited
Notes forming part of Financial Statements

Note 13 Earnings per share

Particulars	For the period 1 April 2021 to 31 March 2022	For the period 1 April 2020 to 31 March 2021	(₹ in lakhs)
a) Profit / (Loss) after tax (₹ in Lakhs)	-13.06	-4.77	
b) Number of equity shares outstanding	2,50,000	2,50,000	
c) Face value of each equity share (₹)	10	10	
d) Basic and diluted earnings per share (₹)	-5.22	-1.91	

Note 14 Related Party Disclosures

(a) List of related parties and relationships

Parent / Holding Company

(i) Nesco Limited

Key management personnel (Director)

Mr. Krunal S. Patel
Mr. Dinesh R. Shahani

(b) Related party transactions: -

Particulars	For the period 1 April 2021 to 31 March 2022	For the period 1 April 2020 to 31 March 2021	(₹ in Lakhs)
Transactions during the year with Nesco Limited	6.88	21.88	

Note 15

There are no amounts due or interest payable thereon due to enterprises covered under the Micro, Small and Medium Enterprises Development Act, 2006

Note 16 Segment Information:

The Company is engaged only in the business segment of providing hospitality services and there are no other reportable business segments.



Nesco Hospitality Private Limited
Ratio Analysis

Note 17: Ratio Disclosure

Ratio	Numerator	Denominator	Current Period		Previous Period		% Variance	Reason for Variance*
			31/03/2022	31/03/2021	31/03/2022	31/03/2021		
(a) Current Ratio	Current Assets	Current Liabilities	295.05	346.53	8.38	57.09	35.21	6.07 -15%
(b) Debt-Equity Ratio	NA	NA						NA
(c) Debt Service Coverage Ratio	NA	NA						NA
(d) Return on Equity Ratio	Profit for the period	Avg. Shareholders Equity	(13.06)	(4.77)	293.20	302.11	(0.04)	(0.02) 174% Increase in Expenses
(e) Inventory turnover ratio	NA	NA						NA
(f) Trade Receivable turnover ratio	NA	NA						NA
(g) Trade payable turnover ratio	NA	NA						NA
(h) Net capital turnover ratio	NA	NA						NA
(i) Net profit ratio	NA	NA						NA
(j) Return on Capital employed	EBIT	Capital Employed *	(13.07)	(4.77)	286.67	299.84	(0.05)	(0.02) 174% Increase in Expenses
(k) Return on Investment	NA	NA						NA

Note 18

Previous year figures are reproduced wherever necessary.

Note 19

The shareholders in their Extra Ordinary General Meeting held on 17 January 2022 approved Voluntary Liquidation under Section 59 of Insolvency & Bankruptcy Code, 2016. Accordingly, the company has appointed a Liquidator and has also filed Form GNL-2 and Form MGT-14 with the MCA which have been approved. Accordingly the Company has drawn the accounts on liquidation basis i.e. Assets have been recorded at their realizable value and liabilities recorded at their known estimated settlement value.

As per our report of even date

For S A R A & Associates
Chartered Accountants
FRN. 120927W

Alok Bairagra
Partner
Membership No : 105153
Mumbai

Dt. 19th May, 2022

Udin. 22105153AJLQCF8654



Ajay Kumar

(AJAY KUMAR)

Liquidator for Nesco Hospitality Private Limited in Voluntary Liquidation
(IP Rulen No. 1001/IPA-002/IP-N00139/2017-18/10477)



LIQUIDATOR

Nesco Hospitality Private Limited
Ratio Analysis

No.	Particulars	Numerator			Denominator				(₹ in Lakhs)
1	Current Ratio	Current Assets Inventories Trade Receivables Cash and Bank balances other Receivables/Accruals Loans and Advances Disposable Investments Any other current assets		4.91 338.12 3.50	Current Liabilities Creditors for goods and services - Short term loans Bank Overdraft Cash Credit Outstanding Expenses Provision for taxation Proposed dividend Unclaimed Dividend Any other current liabilities	7.88	0.09		
			295.05	346.53		0.50 8.38	57.00 57.09	35.21	6.07
2	Return on Equity Ratio	Profit for the period			Avg. Shareholders Equity				
		Net Profit after taxes - preference dividend (if any)	(13.06)	(4.77)	(Beginning shareholders' equity + Ending shareholders' equity) ÷ 2	293.20	302.11	(0.04)	(0.02)
3	Return on Capital employed	EBIT Profit before Interest and Taxes	(13.07)	(4.77)	Capital Employed * Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	286.67	299.72	(0.05)	(0.02)

