

# NESCO HOSPITALITY PRIVATE LIMITED

CIN : U55204MH2014PTC260414

Regd. Office : Hall No. 1, Nesco Center, Western Express Highway,  
Goregaon (East), Mumbai- 400063.  
Telephone no.: 022 66450123

## DIRECTORS' REPORT

Your Directors have pleasure in presenting the 7th Annual Report of the Company together with the audited financial statements of the Company for the year ended 31 March 2021.

### 1. Financial Results:

(₹ in Lakhs)

Particulars	2020-2021	2019-2020
Income	3.95	16.04
Profit before depreciation and Tax	(4.77)	7.79
Depreciation	-	-
Profit before taxes	(4.77)	7.79
Provision for taxes	-	1.96
Short / Excess provision for taxes for earlier years	-	(5.60)
Net Profit after tax for the year	(4.77)	11.43
Balance brought forward	274.72	279.48
Earnings Per Share	(1.91)	4.57

### 2. Dividend:

Your Directors do not propose any dividend for the year under review.

### 3. Share Capital:

The paid up equity capital as on 31 March 2021 was ₹ 25,00,000/-. Your Company has not issued any shares with differential voting rights nor granted stock options nor sweat equity during the financial year.

### 4. Directors:

There is no change in the constitution of the Board of Directors during the year under review.

### 5. Board Meetings:

Pursuant to Section 134(3)(b), during the year under review, four Board Meetings were conveyed and held on 11 May 2020, 24 July 2020, 02 November 2020 and 02 February 2021. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.



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## 6. Directors' Responsibility Statement:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, your Directors confirm that: -

- a) in the preparation of the annual accounts for the financial year ended 31 March 2021, the applicable accounting standards and schedule III of the Companies Act, 2013, have been followed and there are no material departures from the same;
- b) the Directors 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 your Company as on 31 March 2021 and of the profit and loss of the Company for the financial year ended 31 March 2021;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the annual accounts have been prepared on a going concern basis;
- e) proper internal financial controls laid down by the Directors were followed by the Company and that such internal financial controls are adequate and were operating effectively; and,
- f) proper systems to ensure compliance with the provisions of all applicable laws were followed and that such systems were adequate and operating effectively.

## 7. Auditors and Audit Report:

Pursuant to the provisions of Section 139 (1) and 141, of the Companies Act, 2013, the Company has received a certificate from the Auditors to the effect that the proposed appointment is in accordance with the limits specified under Section 139(9) of the Companies Act, 2013.

Audit Report is self-explanatory and does not contain any adverse remarks or disclaimer, which your Directors require to explain pursuant to Clause (f) of Section 134 of the Companies Act, 2013.

## 8. Public Deposits:

The Company has not accepted any public deposits under Section 73 of the Companies Act, 2013 during the period under review.

## 9. Safety, Health and Environment:

Your Company recognizes its role in health and safety, as well as its responsibility towards environment and society. Safety and security of personnel, assets and environmental protection are also on top of the agenda of the Company at its manufacturing facilities. Clean environment and sustainable development integrated with the business objective is the focus of operations of the Company.



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## **10. Conservation of energy, technology absorption, foreign exchange earnings and outgo:**

The Company is undertaking the necessary energy conservation activities in accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014.

There were no foreign exchange earnings and outgo during the year under review.

## **11. Particulars of Loan, Guarantee or Investments:**

The Company has not made investments under provisions of Section 186 of the Companies Act, 2013.

## **12. Particulars of Employees:**

There was no employee in respect to whom information is required to be given pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## **13. Merger with Nesco Limited:**

Pursuant to Section 233 of the Companies Act, 2013, the Scheme of Amalgamation of Nesco Hospitality Private Limited with Nesco Limited as approved by the shareholders of the Company is submitted to the Regional Director for the approval. Order for the Amalgamation is awaited.

## **14. Extract of Annual Return:**

The Annual Return of the Company as on 31 March 2021 is prepared in Form MGT - 7 in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014.

## **15. Related Party Transactions:**

There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

## **16. Acknowledgment:**

The Directors thank the shareholders, customers and vendors for the support. The Directors also thank all employees of the Company for their valuable contribution.

**For and on behalf of the Board of Directors**

  
**Dipesh R. Singhania**  
**Chairman**  
**Mumbai, 25 May 2021**





**ARVIND & COMPANY**  
**CHARTERED ACCOUNTANTS**

ARVIND I. PATEL B.Com., F.C.A.  
GAURANG A. PATEL B.Com., (Hons.)F.C.A.

2, Union Co.-op, Insurance Bldg., First Floor,  
23, Sir P. M. Road, Fort, Mumbai - 400 001.  
Tel. : 022-2287 4841 / 2282 6827  
Fax : 022-6633 2472

**INDEPENDENT AUDITOR'S REPORT ON STANDALONE FINANCIAL STATEMENTS**

To  
**The Members of Nesco Hospitality Private Limited**

**Report on the Standalone Financial Statements**

**Opinion**

We have audited the accompanying standalone financial statements of **Nesco Hospitality Private Limited** (the Company'), which comprise the Balance Sheet as at 31<sup>st</sup> March 2021, 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 standalone financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as 'the standalone financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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<sup>st</sup> March 2021, 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 Standalone 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 standalone 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.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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 that there are no Key Audit Matters which needs to be communicated to the Members of the Company.

### **Information Other than the Standalone 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 and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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 Standalone 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 standalone 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 Standalone Financials Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements 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 standalone 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 standalone 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 standalone 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 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements 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 standalone financial statements.

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 standalone financial statements 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, 2016 ("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.
- 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 standalone 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<sup>st</sup> March, 2021 taken on record by the Board of Directors, none of the director is disqualified as on 31<sup>st</sup> March, 2021 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**";

- (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 standalone financial statements – Refer Note 32(a) and (b) to the standalone 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.



For Arvind & Co.  
Chartered Accountants

  
Gaurang A. Patel  
Partner

Membership No. 036700  
UDIN 21036700AAAABV9574  
Firm Registration No. 100569W  
Mumbai- 25 MAY 2021



## **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) The company does not have any fixed assets and accordingly sub clause (a) and (b) are not applicable;
- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The Company has maintained proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been appropriately dealt with in the books of accounts.
- (iii) According to the information and explanations given to us, the Company has not granted any loans secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 (the Act). Accordingly, the provisions of paragraph 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, in respect of grant of loans, making investments and providing guarantees and securities, as 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. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) The provisions of sub-section (1) of section 148 of the Act are not applicable to the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the order are not applicable to 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 Provident Fund, Employees' State Insurance, Income-tax, 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, Custom Duty, Goods and Service Tax, Cess and other material statutory dues, as applicable were in arrears as at 31<sup>st</sup> March 2021 for a period of more than six months from the date they became payable.

- (c) According to the information and explanation given to us, there are no dues of income tax, sales-tax, wealth tax, service tax, customs duty, excise duty, value added tax, cess and any other statutory dues which have not been deposited on account of any dispute.
- (viii) The Company does not have any loans or borrowings from any financial institution, banks and Government. Also, it did not have any outstanding debentures during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) 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) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The Company has not paid managerial remuneration. Accordingly, paragraph 3(xi) of the Order is not applicable.
- (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 standalone financial statements as required by the applicable Indian Accounting Standards.
- (xiv) 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. Accordingly, paragraph 3(xiv) of the Order is 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, paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Arvind & Co.  
Chartered Accountants



  
Gaurang A. Patel  
Partner  
Membership No. 036700  
UDIN 21036700AAAABV9574  
Firm Registration No. 100569W  
Mumbai- 25 May 2021

## **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 Hospitality Private Limited** ("the Company") as of 31<sup>st</sup> March, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Board of Directors of the Company are 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 standalone 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 standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone 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<sup>st</sup> March, 2021, 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 Arvind & Co.  
Chartered Accountants

Gaurang A. Patel  
Partner

Membership No. 036700  
UDIN 21036700AAAABV9574  
Firm Registration No. 100569W  
Mumbai- 25 May 2021

**Nesco Hospitality Private Limited**  
CIN: U55204MH2014PTC260414  
Balance Sheet

(₹ in lakhs)

Particulars	Notes	As at 31 March	
		2021	2020
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment		-	-
<b>Financial Assets</b>			
Loans / Sundry Deposits	2	10.19	10.79
Non Current Tax Assets (Net)	3	0.11	-
<b>Total Non-Current Assets</b>		<b>10.30</b>	<b>10.79</b>
<b>Current Assets</b>			
Inventories		4.91	5.69
<b>Financial Assets</b>			
Trade Receivables		-	-
Cash and Cash Equivalents	4	338.12	321.53
Other Current Assets	5	3.50	0.11
<b>Total Current Assets</b>		<b>346.52</b>	<b>327.33</b>
<b>Total Assets</b>		<b>356.82</b>	<b>338.11</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Equity Share Capital	6	25.00	25.00
Other Equity		274.72	279.48
<b>Total Equity</b>		<b>299.72</b>	<b>304.48</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
<b>Total Non-Current Liabilities</b>		-	-
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Total Outstanding Dues of Micro Enterprises and Small Enterprises		-	-
Total Outstanding Dues of Creditors Other Than Micro Enterprises and Small Enterprises		0.09	-
Other Current Financial Liabilities	7	56.98	33.06
Other Current Liabilities	8	0.02	0.12
Current Tax Liabilities (Net)		-	0.45
<b>Total Current Liabilities</b>		<b>57.09</b>	<b>33.63</b>
<b>Total Equity and Liabilities</b>		<b>356.82</b>	<b>338.11</b>

Notes forming part of the financial statements

1 to 18

As per our report of even date

For Arvind & Co  
Chartered Accountants  
FRN: 101569W

Gaurang A Patel

Partner

Membership No : 036700

UDIN : 21036700AAAA BY9574

Mumbai, 25 May 2021



For and on behalf of the Board

Krishna S. Patel

Director

DIN- 01519572

Panaji, 25 May 2021

Dipesh R. Singhania

Director

DIN- 03608903

Mumbai, 25 May 2021

**Nesco Hospitality Private Limited**  
CIN: U55204MH2014PTC260414  
Statement of Profit and Loss

(₹ in Lakhs)

Particulars	Notes	For the Year	
		2020-2021	2019-2020
<b>Revenue</b>			
Income from Operations		0.32	0.41
Income from Other Sources		3.63	15.63
<b>Total Income</b>		<b>3.95</b>	<b>16.04</b>
<b>Expenses</b>			
Cost of Materials Consumed	9	0.78	0.22
Employee Benefits Expenses	10	-	0.01
Finance Cost		-	0.02
Other Expenses	11	7.93	8.01
<b>Total Expenses</b>		<b>8.72</b>	<b>8.25</b>
<b>Profit/(Loss) before tax</b>		<b>(4.77)</b>	<b>7.79</b>
<b>Tax Expense</b>			
Current Tax		-	1.96
Deferred Tax		-	-
Income Tax for Earlier Year		-	(5.60)
<b>Total Tax Expense</b>		<b>-</b>	<b>(3.64)</b>
<b>Profit/(Loss) after tax</b>		<b>(4.77)</b>	<b>11.43</b>

Notes forming part of the financial statements

1 to 18

As per our report of even date

For and on behalf of the Board

For Arvind & Co  
Chartered Accountants  
FRN: 100569W

Gaurang A Patel  
Partner

Membership No : 036700

UDIN: 21036700AAAABV9574

Mumbai, 25 May 2021



*Krishna S. Patel*

Krishna S. Patel  
Director  
DIN- 01519572

Panaji, 25 May 2021

*Dipesh R. Singhania*

Dipesh R. Singhania  
Director  
DIN- 03608903

Mumbai, 25 May 2021



**Nesco Hospitality Private Limited**

CIN: U55204MH2014PTC260414

Cash Flow Statement for the year ended on 31 March 2021

(₹ in lakhs)

Particulars	Year	
	2020-2021	2019-2020
<b>A) Cash Flow From Operating Activities</b>		
Net Profit Before Income Tax	(4.77)	7.79
Add/(Less):		
Interest Income	(3.59)	(15.16)
Finance Cost	-	0.02
Sundry Creditors/Liabilities Written Back (Net)	(0.04)	(15.14)
Operating Profit Before Change In Operating Assets And Liabilities	(8.39)	(7.35)
Add/(Less):		
(Increase)/Decrease in Inventory	0.78	(5.69)
(Increase)/Decrease in Trade & Other Receivable	-	(0.17)
(Increase)/Decrease in Other Operating Assets	(3.39)	-
Increase/(Decrease) in Trade Payables	0.09	0.76
Increase/(Decrease) in Provisions	-	12.89
Increase/(Decrease) in Other Operating Liabilities	23.86	-
Cash Generated From Operations	21.35	7.79
	<b>12.95</b>	<b>0.43</b>
Add/(Less):		
<b>Income Tax Paid (Net of Refund)</b>	(0.56)	(5.23)
<b>Net Cash Generated from Operating Activities - [A]</b>	<b>12.39</b>	<b>(4.80)</b>
<b>B) Cash Flow From Investing Activities</b>		
Investments in Deposits	0.60	-
Interest Received	3.59	15.16
	4.19	15.16
<b>Net Cash Used in Investing Activities - [B]</b>	<b>4.19</b>	<b>15.16</b>
<b>C) Cash Flow Used in Financing Activities</b>		
Finance Costs Paid	-	(0.02)
	-	(0.02)
<b>Net Cash Used in Financing Activities - [C]</b>	<b>-</b>	<b>(0.02)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	16.59	10.35
Cash and Cash Equivalents as at 01 April	321.53	311.18
Cash and Cash Equivalents as at 31 March	<b>338.12</b>	<b>321.53</b>

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

Cash On Hand  
Other Balances with Banks  
Balances With Banks in Current Accounts

	Year	
	2020-2021	2019-2020
Cash On Hand	-	-
Other Balances with Banks	-	14.19
Balances With Banks in Current Accounts	338.12	307.34
	<b>338.12</b>	<b>321.53</b>

As per our report of even date

For Arvind & Co  
Chartered Accountants  
FRN. 100569W

Gaurang A Patel  
Partner

Membership No : 036700  
**UDIN : 21036700AAAABV9574**  
Mumbai, 25 May 2021



For and on behalf of the Board

Krishna S. Patel  
Director  
DIN- 01519572

Dipesh R. Singhania  
Director  
DIN- 03608903

Panaji, 25 May 2021

Mumbai, 25 May 2021





## 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 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.

### C. Revenue recognition

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

### D. 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.

### E. 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.

### F. Trade receivables

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

### G. 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.

### H. 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 2021	As at 31 March 2020
<b>2 Loans / Sundry Deposits</b>		
Security Deposits with Public Bodies	10.19	10.79
	<b>10.19</b>	<b>10.79</b>
<b>3 Non Current Tax Assets</b>		
Advance Payment of Income Tax (Net)	0.11	-
	<b>0.11</b>	<b>21.57</b>
<b>4 Cash and Bank Balances</b>		
Cash On Hand	-	-
Other Balances with Banks	-	14.19
Balances With Banks in Current Accounts	338.12	307.34
	<b>338.12</b>	<b>321.53</b>
<b>5 Other Current Assets</b>		
Advance Recoverable in Cash Or Kind	3.50	-
GST credit to be availed and other prepaid taxes	-	0.11
	<b>3.50</b>	<b>0.11</b>
<b>6 Equity Share Capital</b>		
Authorised		
1,000,000 Equity Shares of Rs. 10 each	<b>100.00</b>	<b>100.00</b>
Issued and Paid-up		
250,000 Equity Shares of Rs. 10 each	25.00	25.00
	<b>25.00</b>	<b>25.00</b>
<u>Details of Shareholders holding more than 5% Equity Shares</u>		
Nesco Limited	No. of Shares 2,50,000	2,50,000
	% of Holding 100.00%	100.00%
<u>Reconciliation of number of shares outstanding</u>		
Issued on incorporation of the Company	2,50,000	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.		
<b>7 Other Financial Liabilities</b>		
Other Payables	54.98	33.06
Security Deposits	2.00	-
	<b>56.98</b>	<b>33.06</b>
<b>8 Other Current Liabilities</b>		
Payable Towards TDS / TCS	0.02	0.12
	<b>0.02</b>	<b>0.12</b>



**Nesco Hospitality Private Limited**  
Notes Forming part of the Financial Statements

(₹ in lakhs)

Particulars		As at 31	As at 31
		March 2021	March 2020
<b>9</b>	<b>Food and Beverages Consumed</b>		
	Opening Stock	5.69	-
	Add : Purchases	-	5.90
	Less: Closing Stock	4.91	5.69
		<b>0.78</b>	<b>0.22</b>
<b>10</b>	<b>Employee Benefits expenses</b>		
	Salary, wages and allowances	-	-
	Company's Contribution to PF & ESIC	-	0.01
		<b>-</b>	<b>0.01</b>
<b>11</b>	<b>Other Expenses:</b>		
	Audit Fees	0.30	0.30
	Legal & Professional Fees	0.40	0.75
	Printing, Stationery, Postage and Communication expenses	0.22	-
	Rates and Taxes	6.93	6.96
		<b>7.93</b>	<b>8.01</b>

\*Legal and Professional Fees include GST Input Credit written off Rs. 0.11 lakhs Related to previous year FY 2019-20.

**12 Category wise classification of financial instrument**

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

(₹ in Lakhs)

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

The carrying value of financial instruments by categories as of 31 March 2020 is as follows

(₹ in Lakhs)

Financial Assets / Financial Liabilities	Amortised cost	Fair value through profit or loss	Fair value through comprehensive income	Total carrying value
<b>Financial Assets</b>				
Cash and cash equivalents	321.53	-	-	321.53
<b>Total Financial Assets</b>	<b>321.53</b>	<b>-</b>	<b>-</b>	<b>321.53</b>
<b>Financial Liabilities</b>				
Trade Payables	-	-	-	-
Other financial liabilities	33.06	-	-	33.06
<b>Total Financial Liabilities</b>	<b>33.06</b>	<b>-</b>	<b>-</b>	<b>33.06</b>



13 Earnings per share:

Particulars	2020-2021	2019-2020
a) Profit / (Loss) after tax (₹ in Lakhs)	(4.77)	11.43
b) Number of equity shares outstanding	250,000	250,000
c) Face value of each equity share (₹)	10	10
d) Basic and diluted earnings per share (₹)	(1.91)	4.57

14 Related party disclosures:

(a) List of related parties and relationships

Parent / Holding Company	(i)	Nesco Limited
Key management personnel (Director)	(i)	Mr. Krishna S. Patel
	(ii)	Mr. Dipesh R. Singhania

(b) Related party transactions: -

(₹ in Lakhs)

Particulars	For the year 2020-2021	For the year 2019-2020
Transactions during the year with Nesco Limited	21.88	12.38

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

16 Segment Information:

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

17 Previous year figures are regrouped wherever necessary.

18 The financial statements are approved for issue by the Board of Directors at its meeting held on 25 May 2021.

As per our report of even date  
For Arvind & Co.  
Chartered Accountants

Gaurang A. Patel  
Partner  
Membership No. 036700  
Firm Registration No. 100569W  
Mumbai, 25 May 2021

UDIN : 21036700AAAABVQ574



For and on behalf of the Board

Krishna S Patel  
Director

Panaji, 25 May 2021

Dipesh R Singhania  
Director

Mumbai, 25 May 2021