
AJIT M. GHELANI
B.Com (Hons), F.C.A., GRAD.C.W.A.

CHINTAN A. GHELANI
B.Com (Hons), F.C.A., C.S.

Independent Auditor's Report

To
The Members of
Rentcierge Developers Private Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **Rentcierge Developers Private Limited ("the Company")**, which comprise the balance sheet as at 31st March 2020, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the period then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the loss and total comprehensive income, changes in equity and its cash flows for the period ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's 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 (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made 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 audit opinion.

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, Business Responsibility 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 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 Responsibilities for the Audit of the Standalone Financial 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 financial controls 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 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 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 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 in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit 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 relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS 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 March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended 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.
 - ii) The Company did not have any long term contracts including derivative contracts that require provision under any law or accounting standards for which there were any material foreseeable losses.
 - iii) There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company during the period.

For A. M. Ghelani& Company
Chartered Accountants
Registration No : 103173W

Chintan A. Ghelani
Partner
Membership No.: 104391
ICAI UDIN :
Place :Mumbai
Dated :

“Annexure A” referred to in paragraph 1 under the heading Report on other legal and regulatory requirements of our report of even date

The Annexure referred to in Independent Auditor’s Report to the members of the company on the standalone Financial Statements for the period ended 31st March 2020, we report that:

- (i) The Company does not have any Fixed Assets.
- (ii) The Company does not have any Inventory and hence the reporting under clause (ii) of the order is not applicable.
- (iii) As informed to us, the Company has not granted unsecured loan, to Companies/firms or other parties covered in the register maintained under section 189 of the Act.

- (iv) The Company has not granted any loans, guarantee and has not purchased security of other body corporates during the period. Hence, the requirement of clause (iv) of paragraph 3 of the order not applicable to the company.
- (v) According to the information and explanation given to us, the company has not accepted any deposits within the meaning of provisions of section 73 to 76 or any other relevant provisions of the Act and rules framed hereunder. Therefore, provisions of Clause (v) of paragraph 3 of the Order are not applicable to the company.
- (vi) To the best of our knowledge and as explained, the Central Government has not prescribed the maintenance of cost records under the sub section (1) of section 148 of the Act.
- (vii) According to the information and explanations given to us, in respect of Statutory Dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues including provident fund, income-tax, value added tax, service tax, Goods & Service Tax, cess and other material statutory dues, wherever applicable, to it to the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2020 for a period of more than six months from the date of becoming payable.
 - (b) There were no disputed amounts payable in respect of the above mentioned statutory dues as at 31st March 2020.
- (viii) As per the information and explanations given to us, the company has not borrowed any funds from financial institutions or banks or by way of issue of debentures. Therefore, the provisions of clause (viii) of the paragraph 3 of the order not applicable to the Company.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loans during the period and hence the reporting under clause (ix) of the Order is not applicable.
- (x) In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the period.
- (xi) Based upon information and explanation given by the management, No managerial remuneration has been paid or provided by the Company. Therefore, the provisions of clause (xi) of the order not applicable to the Company.
- (xii) In our opinion, The Company is not a Nidhi Company. Therefore, the provision of clause (xii) of the Paragraph 3 of the Order Not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, the transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period under review. Accordingly, the provision of clause (xiv) of paragraph 3 of the Order Not applicable to the Company.
- (xv) The Company has not entered into any Non-Cash transaction with Director or Persons connected with him. Hence, the requirement of Clause (xv) of paragraph 3 of the Order Not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provision of Clause (xvi) of the paragraph 3 of Order not applicable to the Company.

For A. M. Ghelani & Company
Chartered Accountants
Registration No : 103173W

Chintan A. Ghelani
Partner
Membership No.: 104391
ICAI UDIN :
Place : Mumbai
Date:

“Annexure B” referred to in paragraph 2(f) under the heading Report on other legal and regulatory requirements 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 **Rentcierge Developers Private Limited (“the Company”)** as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the period ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 respective 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 internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial Reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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, to the best of our information and according to the explanations given to us, 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 March 31, 2020, 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.

A.M.GHELANI & COMPANY
CHARTERED ACCOUNTANTS

For A M. Ghelani& Company
Chartered Accountants
Firm Registration No.: 103173W

Chintan A. Ghelani
Partner
Membership No: 104391
ICAI UDIN :
Place:
Date:

Rentcierge Developers Private Limited
(CIN No.U70103MH2019PTC328932)

Notes on Financial Statements for the period ended March 31, 2020

1. Corporate Information:

The Company is a private limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the company is located at Gr floor, R.R. Hosiery Building, off Dr. E Moses Road, Mahalaxmi (W), Mumbai – 400011.

The Company is engaged in Real estate, Construction business, commercial development. The principle place of business is at 2nd floor, R.R. Hosiery Building, off Dr. E Moses Road, Mahalaxmi (W), Mumbai – 400011.

These financial statements were approved and adopted by the board of directors of the Company in their meeting dated 26th June 2020.

2. Basis of Preparation of Financial Statements:

The Financial Statements have been prepared to comply in all material aspects with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The significant accounting policies used in preparing financial statements are set out in Note 3 of the Notes to Financial Statements and are applied consistently to all the periods presented.

3. Significant Accounting Policies:

a) Functional and presentation of currency:

The financial statements are presented in Indian Rupees, which is the Company's functional currency and all amounts are rounded to the nearest rupees.

b) Basis of measurement:

The Financial Statements have been prepared on historical cost basis, except the following:

- Certain financial assets and liabilities that are measured at fair value.

c) Impairment of Non – Financial Asset:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing the value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

d) Cash and cash equivalents:

Cash and cash equivalents includes cash on hand and at bank, deposits held with banks original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

e) Financial Instrument:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instruments of another entity. Classifications of financial instrument are in accordance with the substance of the contractual arrangement and as per the definitions of financial assets, financial liability and an equity instruments.

Financial Assets and investments

i) Initial recognition and measurement:

At initial recognition, the company measures a financial asset (other than financial asset at fair value through profit or loss) at its fair value plus or minus, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit & loss.

ii) Subsequent recognition and measurement:

Subsequent measurement of financial asset depends on the company's business model for managing the asset and the cash flow characteristics of the asset. For the purpose of subsequent recognition and measurement financial assets are classified in three categories:

- **Debt instrument at amortised cost:**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- **Debt instrument at fair value through other comprehensive income (FVOCI):**

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses and interest revenue which are recognised statement of profit and loss. When the financial asset is derecognised, the cumulative

gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

- **Debt instrument at fair value through profit and loss (FVTPL):**

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the statement of profit and loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

iii) De-recognition:

A financial asset is primarily derecognised i.e. removed from Company's financial statement when:

- The rights to receive cash flows from asset have expired or
- The Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under 'pass-through' arrangement and either;
 - a) The Company has transferred substantially all the risks and rewards of the assets,

The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. When the Company has transferred its rights to receive cash flows from an asset or has entered in to a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

iv) Impairment of Financial asset:

The company assesses impairment based on expected credit losses (ECL) model to the following:

- Financial assets carried at amortised cost;
- Financial asset measured at FVOCI debt instruments.

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables or contract revenue receivables

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on life time ECLs at each reporting date, right from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial Liabilities:

i) Initial recognition and measurement:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings.

ii) Subsequent measurement:

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and has designated upon initial measurement recognition at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are

designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

iii) De - recognition:

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

f) Classification of assets and liabilities as current and non – current:

The Company presents assets and liabilities in Balance Sheet based on current/non-current classification.

An asset is classified as current when it is:

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Expected to be realised within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- a) It is expected to be settled in normal operating cycle,
- b) It is held primarily for the purpose of trading,
- c) It is due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

g) Equity share capital:

Ordinary shares are classified as equity. Incremental costs net of taxes directly attributable to the issue of new equity shares are reduced from retained earnings, net of taxes.

h) Revenue Recognition:

Revenue is recognised to the extent that it is probable that the future economic benefits will flow to the entity and it can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Interest income

Interest income from debt instrument is recognised using effective interest rate method. The effective interest rate is the rate that discounts estimated future cash receipts through the expected life of financial asset to the gross carrying amount of financial asset. When calculating effective interest rate, the company expects cash flows by considering all contractual terms of financial instrument but does not consider the expected credit losses.

Dividends

Dividends are recognised when the right to receive the payment is established.

i) Provisions and contingencies:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using the government securities interest rate for the equivalent period. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate. Provisions are not recognised for future operating losses.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the notes to the financial statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

j) Income Taxes:

Current Income Tax:

Current Income Tax liabilities are measured at the amount expected to be paid to the taxation authorities using the tax rates and tax laws that are enacted or subsequently enacted at the end of the reporting period. Management periodically evaluates positions taken in the tax returns with

respect to situations in which applicable tax regulation are subject to interpretation and creates provisions where appropriate.

Deferred Tax:

Deferred Tax is recognised using Balance sheet approach, on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred Income Tax is determined using the tax rates and tax laws that are enacted or subsequently enacted at the end of the reporting period.

Deferred Tax liabilities are recognised for all temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and the deferred tax balances relate to the same taxation authority. Current tax asset and liabilities are offset where the company has a legally enforceable right offset and intends either to settle on net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

k) Earning per share:

Basic earning per share is calculated by dividing the net profit or loss (after tax) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

4. Critical accounting estimates, assumptions and judgements:

The preparation of the financial statements requires management to make estimates, judgements and assumptions that affect the reported balances of assets and liabilities, disclosure of contingent liabilities as on the date of financial statements and reported amounts of income and expenses during the period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to

market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur

In the process of applying the Company's accounting policies, management has made the following estimates and judgements, which have significant effect on the amounts recognised in the financial statement:

(a) Provisions:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgment to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

(b) Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Estimates and judgments are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. They are continuously evaluated.

(c) Fair Value measurement:

The Company measures financial instrument such as certain investments, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or Liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

RENTCIERGE DEVELOPERS PRIVATE LIMITED

(CIN : U70103MH2019PTC328932)

Balance sheet as at 31st March, 2020

(Amount in Rs.)

Particulars	Notes	As at 31st March, 2020
I. ASSETS		
Current Assets		
(a) Financial Asset		
(i) Cash and Cash Equivalents	5	100,000
Total Assets		100,000
II. EQUITY AND LIABILITIES		
EQUITY		
(a) Equity Share Capital	6	100,000
(b) Other Equity	7	(10,000)
		90,000
Liabilities		
Current Liabilities		
Other Current Liabilities	8	10,000
Total Equity and Liabilities		100,000

Significant Accounting Policies and Notes to Accounts 1 to 16

The accompanying Notes are an integral part of the financial statements

As per our Report of even date

For A. M. Ghelani & Company

Chartered Accountants

Firm Registration No.: 103173W

For and on behalf of the Board of Directors**Chintan A. Ghelani**

Partner

Membership No.: 104391

Place : Mumbai

Date : 26th June 2020

Amit Kumar

Director

(DIN-05301971)

Harshal Vohra

Director

(DIN-06947197)

RENTCIERGE DEVELOPERS PRIVATE LIMITED

(CIN : U70103MH2019PTC328932)

Statement of Profit and Loss for the Financial period ended 31st March , 2020**(Amount in Rs.)**

Particulars	Notes	For the period ended 31st March , 2020
Income:		-
Total Income		-
Expenses:		
Other Expenses	9	10,000
Total Expenses		10,000
Profit Before Tax		(10,000)
<u>Tax Expenses:</u>		
Current Tax		-
(A) Profit/(loss) for the Period		(10,000)
(B) Other Comprehensive Income		-
Total Comprehensive Income for the period (A+B)		(10,000)
Earning Per Equity Share:		
[Refer Note "15"]		(1.00)
Significant Accounting Policies and Notes to Accounts	1 to 16	
As per our Report of even date		
For A. M. Ghelani & Company		
Chartered Accountants		
Firm Registration No.: 103173W		For and on behalf of the Board of Directors
Chintan A. Ghelani	Amit Kumar	Harshal Vohra
Partner	Director	Director
Membership No.: 104391	(DIN-05301971)	(DIN-06947197)
Place : Mumbai		
Date : 26th June 2020		

RENTCIERGE DEVELOPERS PRIVATE LIMITED
(CIN : U74999MH2008PTC183667)
Cash Flow Statement for the period ended 31st March, 2020

(Amount in Rs.)

Sr. No.	Particulars	For the period ended 31st March, 2020
A	CASH FLOW FROM OPERATING ACTIVITIES	
	Net Profit/(Loss) Before Taxes	(10,000)
	<u>Adjusted for :</u>	
	Operating Profit before Working Capital Changes	(10,000)
	<u>Adjustment for Working Capital Changes:</u>	
	Trade & Other Payable	10,000
	Cash Generated from operations Before Tax	-
	Income Tax (Paid)/refund received	-
	Net Cash generated from / (used in) Operating Activities	-
B	CASH FLOW FROM INVESTING ACTIVITIES	
	Net Cash generated from / (used in) Investing Activities	-
C	CASH FLOW FROM FINANCING ACTIVITIES	
	Issue of Equity Shares	100,000
	Net Cash generated from / (used in) Financing Activities	100,000
	Net Increase/ (Decrease) in Cash and Cash Equivalents	100,000
	Cash and cash equivalents at the end	100,000

Notes:-

- a** Cash and Cash Equivalents include :
Cash and Bank Balance [As per Note "5"] 100,000
- b** The figures in brackets represent Cash outflows.

As per our Separate Report of even date

For A. M. Ghelani & Company
Chartered Accountants
Firm Registration No.: 103173W

For and on behalf of the Board of Directors

Chintan A. Ghelani
Partner
Membership No.: 104391
Place : Mumbai
Date : 26th June 2020

Amit Kumar
Director
(DIN -05301971)

Harshal Vohra
Director
(DIN-06947197)

RENTCIERGE DEVELOPERS PRIVATE LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31ST MARCH, 2020

EQUITY SHARE CAPITAL

Particulars	Changes in equity share capital during the Period	Closing Balance as at March 31, 2020
Equity Share Capital	100,000	100,000

OTHER EQUITY

Particulars	Reserves & Surplus	Total
	Retained Earnings	
Profit/(Loss) for the Period	(10,000)	(10,000)
Balance as at 31st March, 2020	(10,000)	(10,000)

As per our Report of even date

For A. M. Ghelani & Company

Chartered Accountants

Firm Registration No.: 103173W

For and on behalf of the Board of Directors

Chintan A. Ghelani

Partner

Membership No.: 104391

Place : Mumbai

Date : 26th June 2020

Amit Kumar

Director

(DIN-05301971)

Harshal Vohra

Director

(DIN- 06947197)

RENTCIERGE DEVELOPERS PRIVATE LIMITED

(CIN : U70103MH2019PTC328932)

Notes to Financial Statements for the period ended 31st March, 2020

Notes	Particulars	As at 31st March , 2020
5 Cash & Cash Equivalents		
a. Balances with Banks:		
In current account		100,000
b. Cash on hand		-
		<u>100,000</u>
6 Share Capital		
Authorised		
10000 Equity Shares of Rs.10/- each		100,000
		<u>100,000</u>
Issued, subscribed and fully paid up		
10000 Equity Shares of Rs.10/- each fully paid up		100,000
		<u>100,000</u>
a] Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period		
<u>Equity Shares</u>		
Shares Issued during the period		10,000
Shares bought back during the period		-
Shares outstanding at the end of the period		<u>10,000</u>
b] Shares held by holding company/ultimate holding company and /or their subsidiaries/associates		
Holding Company		
Offbeat Developers Pvt. Ltd		
10,000 Equity shares of Rs 10 each fully paid		100,000
c] Details of shareholders holding more than 5% Shares in the company	March 31, 2020	
Equity Shares of Rs. 10 each fully paid	Number of shares	% of Holdings
Offbeat Developers Pvt. Ltd - Holding company	10,000	100
d] The company has only one class of Equity shares having a face value of Rs.10/- per share. Each holder of equity share is entitled to one vote per share.		

RENTCIERGE DEVELOPERS PRIVATE LIMITED**(CIN : U70103MH2019PTC328932)****Notes to Financial Statements for the period ended 31st March, 2020**

Notes	Particulars	As at 31st March , 2020
7 Other Equity		As at 31st March , 2020
(A) Retained Earning		
As at the beginning		-
Net Profit/(Loss) for the current period		(10,000)
As at the end		<u><u>(10,000)</u></u>
(B) Nature and purpose of reserves		
Retained Earnings: Retained earnings are the profits that the Company has earned till date,		
less any transfers to general reserve,dividends or other distributions paid to shareholders.		
8 Other Current Liabilities		
Provision for Expenses		10,000
		<u><u>10,000</u></u>

RENTCIERGE DEVELOPERS PRIVATE LIMITED**(CIN : U70103MH2019PTC328932)****Notes to Financial Statements for the period ended 31st March, 2020**

Notes	Particulars	For the period ended 31st March, 2020
9	Other Expenses	
	<u>Payment to the Auditors</u>	
	Audit Fees	10,000
		<hr/>
		10,000
		<hr/>

Rentcierge Developers Private Limited**Notes on Financial Statements for the financial period ended March 31, 2020****10 Fair Value of Financial assets and Liabilities:**

Set out below is the comparison by class of carrying amounts and fair value of Company's financial instruments that are recognised in the financial statements.

Particulars	(Amount in Rs)	
	As at March 31, 2020	
	Carrying Value	Fair Value
Financial assets designated at amortised cost		
Cash and Cash Equivalents	100,000	100,000
Total	100,000	100,000

Fair valuation techniques:

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values

- 1 Fair value of cash and deposits and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- 2 Long-term borrowings are evaluated by the Company based on parameters such as interest rates, credit risk and other risk characteristics. Fair value of variable interest rate borrowings approximates their carrying values. Risk of non-performance for the company is considered to be insignificant in valuation.

11 Financial risk Management:

The Company's financial liabilities comprise , trade payables and borrowings. The main purpose of managing financial liabilities is to manage finances for the Company's operations. The Company has loan and other receivables, that arise directly from its operations.

The Company is exposed to , credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management has established a risk management policy to identify and analyse the risks, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policy is reviewed periodically to reflect changes in market conditions and the Company's activities. The Company's senior management reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings and investments in securities.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is not exposed to foreign exchange as there are no foreign currency transaction during the period. The Company is exposed to insignificant foreign exchange risk as at the respective reporting dates.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risk as the Company does not have any interest bearing borrowings as at the respective reporting dates.

Commodity and Other price risk

The Company is not exposed to the commodity and other price risk.

Rentcierge Developers Private Limited**Notes on Financial Statements for the financial period ended March 31, 2020**

- **Credit Risk**

Credit risk is the risk of financial loss to the Company that a customer or counter party to a financial instrument fails to meet its obligations. The Company is exposed to credit risk from its operating activities, from its financing activities, including deposits with banks and other financial instruments.

Cash and cash equivalents

The Company is exposed to counter party risk relating to medium term deposits with banks.

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. Generally, the balances are maintained with the institutions with which the Company has also availed borrowings. The Company does not maintain significant cash and deposit balances other than those required for its day to day operations.

Exposure to credit risk

The gross carrying amount of financial assets, net of impairment losses recognised represents the maximum credit exposure. The maximum exposure to credit risk as at March 31, 2020, is as follows:

(Amount in Rs)	
Particulars	As at March 31st 2020
Cash and cash equivalents	100,000

12 Capital management

The primary objective of the Company's capital management is to maximize the shareholder value. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital. No changes were made in the objectives, policies or processes during the period ended March 31, 2020.

For the purpose of the Company's capital management, capital includes issued capital, share premium and all other equity reserves. Net debt includes, interest bearing loans and borrowings, cash and short term deposits.

(Amount in Rs)	
Particulars	As at 31st March, 2020
Loans & Borrowings	-
Less : Cash and cash equivalents	100,000
Net Debt	(100,000)
Total Capital	100,000
Capital+Net Debt	-
Gearing Ratio	-

Rentcierge Developers Private Limited**Notes on Financial Statements for the financial period ended March 31, 2020****13 Related party Disclosure:**

In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are given as under

a) Related Party and relationships:

	Name of the party	Relationship
1	Offbeat Developers Private Limited	Holding Company

b) Transaction with the related party during the period.

Particulars	Amount
With Holding Company	
Shares Issued	100,000

c) Closing Balance as at March 31,2020

Particulars	Amount
Of Holding Company	
Share Capital	100,000

14 Segment reporting:

The Company is mainly engaged in real estate, construction business, commercial development. Considering the nature of the company's business and operations, there are no separate reportable segments (business and/or geographical) in accordance with the requirements of Indian Accounting Standard (IND AS)108 –'Segment Reporting'

15 Earning per share:**(Amount in Rs.)**

Particulars	2019-20
i) Net profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	(10,000)
ii) Weighted Average number of equity shares used as denominator for calculating EPS	10,000
iii) Basic and Diluted Earning per share (Rs.)	(1.00)
iv) Face value per equity share (Rs.)	10.00

16 Note :

The Company is incorporated on 06th August 2019 and these are the first financial statements of the company. The Statement of Profit & Loss and the respective notes are for the period from 06th August 2019 to 31st March, 2020. There is, accordingly, no comparative information for the previous accounting period/year.

As per our Report of even date

For A. M. Ghelani & Company
Firm Registration No. 103173W
Chartered Accountants

For and on behalf of the Board of Directors

Chintan A. Ghelani
Partner
Membership No. 104391
Place : Mumbai
Date : 26th June 2020

Amit Kumar
Director
(DIN-05301971)

Harshal Vohra
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