

B.P. JAIN & CO.,

CHARTERED ACCOUNTANTS

NO.2, GEE GEE MINAR,

23, COLLEGE ROAD,

CHENNAI – 600 006

PHONE: 28273871, 28255596, 28224212

FAX: 044- 28255596

EMAIL ID: devchennai02@gmail.com

INDEPENDENT AUDITORS' REPORT

TO
THE MEMBERS OF VERGE REALTY PRIVATE LIMITED,

Report on Audit of the standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **VERGE REALTY PRIVATE LIMITED ("the Company")** which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and a summary of significant accounting policies and other explanatory information. The company has no branches.

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 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 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its Profit and total Comprehensive Income, Changes in Equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act 2013 and the Rules there under, 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 Financial Statements of the current period. These matters were addressed in the context of our audit of the 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 to communicate in our report.

Information other than financial statements and auditor's report thereon

The Company's Board of Directors is responsible for the preparation and presentation of its report (herein after called as "Board Report") which comprises various information required under section 134(3) of the Companies Act 2013 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 Board Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of standalone the financial statements, our responsibility is to read the Board Report and in doing so, consider whether the Board Report 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 no material misstatement in this Board Report. We have nothing to report in this regard.

Responsibility of Management for Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("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 Indian Accounting Standards prescribed under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 Financial Statements.

Other Matters

We have Audited the standalone financial statements of the company whose financial statements/financial information reflects total Assets of Rs.1,02,000 as at 31st March 2022 and total Revenue of Nil for the Year Ending on that date as considered in the standalone financial statements. The company does not have branches. Hence Audit of branches is not applicable. Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. 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 purpose 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 company has no branch. The provisions of 143(8) not applicable.
- (d). The Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
- (e). In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (f). There are no such financial transactions or matters which have any adverse effect on the functioning of the company
- (g). On the basis of written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Companies Act 2013.
- (h). The company has properly maintained all of its books of accounts and other matters connected therewith
- (i). With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refers to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.

(j). 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 the no pending litigations which would impact its financial position.
- ii. The company has made provisions as required under applicable law or Accounting Standards, for material foreseeable losses if any. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv.

(i). The company has represented that, to the best of its knowledge and belief, other than disclosed in the notes to the accounts, has not advanced or loaned or invested any funds to or in any other persons or entities, including foreign entities ("intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries;

(ii). The company has represented that, to the best of its knowledge and belief, other than disclosed in the notes to the accounts, has not received any funds from any other persons or entities, including foreign entities ("Funding parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding parties ("ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries; and

(iii). Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

- v. The company not declared or paid any dividend in contravention to the section 123 of the companies act, 2013.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure B" as statement on the matters specified in paragraphs 3 and 4 of the Order.

For M/s. B.P.JAIN & CO.,
Chartered Accountants

Firm Registration Number: 0501055

Place: Chennai
Date: 30-08-2022



Devendra Kumar Bhandari
Partner

Membership Number: 208862
UDIN:22208862AWWETJ3792

"Annexure A" to the Independent Auditors' Report

(Referred to in paragraph 1(i) under 'Report on Other Legal & Regulatory Requirement' of our report to the Member of Verge Realty Private Limited 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 **VERGE REALTY PRIVATE LIMITED ("the Company")** as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management 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 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.

Auditors' 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 (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 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 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

- i. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- ii. 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
- iii. Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use or disposition of the company's assets that could have 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, 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, 2022, 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.

Place: Chennai
Date: 30-08-2022



For M/s. B.P.JAIN & CO.,
Chartered Accountants
Firm Registration Number: 0501055

Devendra Kumar Bhandari
Partner
Membership Number: 208862
UDIN:22208862AWWETJ3792

Annexure B" to the Independent Auditors' Report

(Referred to in paragraph 2 under the heading 'Report on Other Legal & Regulatory Requirement' of our report to the Members of Verge Realty Private Limited of even date) :

- i. In respect of the Company's fixed assets:
 - (a).
 - (A). The company has no Property, Plant and Equipment.
 - (B.) The company has no intangible assets.
 - (b). There are no proceedings which have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder
- ii.
 - a. As explained to us, the company does not have any inventories during the year
 - b. The company does not have any working capital loan with limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets.
- iii. According to information and explanation given to us and on the basis of our examination of the books of account. The Company has not made investments in, provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, LLPs or other parties. Consequently, the provisions of clauses 3 (iii) (a) to (f) 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 Companies act, 2013 In respect of loans, investments, guarantees, and security.
- v. The Company has not accepted deposits or amounts which are deemed to be deposits during the year and does not have any unclaimed deposits as at March 31, 2022 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

- vi. The maintenance of cost records has not specified by the Central Government under sub-section (1) of section 148 of the Companies act, 2013 for the business carried out by the company. Thus, reporting under clause 3(vi) of the order is not applicable.
- vii. According to the information and explanation given to us, in respect of statutory dues:
- (a). The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, duty of Customs, duty of Excise, Goods and Service Tax (GST), Cess and any other statutory dues with the appropriate authorities. According to information and explanations given to us there were no statutory dues as on 31st of March, 2022 for a period of more than six months from the date they became payable.
- (b). According to the information and explanations given to us, the company has no dues of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, duty of Customs, duty of Excise, Goods and Service Tax (GST), Cess and any other statutory dues which has not been deposited on the account of any disputes.
- viii. There are no transactions which was not recorded in the books of accounts have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.
- ix.
- a. The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b. The company has not been a declared wilful defaulter by any bank or financial institution or other lender
- c. The company has not applied the loans for the purpose for which the loans were obtained
- d. The company has not utilized the funds raised on short term basis for long term purposes
- e. The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures
- f. The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures, or associate companies
- x.
- a. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments.
- b. The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally convertible) during the year
- xi.
- a. To the best of our knowledge and according to the information and explanations given by the management, we report that no fraud by the Company on the company has been noticed or reported during the year.
- b. There are no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government
- c. There are no whistle-blower complaints received during the year by the company

- xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- xiii. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. a. The company has an internal audit system commensurate with the size and nature of its business
b. The Internal Auditor has not issued any reports for the period under audit.
- xv. The company has not entered into any non-cash transactions with directors or persons connected with him during the year.
- xvi. a. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.
b. The company has not conducted any Non-Banking Financial or Housing Finance activities as per the Reserve Bank of India Act, 1934
c. The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India
d. The Group does not have any Core Investment Company (CIC) as part of the Group
- xvii. The company does not have any cash losses in the financial year.
- xviii. There is no resignation of the statutory auditor during the year. Hence issues, objections or concerns raised by the outgoing auditor is not applicable.
- xix. In our opinion based on the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, there is no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date
- xx. The company is not required to spend any of its profit on CSR activity as per 135(5) of the act. Thus, reporting under clause 3(xx) of the order is not applicable
- xxi. There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.

Place: Chennai
Date: 30-08-2022



For M/s. B.P.JAIN & CO.,
Chartered Accountants
Firm Registration Number: 0501055
DVA
Devendra Kumar Bhandari
Partner
Membership Number: 208862
UDIN: 22208862AWWETJ3792

VERGE REALTY PRIVATE LIMITED
REGD.OFF.# 3, GANAPATHY COLONY, 3RD STREET, OFF.CENOTAPH ROAD
TEYNAMPET, CHENNAI - 600018
CIN : U45309TN2019PTC133369

BALANCE SHEET AS ON 31 MARCH 2022

	Note	Amount in Rs. 31 March 2022	Amount in Rs. 31 March 2021
Assets			
Non Current Assets			
Property, plant and Equipment		-	-
Financial Assets			
i. Trade Receivables		-	-
Total non-current assets		-	-
Current Assets			
Inventories			-
Financial Assets			
i. Trade Receivables			
ii. Cash and Cash Equivalents	3	1,02,000	1,00,000
Current Tax Asset (Net)			
Other Current Assets			
Total Current Assets		1,02,000	1,00,000
Total Assets		1,02,000	1,00,000
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	4	1,00,000	1,00,000
Other Equity			
Reserves and Surplus	5	1,22,557	85,846
Total Equity		(22,557)	14,154
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
i. Borrowings		-	-
Total Non -Current Liabilities		-	-
Current Liabilities			
Financial Liabilities			
i. Other Financial Liabilities			-
Other current liabilities	6	1,24,557	85,846
Total Current Liabilities		1,24,557	85,846
Total Liabilities		1,24,557	85,846
Total Equity and Liabilities		1,02,000	1,00,000

The accompanying notes form an integral part of the financial statements

As per our report of even date attached
For B.P.JAIN & Co
Chartered Accountants
Firm's registration number:0501055

Devendra Kumar Bhandari
Partner
Membership number:208862



For and on behalf of the Board of Directors of
VERGE REALTY PRIVATE LIMITED

Kamal Lunawath
Director
DIN:00087324

Vimal Lunawath
Director
DIN:00586269

Place : Chennai

Date : 30/8/22

UDIN : 22208862AWWETJ3792

Place : Chennai

Date : 30/05/2022

VERGE REALTY PRIVATE LIMITED
REGD.OFF.# 3, GANAPATHY COLONY, 3RD STREET, OFF.CENOTAPH ROAD
TEYNAMPET, CHENNAI - 600018
CIN : U45309TN2019PTC133369

Statement Of Profit And Loss For The Year Ended 31 March 2022

Particulars	Note	Amount in Rs.	
		31 March 2022	31 March 2021
Revenue from Operations			-
Other Income			-
Total Income			-
Expenses			
Other expenses	7	36,711	35,000
Total Expenses		36,711	35,000
Profit before Exceptional Items and tax		(36,711)	(35,000)
Exceptional Items		-	-
Profit before Tax		(36,711)	(35,000)
Tax Expense			
Current tax		-	-
Deferred Tax		-	-
Profit for the period		(36,711)	(35,000)
Other Comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement Gains / (Losses) on defined benefit plans		-	-
Total Comprehensive income for the period		(36,711)	(35,000)
Earnings per equity share			
Equity shares of par value Rs.10 each			
Basic (Rs.)		(3.67)	(3.50)
Diluted (Rs.)		(3.67)	(3.50)

The accompanying notes form an integral part of the financial statements

As per our report of even date attached
For B.P.JAIN & Co
Chartered Accountants
Firm's registration number:050105S

Devendra Kumar Bhandari
Partner
Membership number:208862

Place : Chennai

Date : 30/8/22

UDIN : 22208862AWWETJ3792



For and on behalf of the Board of Directors of
VERGE REALTY PRIVATE LIMITED

Kamal Lunawath
Director
DIN:00087324

Place : Chennai
Date : 30/05/2022

Vimal Lunawath
Director
DIN:00586269

VERGE REALTY PRIVATE LIMITED

1. Corporate Information

The company Verge Realty Private Limited, has registered office at No.3, Ganapathy Colony, 3rd Street, Off. Cenotaph Road, Teynampet, Chennai-600018 and has the ability to control its operating and financial policies.

2. Summary of Significant Accounting Policies

(a) Basis of Preparation and Presentation of Financial Statements

i) Accounting convention

The financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the companies (Indian Accounting Standards)Amendment Rules, 2016.

ii) Basis of measurement

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, unless otherwise stated. These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. All assets and liabilities are classified into current and non-current based on the operating cycle of less than twelve months or based on the criteria of realisation/settlement within twelve months period from the balance sheet date.

b) Use of estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. 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 Company bases its estimates and assumptions 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.

c) Current and Non Current Classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;

- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period, or"
- 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 current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- 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 realization in cash and cash equivalents. The Company has evaluated and considered its operating cycle as 12 months.

d) Property, Plant and Equipment

The Company does not have any property, plant and equipment.

e) Revenue Recognition

The company recognizes its revenue when it is virtually certain that the amount will be collected in future and there is no uncertainty regarding their collection and amount is reliably measured at the time of recognition of revenue. Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

In compliance with the IND AS the receivables have been discounted on notional basis and every year proportionately credited on notional basis. Similarly all payables are discounted and proportionately debited on notional basis.

f) Income Taxes

Income tax expense comprises current and deferred income- tax. 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.

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

g) Provisions and Contingencies

Provision is recognized in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognized nor disclosed in the financial statements.

h) Fair Value Measurement

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, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

i) Earnings per Share

Basic EPS are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares, if any) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

j) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/(loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future receipts or payments. In the cash flow statement, cash and cash equivalents includes cash in hand, cheques on hand, balances with banks in current accounts and other short- term highly liquid investments with original maturities of 3 months or less, as applicable.

VERGE REALTY PRIVATE LIMITED**Notes to Financial Statements**

	As at 31 March 2022	As at 31 March 2021 ₹
Financial Assets		
3 Cash and Bank balances		
Balances with banks(ICICI Bank)	1,02,000	1,00,000
	1,02,000	1,00,000

VERGE REALTY PRIVATE LIMITED
Notes to Financial Statements

Note -4. SHARE CAPITAL

Particulars	31 March 2022		31 March 2021	
	Number of shares	Rs.	Number of shares	Rs.
(a) Authorised 1000 Equity shares of Rs.100/- each with voting rights	1,000	1,00,000	1,000	1,00,000
	1,000	1,00,000	1,000	1,00,000
(b) Issued, Subscribed and Paid up 1000 Equity shares of Rs.100/- each with voting rights	1,000	1,00,000	1,000	1,00,000
Total	1,000	1,00,000	1,000	1,00,000

List of Shareholders holding more than 5% share capital

Name of Shareholders	No. of Shares	%	Value/Share	Total Value
Arihant Foundations and Housing Limited	1000	100%	100	1,00,000
TOTAL	1000	100%		1,00,000

NOTE 4A. SHARES HELD BY PROMOTORS

31 March 2022			
Sr No.	Promotor's Name	No of shares	% of total shares
1	Arihant Foundations and Housing Limited	1000	100%

31 March 2021			
Sr No.	Promotor's Name	No of shares	% of total shares
1	Arihant Foundations and Housing Limited	1000	100%

NOTE- 4B. STATEMENTS OF CHANGES IN EQUITY

31 March 2022				
Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period error	Related Balance at the beginning of the current reporting period	Changes in Equity Share Capital during the current year	Balance at the end of the current reporting period

31 March 2021				
Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period error	Related Balance at the beginning of the previous reporting period	Changes in Equity Share Capital during the previous year	Balance at the end of the previous reporting period

VERGE REALTY PRIVATE LIMITED

Notes to Financial Statements

Note :5 Other Equity

Retained Earnings

	As at March 31 ,2022	For the period as at 31-03-2021
Balance as per previous financial statements		
Opening adjustment	(85,846)	(50,846)
Profit / (Loss) for the year	(36,711)	(35,000)
Closing Balance	(1,22,557)	(85,846)

Note 6. Other Liabilities

	As at March 31 ,2021	As at March 31,2021
Current		
Unsecured		
Others		
-Creditors for others		
Arihant Foundations & Housing Ltd	18,757	15,846
B.P.Jain &Co	1,05,800	70,000
Total	1,24,557	85,846

Note 7- Other Expenses

	As at March 31 ,2022	As at March 31,2021
Audit Fees		
- For Statutory Audit	35800	35,000
Filing Fees and Others	911	-
Legal and Professional Charges	-	-
Total	36,711	35,000