



HARSHIL SHAH & COMPANY

Chartered Accountants

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Independent Auditors' Report

To the Members of

Bluerock Eservices Private Limited

Report on the Standalone Ind AS financial statements

We have audited the accompanying standalone Ind AS financial statements of **Bluerock Eservices Private Limited** (BESPL) ("the Company") which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement for the year then ended, Statement of changes in equity for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statement").

Management's Responsibility for the Standalone Ind AS 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 Ind As Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Companies Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provision of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Standalone Ind AS financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant



to the Company's preparation of the Standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company Directors, as well as evaluating the overall presentation of the Standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on Standalone Ind AS financial statements.

Opinion

In our opinion and to the best of information and according to the explanation given to us, the Standalone Ind AS financial statements give the information required by the Act in the manner so required and give true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of company as at March 31, 2021, its profit and its cash flow and changes in equity for the year ended on that date.

Emphasis of Matter

- We draw attention to note 24 to the financial statements. As indicated therein, the Company's accumulated losses of Rs. 24042.17 lacs as at March 31, 2021 (Previous year Rs. 24019.09 lacs) has its negative net worth of Rs.2167.91 lacs as at March 31, 2021 (Previous year Rs. 2144.83 lacs). The Company has negative cash flows from operating activities for the current year and positive for previous year, also the Company's current liabilities exceeded its current assets as at the balance sheet date. The above matters indicate material uncertainty that gives raise to substantial doubts regarding the Company's ability to continue as a going concern, which is dependent on establishing profitable operations and obtaining continuing financial support from its Holding Company. These mitigating factors have been more fully discussed in note 24 of the accompanying financial statements. In view of the above, the management has prepared the financial statements on a going concern basis, and consequently, no adjustments have been made to the carrying values or classification of balance sheet account. Our opinion is not qualified in respect of this matter.
- Company has defaulted in repayment of Interest on Loan of Rs. 24,00,000/- taken from Aion Investment Private III Limited.

Report on Other Legal and Regulatory Requirements.

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 appears from our examination of those books;
- c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid standalone Standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e. On the basis of written representations received from the Directors as on March 31, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of Internal financial controls over financial reporting of the company and the operating effectiveness of such control, refer to our separate report in "Annexure B" and
- 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, in our opinion and to the best of our information and according to the explanation given to us:
- i. The Company does not have any pending litigations which would impact its financial position in its standalone Ind AS financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts, which were required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. The company has provided requisite disclosures in its standalone Ind AS financial statements as to holdings and these are in accordance with the books of accounts maintained by the company.

For Harshil Shah & Co.
FR No 141179W
Chartered Accountants

H Sharma



CA Himmat Sharma
Partner
Membership No 156501
UDIN : 21156501AAAABG3433

Place:- Mumbai
Date :- 20/07/2021

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the **Bluerock Eservices Private Limited** on the Standalone Ind AS financial statements for the year ended March 31, 2021, we report that:

- (i) (a) The Company do have any Fixed Assets, hence this clause not applicable.
- (ii) The company is dealing with IT Support services, hence company did not have inventory. Thus company paragraph 3(ii) of the order is not applicable.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore paragraph 3(iii) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The Company has not accepted any deposits from the public. Thus para 3(v) of the Order is 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 section 148(1) of the Act, for any of the products of the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues material statutory dues (to the extent applicable), have been regularly deposited during the year by the company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, service tax, cess and other material statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income tax, Sales tax which have not been deposited on account of dispute.

- (viii) Based on our audit procedures and on the basis of information and explanation given by the management, we are of the opinion that the company has not defaulted in repayment of loans or borrowings from any financial institution, banks, government and debenture holders during the year except Interest repayment on loan from Aion Investment Private III Limited of Rs .24,00,000/-
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Therefore, paragraph 3 (ix) of the Order is not applicable.
- (x) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the Company was noticed or reported during the year, although there were some instances of fraud on the Company noticed by the Management, the amounts whereof were not material in the context of the size of the Company and the nature of its business and the amounts were adequately provided for.



- (xi) According to the information and explanations given to us and based on our examination of the records of the company, no excess managerial remuneration has been paid/ provided during the year.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Therefore, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations give to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone Ind AS financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any private placement of optionally convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Therefore, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Harshil Shah &Co.
FR No 141179W
Chartered Accountants

Hsharma



CA Himmat Sharma
Partner
Membership No 156501
UDIN : 21156501AAAABG3433

Place:- Mumbai
Date :- 20/07/2021

Annexure - B to the Auditors' Report

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 **Bluerock Eservices Private Limited**("the Company") as of March 31, 2021 in conjunction with our audit of the standalone Ind AS 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

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 judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to



permit preparation of Standalone Ind AS 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 Standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Harshil Shah & Co.
FR No 141179W
Chartered Accountants

H Sharma



CA Himmat Sharma
Partner
Membership No 156501
UDIN : 21156501AAAABG3433

Place:- Mumbai
Date :- 20/07/2021

BLUEROCK ESERVICES PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2021

(Rs in Lakhs)

	Note	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
(a) Other Non-Current Assets	2	227.54	288.82
Total Non-Current Assets		227.54	288.82
Current Assets			
(a) Financial Assets			
(i) Trade Receivables	3	18.19	18.19
(ii) Cash and Cash Equivalents	4	20.04	21.02
(iii) Other Financial Assets	5	0.25	0.25
(b) Other Current Assets	6	77.18	76.54
Total Current Assets		115.66	116.01
Total Assets		343.20	404.83
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	7	2,245.21	2,245.21
(b) Other Equity	8	(4,413.12)	(4,390.04)
Total Equity		(2,167.91)	(2,144.83)
Non Current Liabilities			
(A) Provisions	9	-	-
(B) Financial Liabilities	10	286.00	286.00
		286.00	286.00
Current Liabilities			
(a) Financial Liabilities			
(i) Trade Payables	11	2,193.68	2,251.05
(b) Other Current Liabilities	12	31.43	12.60
Total Current Liabilities		2,225.11	2,263.66
Total Equity and Liabilities		343.20	404.83

The accompanying notes are an integral part of the financial statements.

As per our Report of even date attached

Harshil Shah & Company
Chartered Accountants
Firm No : 141179W

Himmat Sharma
Partner

Membership No: 156501
Place: Mumbai



For and on Behalf of Board of Directors of
Bluerock Eservices Private Limited

Amit Agrawal
Director
DIN - 07089892

Deepak Tanna
Director
DIN -02148981



BLUEROCK ESERVICES PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2021

(Rs in Lakhs)

	Note	Year Ended March 31, 2021	Year Ended March 31, 2020
Income			
Revenue From Operations	13	-	-
Other Income	14	8.69	49.87
Total Income		8.69	49.87
Expenses			
Purchases of stock-in-trade & Other Direct Costs	15	-	-
Employee Benefit Expenses	16	-	-
Other Expenses	17	31.77	30.14
Total Expenses		31.77	30.14
Profit / (loss) Before Tax		(23.08)	19.72
Tax Expense			
(1) Current Tax		-	-
(2) Deferred tax		-	-
Profit After Tax For The Year		(23.08)	19.72
Other Comprehensive Income			
Re-Measurement Gains/ (Losses) on Defined Benefit		-	-
Total Other Comprehensive Income		(23.08)	19.72

The accompanying notes are an integral part of the financial statements.

As per our Report of even date attached

Harshil Shah & Company

Firm No : 141179W

Chartered Accountants

H Sharma



Himmat Sharma

Partner

Membership No: 156501

Place: Mumbai

For and on Behalf of Board of Directors of
Bluerock Eservices Private Limited

Amit Agrawal

Amit Agrawal

Director

DIN - 07089892

Deepak Tanna

Deepak Tanna

Director

DIN -02148981



BLUEROCK ESERVICES PRIVATE LIMITED
Statement of Cash Flows for the Year Ended March 31, 2021

(In Lakhs)

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Cash flows from operating activities		
Profit for the year	(23.08)	19.72
Adjustments to reconcile profit before tax to net cash flows:		
Interest income recognised in profit or loss	0.64	0.70
Net foreign exchange (gain)/loss	-	-
	(22.44)	20.42
Working Capital Adjustments:		
(Increase)/decrease in trade and other receivables	0.00	6.90
(Increase)/decrease in other assets	(0.64)	3.83
Increase/ (Decrease) in trade payables	(57.37)	12.13
Increase/ (Decrease) in provisions	-	(17.17)
Increase/(Decrease) in other liabilities	18.83	(9.68)
Cash generated from operations	(61.62)	16.42
Income taxes paid	-	-
Net Cash flows from Operating Activities	(61.62)	16.42
Cash flows from investing activities		
Interest received	(0.64)	(0.70)
Net Cash flows (used in)/generated by investing activities	(0.64)	(0.70)
Cash flows from financing activities		
Proceeds from issue of equity instruments of the Company	-	-
Advance paid	61.28	-
Net cash from / (used in) financing activities	61.28	-
Net increase in cash and cash equivalents	(0.98)	15.72
Cash and cash equivalents at the beginning of the year	21.02	5.30
Cash and cash equivalents at the end of the year	20.04	21.02

See accompanying notes to the financial statements

For Harshil Shah & Co.
Chartered Accountants
FRN No. 141179W

H Sharma
Himmat Sharma
Partner
Membership No: 156501
Place: Mumbai



For and on Behalf of Board of Directors of
Bluerock Eservices Pvt. Ltd.

Amit Agrawal
Amit Agrawal
Director
DIN - 07089892

Deepak Tanna
Deepak Tanna
Director
DIN -02148981



BLUEROCK ESERVICES PVT LTD
STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

(Rs in Lakhs)

	As at MARCH 31, 2021	As at MARCH 31, 2020
Schedule 7		
(A) EQUITY SHARE CAPITAL		
Opening Balance	2,245.21	2245.21
Change during the year		
Closing Balance	2,245.21	2,245.21
(B) OTHER EQUITY		
Retained Earnings		
Opening Balance	(24,019.09)	(24,038.81)
Profit/(loss) for the year	(23.08)	19.72
Other comprehensive income/(loss) for the year		
Closing Balance	(24,042.17)	(24,019.09)
Securities Premium Reserve		
Opening Balance	20,197.89	20,197.89
Addition during the Year		-
Closing Balance	20,197.89	20,197.89
Capital Reserve		
Opening Balance	(568.84)	(568.84)
Addition during the Year		-
Closing Balance	(568.84)	(568.84)
Total Other Equity	(2,167.91)	(2,144.83)

The accompanying notes are an integral part of the financial statements.

As per our Report of even date attached

Harshil Shah & Company
 Firm No : 141179W
 Chartered Accountants

Himmat Sharma
 Partner
 Membership No: 156501
 Place: Mumbai



**For and on Behalf of Board of Directors of
 Bluerock Eservices Private Limited**

Amit Agrawal
 Amit Agrawal
 Director
 DIN - 07089892

Deepak Tanna
 Deepak Tanna
 Director
 DIN -02148981



1 Corporate information

Bluerock e-Services Private Limited ('BESPL' or 'the Company') was incorporated on January 17, 2012. The Company was primarily engaged in the business of providing IT support services to its clients.

2 Significant Accounting Policies

2.1 Basis of preparation

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. The Ind AS are prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

2.2 Summary of significant accounting policies

a. Current & Non - Current Classification

All assets and liabilities are classified into current and non-current.

An asset is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realized within 12 months after the reporting date; or
- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be settled in the company's normal operating cycle;
 - (b) it is held primarily for the purpose of being traded;
 - (c) it is due to be settled within 12 months after the reporting date; or
 - (d) the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.
- Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

b. Use of estimates

The preparation of financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Differences between the actual results and estimates are recognised in the year in which the results are known/ materialized.

Any revision to accounting estimates is recognised prospectively in current and future periods.

c. Property, Plant and equipment

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

In case of revaluation of fixed assets, any revaluation surplus is credited to the revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognized in the statement of profit & loss, in which case the increase is recognized in the statement of profit and loss. A revaluation deficit is recognized in the statement of profit and loss except to the extent that it offsets an existing surplus on the same asset recognized in the asset revaluation reserve.

Subsequent expenditure related to an item of fixed assets is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing assets, including day-to-day repair and maintenance expenditure and costs of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.



d. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, the intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding development cost, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

e. Depreciation

Depreciation is provided on "Written Down Value" method in respect of Plant and Machinery, Office Equipment's and other assets as per the useful life prescribed Schedule II to the Companies Act 2013.

Intangible assets other than customer database are amortized on Straight Line Method over the estimated useful life of ten years.
Intangible assets being Customer database are amortized on Straight Line Method over the estimated useful life of five years.

The stated lives are as below:

Category of Assets	Useful lives of assets
Tangible Assets	
Computer	3 years
Office Equipment	5 years
Furniture & Fixtures	10 years
Planet & Machinery	15 years

f. Inventories

Inventory is valued at lower of cost and net realizable value. Cost is determined on Weighted Average Cost basis and includes all costs incurred to bringing the inventory to its location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. During the year under consideration the company had moved to marketplace model and thus has not maintained any inventory.

g. Revenue Recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized.

- (i) Revenue from the sale of goods is recognized upon passage of title of goods to customers, which generally coincides with the delivery and acceptance of such goods. Sales are accounted exclusive of sales tax, trade discount and are net of sales returns.
- (ii) Commission Income is recognized on accrual basis in accordance with terms of agreement with parties.
- (ii) Fee for Other services (IT Support Services) are recognized on accrual basis in accordance with the terms of the agreement.
- (iii) Interest is recognized on time proportionate basis.

h. Foreign currency translations

Foreign currency transactions and balances

(i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency as at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate that existed when the values were determined.

(iii) Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting monetary items of company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

i. Provisions and Contingences

A provision is recognised in the financial statements where there exists a present obligation as a result of a past event, the amount of which is reliably estimable, and it is probable that an outflow of resources would be necessitated in order to settle the obligation. Contingent liability is a possible obligation that arises from past events and 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 enterprise, or is a present obligation that arises from past events but is not recognised because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made.



Provision for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

f. Earnings Per Share

Basic earnings per share 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.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of share outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

g. Retirement and other employee benefits

(i) Retirement benefits in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

(ii) Gratuity liability is defined benefit obligation and is provided on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

(iii) Short term and Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.

(iv) Actuarial gains/losses through remeasurement of the net defined benefit liability / (asset) are recognized in other comprehensive income. The effect of any plan amendments are recognized in Statement of Profit and Loss.

h. Leases

Leased payments under operating lease are recognised as an expense in the Profit and Loss Account on a straight-line basis over the lease term.

i. Income Taxes

Income tax expense comprises current tax (that is amount of tax for the year determined in accordance with the income-tax laws) and deferred tax charge or credit (reflecting the tax effect of timing differences between accounting income and taxable income for the year). The deferred tax charge or credit and the corresponding deferred tax liability and/ or deferred tax asset are recognised using the tax rates that have been enacted or substantially enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in the future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at the Balance Sheet date and are written down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

j. Fair Value of Financial Instruments

In determining the fair value of financial instrument the company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value includes discounting cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

k. Cash Flow Statements

Cash Flow are reported using the indirect method, whereby profit for the priod is adjusted for the effects of transaction of a non - cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.



BLUEROCK ESERVICES PVT LTD

Notes to Financial Statements for the Year Ended March 31, 2021

(Rs in Lakhs)

	As at	As at
	March 31, 2021	March 31, 2020
2 Other Non - Current Assets		
Balance with statutory authorities	-	2.82
Advances	227.54	286.00
	227.54	288.82
3 Trade Receivables		
Receivables	18.19	18.19
	18.19	18.19
4 Cash & Cash Equivalents		
Balances with banks:		
– On current accounts	20.04	21.02
	20.04	21.02
5 Other Financial Assets		
Security Deposit	0.25	0.25
	0.25	0.25
6 Other Current Assets		
TDS Receivable	75.39	75.35
Accrued Income	1.79	1.19
	77.18	76.54



Bluerock eServices Private Limited
Notes to Financials Statements for the Year Ended March 31, 2021

Equity Share capital		(Amount in lakhs)	
Particulars	As at March 31, 2021	As at March 31, 2020	
Equity share capital	2,245.21	2,245.21	
Total	2,245.21	2,245.21	

Authorised Share Capital:		
3,00,00,000 Equity Shares of Rs. 10/- each	3,000.00	3,000.00
Issued and Subscribed Capital comprises:		
2,24,52,099 Fully paid equity shares of Rs.10/- each at March 31, 2021	2,245.21	2,245.21
Total	2,245.21	2,245.21

Fully paid equity shares - Reconciliation

Particulars	Number of shares	Amount
Balance at April 1, 2019	2,24,52,099	22,45,20,990
<u>Movements:</u>		
Shares Issued during the year	-	-
Balance at March 31, 2020	2,24,52,099	2,245.21
<u>Movements:</u>		
Shares Issued during the year	-	-
Balance at March 31, 2021	2,24,52,099	2,245.21

Details of shares held by the holding company, its subsidiaries and associates

Particulars	No. of fully paid ordinary shares	% of Holding
As at Mar 31, 2021		
Future Enterprises Limited	2,24,52,093	99.99%
As at Mar 31, 2020		
Future Enterprises Limited	2,24,52,093	99.99%

Details of shares held by each shareholder holding more than 5% shares

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of shares	% of holding	No. of shares	% of holding
Fully paid equity shares				
Future Enterprises Limited	2,24,52,093	99.99%	2,24,52,093	99.99%

Other Equity

Particulars	As at Mar 31, 2021	As at Mar 31, 2020
Securities Premium Reserve	20,197.89	20,197.89
Capital Reserve	(568.84)	(568.84)
Retained Earnings	(24,019.09)	(24,038.81)
Profit/Deficit for the year	(23.08)	19.72
Total	(4,413.12)	(4,390.04)



BLUEROCK ESERVICES PRIVATE LIMITED

Notes to Financials Statements for the Year Ended March 31, 2021

(Rs in Lakhs)

	As at March 31, 2021	As at March 31, 2020
8 Retained Earnings		
Opening Balance	(24,019.09)	(24,038.81)
Profit/(loss) for the year	(23.08)	19.72
Other comprehensive income/(loss) for the year		-
Closing Balance	(24,042.17)	(24,019.09)
Securities Premium Reserve		
Opening Balance	20,197.89	20,197.89
Addition during the Year		-
Closing Balance	20,197.89	20,197.89
Capital Reserve		
Opening Balance	(568.84)	(568.84)
Addition during the Year		-
Closing Balance	(568.84)	(568.84)
Total	(4,413.12)	(4,390.04)
9 Non-current liabilities		
- Provision for compensated absences		-
- Provision for gratuity		-
	-	-
10 Financial Liabilities		
Debenture - Non Convertible (refer note no.23)	200.00	200.00
Debenture - Compulsory Convertible (refer note no.23)	86.00	86.00
	286.00	286.00
11 Trade Payables		
Trade payables	2,193.68	2,251.05
	2,193.68	2,251.05
12 Other Current Liabilities		
Statutory dues & others	31.43	12.60
(*Includes statutory dues and other payables)	31.43	12.60



BLUEROCK ESERVICES PVT LTD

Notes to Financial Statements for the Year Ended March 31, 2021

(Rs in Lakhs)

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
13 Revenue From Operation		
Sale of Products	-	-
Sale of Services	-	-
	-	-
14 Other Income		
Interest Income	0.64	0.70
Other Income	8.05	49.17
	8.69	49.87
15 Purchases of Traded Goods		
Purchases	-	-
	-	-
16 Employee Benefit Expenses		
Salaries, wages and bonus	-	-
Company's contribution to provident and other funds	-	-
	-	-
17 Other Expenses		
Audit Fees	0.57	1.30
Director Sitting Fees	1.00	0.80
Debenture Interest	29.98	24.85
Interest on TDS	0.02	-
Professional fees	0.19	1.55
Misc. Expenses	0.01	1.64
	31.77	30.14



Bluerock eServices Private Limited**Notes to Financial Statements for the Year Ended March 31, 2021****18 Earning Per Share**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

	Units	March 31, 2021	March 31, 2020
Net Profit after tax	(Rs in Lakhs)	(23.08)	19.72
Weighted average number of equity shares outstanding	(in Nos)	2,24,52,099	2,24,52,099
Basic earnings per share (Face value - Rs 10/- each)	(in Rs)	-0.10	0.09

19 Financial Risk Management

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk. The Board of Directors 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 of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk includes receivables, payables, loans, borrowings and deposits.

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 any Interest Rate Risk as at the reporting dates.

Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs 18.19 Lakhs and Rs 25.09 Lakhs as of March 31, 2020 and March 31, 2019 respectively. Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has always been managed by the company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the company uses expected credit loss model to assess the impairment loss or gain. The company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and the company's historical experience for customers.

Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.



Liquidity Risk

The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at a reasonable price. Typically the company ensures that it has sufficient cash on demand to meet expected operational expenses and servicing of financial obligations.

(Rs in Lakhs)

	March 31, 2021	March 31, 2020
Trade payables	2,193.68	2,251.05

20 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2021 and March 31, 2020.

(Rs in Lakhs)

	March 31, 2021	March 31, 2020
Trade Payables	2,193.68	2,251.05
Other Current Liabilities	31.43	12.60
Less - Cash and Cash Equivalents	(20.04)	(21.02)
Net Debt	2,205.07	2,242.64
Equity	(2,167.91)	(2,144.83)
Total Equity	(2,167.91)	(2,144.83)
Capital and Net Debt	37.16	97.81
Gearing Ratio	5933.19%	2292.74%

21 Details of dues to micro and small enterprises as defined under the MSMED Act,

Based on information available with the Company, there are no suppliers who are registered as micro, small or medium enterprise under "The Micro, Small and Medium Enterprise Development Act, 2006" (Act) till March 31, 2018.

Accordingly, no disclosures are required to be made under said Act and Schedule III to the Companies Act, 2013.

22 Related Party Disclosure

A. List of Related Party

(i) Holding/Subsidiary Company

Name	Nature
Future Enterprises Limited	Holding Company

(ii) Fellow Subsidiary

Name	Nature
Futurebazaar India Limited	Fellow Subsidiary
Future E-Commerce Infrastructure Limited	Fellow Subsidiary
Future Media (India) Limited	Fellow Subsidiary
Future Merchandise Sourcing and Pte Ltd.	Fellow Subsidiary
Ritvika Trading Private Limited	Fellow Subsidiary



(iii) Key Management Personnel

Sunil Mantri (Director) upto 08.03.2021
Deepak Tanna (Director)
Shekha Daga (Director) upto 02.10.2020
Hardeep Singh (Director)
Pooja Laddha (Company Secretary) upto 28.02.2021
Amit Agrawal (Director) w.e.f 22.12.2020
Kaushik Subramaniam (Director) w.e.f. 21.10.2020

B. Related Party Transactions

During the year, the following transactions were carried out with the related parties

Nature of transaction	Holding company	Fellow subsidiaries
Receivable		
As at March 31, 2020	128.54	100.00
As at March 31, 2021	127.54	100.00

23 Security clause in respect to unsecured borrowings

- a) 10,00,000 number of 0.00001% compulsory convertible debentures having face value Rs. 10 each are convertible into equal number of equity shares at the option of the holder or at expiry of 10 years from the date of allotment, whichever is earlier.
- b) 20 number of 12% unsecured Non-Convertible debenture having face value Rs. 10 Lakh each have been issued by the Company.

24 Interest accrued and due but not paid on NCD Rs. 24,00,000/-.


25 Going Concern

The financial statements of the Company have been prepared on the basis of going concern. However having regard to the fact there are significant accumulated losses, the ability of the company to continue as a going concern is significantly dependent on the improvement of the Company's future operations and financial support from the holding company. The Holding Company has confirmed that necessary financial support will be provided as required.


26 All balances of Trade Receivables and Payables are subject to confirmations.


Harshil Shah & Company
Firm No : 141179W
Chartered Accountants

For and on Behalf of Board of Directors of
Bluerock Eservices Pvt. Ltd.


Himmat Sharma
Partner
Membership No: 156501
Place: Mumbai




Amit Agrawal
Director
DIN - 07089892


Deepak Tanna
Director
DIN -02148981

