

INDEPENDENT AUDITOR'S REPORT

To

The Members of Next2 Door Living Private Limited

Report on the Audit of the Financial Statements

We have audited the accompanying financial statements of **Next2 Door Living Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2023, and the Statement of Profit and Loss for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('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 31st March 2023, its profit for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the *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 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.

Responsibility of the Management for the Financial Statements

The Company's Board of Directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 statement 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.

The 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.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- a) Identify and assess the risks of material misstatement of the 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.
- b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial 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.
- e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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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.

Report on other legal and regulatory requirements

As required by the Companies (Auditor's Report) Order, 2020 ("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**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

Further to our comments in "**Annexure- A**", as required by Section 143(3) of the Act, we report that:

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;

- a) 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;
- b) The Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account;
- c) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;
- d) On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the board of directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
- e) In our opinion, the section 143(3)(i) of the Companies Act, 2013, with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls is not applicable to the Company; and
- f) 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 did not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There were no amounts which need to be transferred to the Investor Education and Protection Fund by the Company.



iv. (i) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), 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 management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), 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 Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(iii) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

v. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.

g) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the limit prescribed by section 197 for maximum permissible managerial remuneration is not applicable to a private limited company.

For Pawan Shubham & Co.

Chartered Accountants

ICAI Firm Registration No.: 011573C



Pawan Kumar Agarwal

Partner

Membership No.: 092345

UDIN: 23092345865R X674023

Place: New Delhi

Date: 04/09/2023



Pawan Shubham & Co.

CHARTERED ACCOUNTANTS

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Annexure "A" to the Independent Auditor's Report of even date to the members of Next2 Door Living Private Limited on the Financial Statements of for the year ended 31 March, 2023

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Financial Statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

1. (a) The company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
 - (b) The fixed assets are physically verified by the management at a reasonable interval. Pursuant to the policy a portion of fixed assets has been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
 - (c) The company does not own any immovable properties. Therefore, provisions of clause 3(i)(c) of the said order are not applicable to the company.
 - (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
 - (e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (as amended in 2016) and Rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable.
2. The Company is in the business of rendering services, and consequently, does not hold any inventory, accordingly provisions of clause 3 (ii) of the said order is not applicable.
3. In our opinion and according to the information and explanation 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. Accordingly, provisions of clause 3 (iii) (a), (b), (c), (d), (e) and (f) of the said order are not applicable to the company.
4. In our opinion and according to the information and explanation given to us, The Company has not granted any loans or provided any guarantees or given any security or made any investments to which the provision of section 185 and 186 of the Companies Act, 2013. Accordingly, provisions of clause 3 (iv) of the said order are not applicable to the company.
5. The Company has not accepted any deposits or amounts which are deemed to be deposits under the directives of the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Company Act, 2013 and the rules framed there under, where applicable. Accordingly, the provisions of clause 3(v) of the Order are not applicable.



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6. The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
7. In respect of statutory dues:
 - a) According to the information and explanations given to us and on the basis of our examination of the records, in our opinion, the Company is generally regular in depositing undisputed statutory dues, although there has been a delay in a few cases, including provident fund, ESI, income tax and other material statutory dues wherever applicable have been regularly deposited during the year by the Company with the appropriate authorities.
 - b) According to the information and explanations given to us, there are no dues of sales tax, duty of customs, service tax, duty of excise, value added tax, goods and services tax or income tax which have not been deposited on account of any dispute.
8. According to the information and explanation given to us and records of the company examined by us, there is no transaction which is not recorded in the books of accounts have been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act 1961.
9. (a) According to the information and explanation given to us and records of the company examined by us, the company has not defaulted in repayment of loans and borrowings to any financial institution or bank. The company does not have any loans and borrowings from government, nor has it issued any debentures as at the balance sheet date.
(b) The company has not been declared a wilful defaulter by any bank or financial institution or government or any government authority.
(c) The term loans been used for the object for which they were obtained
10. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year.
(b) According to the information and explanation given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
11. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
12. The Company is not a Nidhi Company and accordingly, provisions of clause 3 (xii) of the order is not applicable to the Company.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 188 of the Act where applicable, the details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards i.e., AS 18, Related Party Disclosures. Further, the company is not required to constitute an audit committee under section 177 of the Act, and accordingly, to this extent, the provisions of clause 3(xiii) of the said order are not applicable to the company.



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14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not required an internal audit system commensurate with the size and nature of its business.
15. 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 them covered under section 192 of the Act. Accordingly, provisions of clause 3(xv) of the said order are not applicable to the company
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, provisions of clause 3(xvi) of the said order are not applicable to the company.
17. The Company has incurred no cash losses in the current financial year; however, cash loss in the immediately preceding financial year was also Nil.
18. There has not been any resignation of the statutory auditors during the year.
19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that 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.
20. The Company is not required to expenditure in respect of any project as section 135 is not applicable. Accordingly, provisions of clause 3(xx) of the said order are not applicable to the company.
21. According to the information and explanations given to us and based on our examination of the records of the Company, since there is no subsidiary company or associate company therefore, the provision of consolidation is not applicable and accordingly, provisions of clause 3(xx) of the said order are not applicable to the company

For Pawan Shubham & Co.

Chartered Accountants

ICAI Firm Registration No.: 011573C



Pawan Kumar Agarwal

Partner

Membership No.: 092345

UDIN: 23092345B05RXC04023

Place: New Delhi

Date: 04/09/2023

