



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KRV Brooms Private Limited

Report on Audit of Financial Statements

We have audited the accompanying Financial Statements of **KRV Brooms Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (Including the Other Comprehensive Income), the Statement of Cash Flow and Statement of Change in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "Financial Statements").

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 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India including, of the state of affairs of the Company as at March 31, 2025 and its loss, total comprehensive income, changes in equity and its cash flow 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 ("SA"s) 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 together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the Financial Statements.

Emphasis of Matter

We draw attention to the following matters in the Notes to the financial statements:

Note No 27 in respect of accumulated losses of the company as on March 31, 2025 exceeding its paid up capital and free reserves which has resulted in erosion of its net worth, current liabilities has exceeded current assets, even though the company earned profit during the year and these conditions cast a significant doubt over continuing the company as a going concern. However, in view of the management perception the final statements are prepared on going concern basis.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Financial Statements and our auditor's report thereon.





Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibilities for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- (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 auditors' 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 auditors' 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us,





we give in the "Annexure-I" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:
- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flow and the Statement of Change in Equity dealt with by this Report are in agreement with the books of account
 - d. In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards (Ind AS) Rules 2015 as amended.
 - e. On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. In our opinion, to the best of our information and according to the explanation given to us. the company has, in all material respects, an adequate internal financial controls system over financial reporting, keeping in view the size of the company, and nature if its business. Such Internal financial controls over the financial reporting were operating effectively as on 31.03.2025, 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 "Audit of Internal Financial Controls Over Financial Reporting" issued by the ICAI.
 - 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 explanations given to us:
 - (i) The Company has disclosed the pending litigation which would impact its financial position in Note-18
 - (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) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or





Krishan Rakesh & Co.
CHARTERED ACCOUNTANTS

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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;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;

(c) Based on the audit procedures that have been 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) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- (v) As per the representation received and to the best of its knowledge and belief, the company has not declared or paid dividend either final or interim in nature during the year.
- (vi) Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

Additionally, the audit trail, where enabled, has been preserved by the company as per the statutory requirements for record retention.

For Krishan Rakesh & Co.
Chartered Accountants
Firm Regn. No. 009088N

K.K. Gupta
(Partner)
M.No.: 087891

Place : Delhi
Dated : 26-05-2025
UDIN : 25087891BMIEAP1525





ANNEXURE-I TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of KRV Brooms Private Limited of even date)

- (i.) In respect of Company's Property, Plant and Equipment and Intangible Assets
- (a) (A) The company does not hold any Property, Plant and Equipment and hence reporting under clause 3(i)(a)(A) of the Order is not applicable.
- (B) The company does not hold any intangible assets hence reporting under clause 3(i)(a)(B) of the Order is not applicable.
- (b) As explained to us, company does not hold any Property, Plant and Equipment and hence reporting under clause 3(i)(b) of the Order is not applicable.
- (c) As explained to us, company does not hold any immovable Property and hence reporting under clause 3(i)(c) of the Order is not applicable.
- (d) As explained to us, company does not hold any Property, Plant and Equipment or Intangible assets and hence reporting under clause 3(i)(c) of the Order is not applicable.
- (e) Further, no proceeding has been initiated or 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) According to information & explanation given to us Physical verification of inventory has been conducted by the management at reasonable intervals and the coverage and procedure of such verification by the management is appropriate; and there was no discrepancy of 10% or more in the aggregate for each class of inventory noticed.
- (b) The company has not been sanctioned working capital limits in excess of 5 crore rupees during any point of time of the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii.) As informed to us the company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year.
- (iv.) According to the information and explanations given to us, the company has complied with section 185 and 186, wherever applicable, of the Companies Act, 2013.





- (v.) According to the information and explanations given to us the company has not accepted any deposits, in terms of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under. Hence, reporting under clause 3(v) of the Order is not applicable.
- (vi.) The maintenance of cost records has not been specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- (vii.) In respect of the statutory and other dues:
- (a) As per information and explanations given to us, the company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees 'state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. There are no outstanding statutory dues as at the last day of the financial year under audit for a period of more than six months from the date they became payable.
- (b) We, according to information and explanations given to us, there are no any dues referred to in sub-clause (a) have not been deposited on account of any dispute.
- (viii.) According to information and explanations given to us, there were no unrecorded transactions in the books of account which have to be surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961),
- (ix.) Based on our audit procedure and on the basis of information and explanation given to us by the management we are of the opinion that:
- (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 declared as wilful defaulter by any bank or financial institution or government and any government authority;
- (c) As explained to us, term loans obtained during the year were applied for the purpose for which that were obtained by the company
- (d) As explained to us, the funds raised on short term basis have not been utilized for long term purpose.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.





- (f) The company has not raised loans on the pledge of securities held in its subsidiaries, joint ventures or associates during the year.
- (x.) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi.) (a) Based upon the audit procedures performed and information and explanations given by the management, we report that, no fraud by the company or fraud on the company has been noticed/reported during the course of our audit for the year ended 31.03.2025.
- (b) No report under sub-section (12) of section 143 of the Companies Act is required to be 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) According the information and explanation given to us no whistle-blower complaints have been received during the year.
- (xii.) The provisions of clause (xii) of the order are not applicable as the company is not a Nidhi Company as specified in the clause.
- (xiii.) According to information and explanations given to us and on the basis of our examination of records of the company, all transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv.) In our opinion, the company is not required to have an internal audit system during the year under audit and therefore the reporting under clause 3(xiv)(a) and (b) of the Order the is not applicable to the company.
- (xv.) According to information and explanation given to us the company has not entered into any non-cash transaction with the director or any person connected with him during the year and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.





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CHARTERED ACCOUNTANTS

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- (xvi.) (a) According to the information and explanations given to us, and in view of its business activities, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) According to the information and explanations given to us, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii.) The company has incurred cash losses of Rs. 19,85,086/- during the current financial year and cash loss Rs. 55,450/- during the preceding financial year.
- (xviii.) The company has not received the resignation of statutory auditors during the current year accordingly reporting under clause 3(xviii) of the Order is not applicable.
- (xix.) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not 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. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx.) (a) The provision sub-section (5) of section 135 of the Act is not applicable to company, therefore the company is not required to transfer any amount to the fund specified in section 135 of the Act.
- (b) No Such amount is required to be transfer to special account in compliance of the provision go sub-section (6) of section 135 of the Act.



Place : Delhi
Dated : 26-05-2025
UDIN : 25087891BMIEAP1525

For Krishan Rakesh & Co.
Chartered Accountants
Firm Regn. No. 009088N


K.K. Gupta
(Partner)
M.No.: 087891

KRV Brooms Private Limited

Balance Sheet as at March 31, 2025

(INR in Hundred)

Particulars	Note	As at March 31, 2025	As at March 31, 2024
Assets			
Current assets			
(a) Financial assets			
(i) Trade receivables	3	32,672.05	33,019.05
(ii) Cash & cash equivalent	4	116.54	158.64
(iii) Other financial assets	5	2,98,845.47	15,481.70
Total current assets		3,31,634.06	48,659.39
Total assets		3,31,634.06	48,659.39
Equity and liabilities			
Equity			
(a) Equity share capital	6	1,000.00	1,000.00
(b) Other equity	7	(30,134.08)	(10,283.22)
Total equity		(29,134.08)	(9,283.22)
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowing	8	3,00,640.00	17,238.54
Total non-current liabilities		3,00,640.00	17,238.54
Current liabilities			
(a) Financial liabilities			
(i) Trade payables	9	40,327.19	40,527.19
(ii) Other financial liabilities	10	17,834.87	0.00
(b) Other current liabilities	11	1,966.08	176.88
Total current liabilities		60,128.14	40,704.07
Total equity & liabilities		3,31,634.06	48,659.39

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

In terms of our report of even date annexed

For Krishan Rakesh & Co.
Chartered Accountants
Firm registration number. : 009088N

For and on behalf of the Board
KRV Brooms Private Limited

Place : Delhi
Date : 26-05-2025




K. K. Gupta
(Partner)
M.No.: 087891


Ram Gopal Jindal
(Director)
DIN : 06583160


Madhu
(Director)
DIN : 07581193

KRV Brooms Private Limited

Statement of Profit and Loss For the year ended March 31, 2025

(INR in Hundred)

Particulars	Note	For the year ended March 31, 2025	For the year ended March 31, 2024
<u>Income</u>			
Other income		0.00	0.00
Total income		0.00	0.00
<u>Expenses</u>			
Finance costs	12	19,360.77	220.60
Other expenses	13	490.09	333.90
Total expense		19,850.86	554.50
Profit before tax		(19,850.86)	(554.50)
Tax expenses:			
Current tax		0.00	0.00
Deferred tax		0.00	0.00
Profit for the year / Total comprehensive income		(19,850.86)	(554.50)
Basic/ Diluted earning per share		(198.51)	(5.55)

The accompanying notes are an integral part of the financial statements.
In terms of our report of even date annexed

For Krishan Rakesh & Co.
Chartered Accountants
Firm registration number. : 009088N

For and on behalf of the Board
KRV Brooms Private Limited

Place : Delhi
Date : 26-05-2025




K. K. Gupta
(Partner)
M.No.: 087891


Ram Gopal Jindal
(Director)
DIN : 06583160


Madhu
(Director)
DIN : 07581193

KRV Brooms Private Limited

Statement of Changes in Equity For the year ended March 31, 2025

(INR in Hundred)

Equity share capital

Balance as at April 1, 2024	1,000.00
Changes in equity share capital during the year	0.00
Balance as at March 31, 2025	1,000.00

Balance as at April 1, 2023	1,000.00
Changes in equity share capital during the year	0.00
Balance as at March 31, 2024	1,000.00

Other equity

For the year ended March 31, 2024

Particulars	Accumulated Losses	Other Comprehensive Income	Total
As at April 1, 2024	(10,283.22)	0.00	(10,283.22)
Profit for the year	(19,850.86)	0.00	(19,850.86)
Additions during the year	0.00	0.00	0.00
As at March 31, 2025	(30,134.08)	0.00	(30,134.08)

For the year ended March 31, 2024

Particulars	Accumulated Losses	Other Comprehensive Income	Total
As at April 1, 2023	(9,728.72)	0.00	(9,728.72)
Loss for the year	(554.50)	0.00	(554.50)
Additions during the year	0.00	0.00	0.00
As at March 31, 2024	(10,283.22)	0.00	(10,283.22)

In terms of our report of even date annexed

For Krishan Rakesh & Co.
Chartered Accountants
Firm registration number. : 009088N

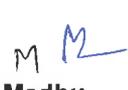
Place : Delhi
Date : 26-05-2025




K. K. Gupta
(Partner)
M.No.: 087891

For and on behalf of the Board
KRV Brooms Private Limited


Ram Gopal Jindal
(Director)
DIN : 06583160


Madhu
(Director)
DIN : 07581193

KRV Brooms Private Limited

Statement of Cash Flow for the period ended March 31, 2025

(INR in Hundred)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
A. <u>Cash flow from operating activities</u>		
Profit before exceptional items and tax	(19,850.86)	(554.50)
<u>Adjustment for :</u>		
Interest Income	0.00	0.00
Interest Expense	19,360.77	220.60
ESOP expenses		
	<u>19,360.77</u>	<u>220.60</u>
Operating Profit before Working Capital Facilities	<u>(490.09)</u>	<u>(333.90)</u>
<u>Adjustment for :</u>		
Increase/(Decrease) in financial liabilities	17,634.87	300.00
Increase/(Decrease) in non financial liabilities	1,789.20	176.88
(Increase)/Decrease in trade receivables	347	0.00
(Increase)/Decrease in financial assets	(1,48,845)	0.00
	<u>(1,29,074.40)</u>	<u>476.88</u>
Cash generated from operation	<u>(1,29,564.49)</u>	<u>142.98</u>
Income taxes (paid) / refund	0.00	0.00
Net Cash generated from operating activities	<u>(1,29,564.49)</u>	<u>142.98</u>
B. <u>Cash flow from investing activities</u>		
Purchase of property, plant and equipment		
Proceeds from sale of property, plant and equipment	0.00	0.00
Advance against purchase of property	(1,34,518)	(15,481.70)
Interest received	0.00	0.00
	<u>(1,34,518.30)</u>	<u>(15,481.70)</u>
Net Cash used in investing activities	<u>(1,34,518.30)</u>	<u>(15,481.70)</u>



KRV Brooms Private Limited

Statement of Cash Flow for the period ended March 31, 2025

(INR in Hundred)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
C. <u>Cash flow from financing activities</u>		
Proceeds from Borrowing	2,64,040.69	15,277.94
Proceeds from issue of share capital	0	0.00
Loan taken during the year	0.00	0.00
	<u>2,64,040.69</u>	<u>15,277.94</u>
Net Cash used in financing activities	2,64,040.69	15,277.94
Net increase/(decrease) in cash & cash equivalents	(42.10)	(60.78)
Cash & cash equivalent opening	158.64	219.42
Cash & cash equivalent closing	116.54	158.64

The accompanying notes 1 to 34 are an integral part of the financial statements.

In terms of our report of even date annexed

For Krishan Rakesh & Co.
Chartered Accountants
Firm registration number. : 009088N

Place : Delhi
Date : 26-05-2025



For and on behalf of the board of directors of
KRV Brooms Private Limited


K. K. Gupta
(Partner)
M.No.: 087891


Ram Gopal Jindal
(Director)
DIN : 06583160


Madhu
(Director)
DIN : 07581193

1. Back Ground of the Company

KRV Brooms Private Limited is a Private incorporated on 18th January' 2022. It is classified as Non-govt company and is registered at Registrar of Companies, Chandigarh. Its authorized share capital is Rs. 10,00,000 and its paid up capital is Rs. 1,00,000.

2. Significant accounting policies

2.1 Basis of preparation

The Standalone Financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The accounting policies are applied consistently to all the periods presented in the standalone financial statement except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The standalone financial statements provide comparative information in respect of the previous period. In addition, the Company presents an additional balance sheet at the beginning of the preceding period when there is a retrospective application of an accounting policy, a retrospective restatement, or a reclassification of items in standalone financial statements.

All figures are reported in Rs. in Hundred ('00) unless otherwise specifically indicated.

2.2 Basis of measurement

The standalone financial statements have been prepared on a historical cost convention, except for the following assets and liabilities which have been measured at fair value or revalued amount:—

- Property, plant and equipment acquired as part of Business Acquisition,
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),
- Contingent/ Deferred consideration,
- Defined Benefit Plans- Measured at fair value, and
- Share based payments

2.3 Summary of significant accounting policies

a. Current versus 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



The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities and advance against current tax are classified as non-current assets

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b. Foreign currencies

Functional and presentation currency

The Company's financial statements are presented in INR, which is also the parent company's functional currency. For each entity the Company determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are measured in the functional currency of the Company and are recorded on initial recognition in the functional currency at exchange rates prevailing at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction. The related revenue and expense are recognized using the same exchange rate.

Differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss.

c. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

- Financial assets include cash and cash equivalents, trade receivables, employee advances, investments in equity and debt securities etc;

- Financial liabilities include long-term and short-term loans and borrowings, derivative financial liabilities, bank overdrafts and trade payables

Financial assets:

Initial measurement

Initially, a financial instrument is recognized at its fair value. Transaction costs directly attributable to the acquisition or issue of financial instruments are recognized in determining the carrying amount, if it is not classified as at fair value through profit or loss. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

i) Financial assets at amortised cost:

A financial asset is classified as "financial asset at amortised cost" (amortised cost) under IND AS 109 Financial Instruments if it meets both the following criteria:

(1) The asset is held within a business model whose objective is to hold the financial asset in order to collect contractual cash flows, and

(2) The contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified date (the 'SPPI' contractual cash flow characteristics test).



This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

ii) Financial assets at fair value through other comprehensive income (FVTOCI):

All equity investment in scope of IND AS 109 Financial Instruments are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which IND AS 103 Business Combinations applies are classified as fair value through profit or loss. For all other equity instruments, the Company may make irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-to-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument through fair value through other comprehensive income (FVTOCI), then all fair value changes in the instruments excluding dividends, are recognised in OCI and is never recycled to statement of profit and loss, even on sale of the instrument. The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss

De-recognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

Financial liabilities and equity instruments:

a) Classification as debt or equity

Debt and equity instruments issued by a company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

b) Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs

c) Financial Liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Initial recognition and measurement

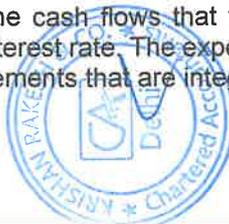
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.



For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

iv) Financial liabilities measured at amortized cost

After initial recognition, financial liabilities are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

v) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

De-recognition of financial liabilities

Financial liabilities are derecognized when these are extinguished, that is when the obligation is discharged, cancelled or has expired.

Offsetting of financial instruments

Financial assets and financial liabilities are offset with the net amount reported in the balance sheet only if there is a current enforceable legal right to offset the recognised amounts and intent to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

d. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

However, Goods and Service (GST) is not received by the company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

No element of financing is deemed present as the majority of sales are on cash basis and credit sales are made with normal credit period consistent with market practice.

The following specific recognition criteria must also be met before revenue is recognised:

Income from retail sales

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods, all significant contractual obligations have been satisfied and the collection of the resulting receivable is reasonably expected. Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of customer returns, trade allowance, rebates, goods and services tax and amount collected on behalf of third parties.

Gift vouchers sales are recognised when the vouchers are redeemed and goods are sold to the customer.

Income from service

Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration we expect to receive in exchange for those services.

The Company recognize revenue from alliance income when the service is performed.



Interest income

Interest income is recognised using the effective interest method. Effective interest is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

Dividend income

Dividend income is recognised when the Company's right to receive the payment is established by the reporting date.

Contract balances-

Trade receivables

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in point (c) above.

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

e. Taxes

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to a business combination, or items directly recognized in equity or in OCI.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, 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 profits or loss at the time of the transaction. Deferred income tax assets are recognized to the extent 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 income 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 income tax asset to be utilized. 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. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting period.

Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.



Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

f. Non-current assets held for sale/ distribution to owners and discontinued operations

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through its sale rather than through continuing use. Such non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sale. Any expected loss is recognised immediately in the statement of profit and loss. The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset or disposal Company is available for immediate sale in its present condition and the assets must have actively marketed for sale at a price that is reasonable in relation to its current fair value. Actions required to complete the sale should indicate that it is unlikely that significant changes to plan to sale these assets will be made. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale. Assets and liabilities classified as held for sale are presented separately as current items in the balance sheet.

g. Property, plant and equipment**Recognition and measurement**

All items of property, plant and equipment are initially measured at cost and subsequently it is measured at cost less accumulated depreciation and impairment losses, if any. Cost comprises of purchase price and all costs incurred to bring the assets to their current location and condition for its intended use. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Any subsequent cost incurred is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Capital work in progress comprises cost of property, plant and equipment (including related expenses), That are not yet ready for their intended use at the reporting date.

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and carrying amount of the assets and are recognised in the statement of profit and loss when the asset is derecognised.

On transition to IND AS, the Company has elected to continue with the carrying value of all its property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation on Property, plant and equipment

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their useful lives. The useful lives have been determined based on those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting year.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate

h. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.



On transition to IND AS, the Company has elected to continue with the carrying value of all its Intangible Assets measured as per the previous GAAP and use that carrying value as the deemed cost of the Intangible Assets

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected

Useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

i. Leases

T Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

j. Inventories

Raw materials and stores & spares are stated at cost (FIFO bases), work in progress are stated at estimated cost, finished goods are stated at the lower of cost and net realisable value & material in transit are stated at direct cost.

Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

k. Impairment of non-financial assets

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions



can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase

I. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

m. Retirement and other employee benefits

(i) Short-term obligations-

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Post-employment obligations-

The Company operates the following post-employment schemes:

- (a) Defined benefit plans such as gratuity; and
- (b) Defined contribution plans such as provident fund and ESI.



Gratuity obligations-

The liability or asset recognised in the balance sheet in respect of defined benefit plan is the present value of the defined benefit obligation at the end of the reporting year less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting year on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans-

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

n. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

o. Share-based payments

Employees of the Company also receive remuneration in the form of share based payments in consideration for the services rendered.

Under the equity settled share-based payment, the fair value on the grant date of the awards given to employees is recognised as 'employee benefit expenses' with a corresponding increase in equity over the vesting period. The fair value of the options at the grant date is calculated on the basis of the Black Scholes model. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. When the options are exercised, the Company issues fresh equity shares

p. Cash Flow Statement

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management



q. Contingencies

A contingent liability is:

A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or a present obligation that arises from past events but is not recognised because:

- (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation;
or
- (ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent liabilities and assets are not recognised on the balance sheet of the Company, except for contingent liabilities assumed in a business combination that are present obligations arising from past events and for which the fair values can be reliably determined.

Contingent liabilities recognised in a business combination.

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the requirements for revenue recognition

r. 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. Diluted earnings per share is computed by dividing the profit/(loss) attributable to ordinary equity holders of the Company using the weighted-average number of equity shares considered for deriving basic earnings per share and weighted average number of dilutive equivalent shares outstanding during the period, except where the results would be anti-dilutive. Dilutive potential shares are deemed converted at the beginning of the period, unless issued at later date.

s. Fair value measurement

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

t. Cash Flow

Ind AS 7 requires an entity to exclude non-cash transaction relating to investing and financing activities from the statement of cash flow. However, such transactions should be disclosed elsewhere in the financial statements. The investing and financing activities in cash flow statement do not have a direct impact on current cash flows although they do affect the capital and asset structure of an entity. The company has disclosed these transactions, to the extent material in relevant notes.

Cash and cash equivalents consist of cash on hand and balances with banks which are unrestricted for withdrawal and usage



KRV Brooms Private Limited

Notes to the financial statement for the year ended March 31, 2025

(INR in Hundred)

Particulars	As at March 31, 2025	As at March 31, 2024
3 Trade receivables		
(Unsecured considered good unless otherwise stated)		
A) Not Due		
- Undisputed Trade receivables – considered good	0.00	0.00
B) Due but not received		
i) Outstanding for a period upto 6 months		
ii) Outstanding for a period 6 months to 1 year	0.00	0.00
iii) Outstanding for a period 1 year to 2 year		
- Disputed Trade receivables – considered doubtful	32,672.05	33,019.05
iv) Outstanding for a period 2 year to 3 year	0.00	0.00
v) Outstanding for a period exceeding 3 years	0.00	0.00
Total	32,672.05	33,019.05
4 Cash and cash equivalents		
<u>Bank balances</u>		
- in Current Accounts	0.00	93.42
Cash in hand	116.54	65.22
Total	116.54	158.64
For the purpose of statement of cash flows, cash and cash equivalents comprises the following :		
Bank balances in current accounts	0.00	93.42
Cash in hand	116.54	65.22
Total	116.54	158.64
5 Other financial assets		
Advance Against Property- Sonipat (Kothi)	1,50,000.00	15,481.70
Amount Receivable	1,48,845.47	0.00
Total	2,98,845.47	15,481.70
6 Equity share capital		
<u>Authorised</u>		
Equity Shares of Rs. 10/- each	10,000.00	10,000.00
	10,000.00	10,000.00
<u>Issued, subscribed & paid up</u>		
Equity Shares of Rs. 10/- each	1,000.00	1,000.00
Total	1,000.00	1,000.00



KRV Brooms Private Limited

Notes to the financial statement for the year ended March 31, 2025

(INR in Hundred)

Particulars	As at March 31, 2025	As at March 31, 2024
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a) The reconciliation of number of shares outstanding and the amount of Share Capital as at the opening and closing dates is set out below:

i) Equity shares

Particulars	As at 31-03-2025	As at 31-03-2024
No. of Shares outstanding at the beginning of the period	10,000	10,000
Shares Issued during the year	0	0
No. of Shares outstanding at the end of the period	10,000	10,000

b) The company has only one class of equity shares having a par value of Rs. 10/- each. The holders of the equity shares are entitled to receive dividends as declared from time to time, and are entitled to voting rights proportionate to their share holding at the meetings of shareholders.

c) Shares held by Holding Company and Ultimate Holding Company Out of Equity shares issued by the company shares held by its holding Company and Ultimate Holding Company are as below:

Name of Shareholder	As at 31-03-2025	As at 31-03-2024
Standard Capital Markets Limited	9,994.00	9,994.00
Madhu (Nominee Shareholder)	1.00	1.00
Gaurav Jindal (Nominee Shareholder)	1.00	1.00
Mayank Singhal (Nominee Shareholder)	1.00	1.00
Pinki Jindal (Nominee Shareholder)	1.00	1.00
Neha Singhal (Nominee Shareholder)	1.00	1.00
Ram Gopal Jindal (Nominee Shareholder)	1.00	1.00

d) Following Shareholders hold equity shares more than 5% of the Total equity shares of the company at the end of the **Equity Shares**

Name of Shareholder	As at 31-03-2025 NOS (% Held)	As at 31-03-2024 NOS (% Held)
Standard Capital Markets Limited	9,999 (99.99%)	9,999 (99.99%)
Ram Gopal Jindal	1 (00.01%)	1 (00.01%)

e) Shares held by promoters at the end of the year **Equity Shares**

Name of Promoter	%age change during the year	As at 31-03-2025 NOS (% Held)	As at 31-03-2024 NOS (% Held)
Standard Capital Markets Limited	0.00%	9,999 (99.99%)	9,999 (99.99%)
Ram Gopal Jindal	0.00%	1 (00.01%)	1 (00.01%)

7 Other equity

Surplus / (Accumulated Losses)

As per last balance Sheet	(10,283.22)	(9,728.72)
Add: Net Profit / Loss after tax transferred from Statement of Profit & Loss	(19,850.86)	(554.50)
Total	(30,134.08)	(10,283.22)

8 Long term Borrowing

Loan from Directors	1,740.00	1,740.00
Loan from Holding Company	2,98,900.00	15,498.54

Total	3,00,640.00	17,238.54
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KRV Brooms Private Limited

Notes to the financial statement for the year ended March 31, 2025

(INR in Hundred)

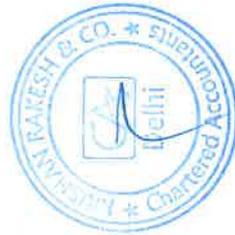
Particulars	As at March 31, 2025	As at March 31, 2024
9 Trade payables		
Total outstanding dues of Micro Enterprises and Small Enterprises Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act):		
Particulars		
i) Principal amount due to suppliers under MSMED Act	0.00	0.00
ii) Interest accrued and due to suppliers under MSMED Act on the above amount	0.00	0.00
iii) Payment made to suppliers (other than interest) beyond appointed day during the year	0.00	0.00
iv) Interest paid to suppliers under MSMED Act	0.00	0.00
v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	0.00	0.00
v) Interest due and payable to suppliers under MSMED Act towards payments already made	0.00	0.00
vi) Interest accrued and remaining unpaid at the end of the accounting year	0.00	0.00
vii) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act.	0.00	0.00
	<u>0.00</u>	<u>0.00</u>
Trade Payables Others	40,327.19	40,527.19
Total	40,327.19	40,527.19
(i) MSME Outstanding		
Not Due	0.00	0.00
less than 1 year	0.00	0.00
1-2 years	0.00	0.00
2-3 years	0.00	0.00
more than 3 year	0.00	0.00
Subtotal	0.00	0.00
(i) Others Outstanding		
Not Due	0.00	0.00
less than 1 year	300.00	300.00
1-2 years	0.00	40,227.19
2-3 years	40,027.19	0.00
more than 3 year	0.00	0.00
Subtotal	40,327.19	40,527.19
Total	40,327.19	40,527.19



KRV Brooms Private Limited

Notes to the financial statement for the year ended March 31, 2025

Particulars	(INR in Hundred)	
	As at March 31, 2025	As at March 31, 2024
10 Other financial liabilities		
Book Overdraft	17,834.87	0.00
Total	17,834.87	0.00
11 Other current liabilities		
Statutory dues payable	1,966.08	176.88
Total	1,966.08	176.88



KRV Brooms Private Limited

Notes to the financial statement for the year ended March 31, 2025

(INR in Hundred)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
12 Finance costs		
Interest on:		
Interest Loan from Holding Co.	19,360.77	220.60
Total	19,360.77	220.60
13 Other expenses		
Bank Charges	14.24	5.90
Office Expense	26.08	0.00
Auditor's Remuneration		
-As Audit Fees	254.00	200.00
-For tax and other matters	121.60	100.00
ROC Expenses	74.17	28.00
Total	490.09	333.90



KRV Brooms Private Limited

Notes to the financial statement for the year ended March 31, 2025

Note No. 14 Income Taxes

The major components of income tax expense for the year ended are as below:

A. Statement of profit and loss:

(INR in Hundred)

(i) Profit & loss section

	March 31, 2025	March 31, 2024
Current income tax charge	0.00	0.00
Deferred tax:		
Relating to origination and reversal of temporary differences	0.00	0.00
Income tax expense reported in the statement of Profit & loss	0.00	0.00

(ii) OCI Section

Deferred tax related to items recognised in OCI during the year/ period:

Remeasurements of defined benefit plans	0.00	0.00
Income tax charged to OCI	0.00	0.00

B. Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for year ended

	March 31, 2025	March 31, 2024
Accounting profit before tax from continuing operations	(19,850.86)	(554.50)
Profit/(loss) before tax from a discontinued operation	0.00	0.00
Accounting profit before income tax	(19,850.86)	(554.50)
Computed Tax Expenses	(5,161.00)	(144.00)
Non-deductible expenses for tax purposes	5,161.00	144.00
Additional deduction as per income tax	(3.00)	(3.00)
Other Adjustment	3.00	3.00
	0.00	0.00
Income tax expense reported in the statement of profit and loss	0.00	0.00
Income tax attributable to a discontinued operation	0.00	0.00
	0.00	0.00



KRV Brooms Private Limited

Notes to the financial statement for the year ended March 31, 2025

Note 15. Fair values measurements

(i) Financial instruments by category

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:
(INR in Hundred)

	As at 31 March 2025	As at 31 March 2024
Financial assets carried at amortised cost		
Trade receivables	32,672.05	33,019.05
Cash and cash equivalents	116.54	158.64
Other Financial Assets	2,98,845.47	15,481.70
Total financial assets	3,31,634.06	48,659.39
Financial liabilities carried at amortised cost		
Borrowing	3,00,640.00	17,238.54
Trade payables	40,327.19	40,527.19
Other financial liabilities	17,834.87	0.00
Total financial liabilities	3,58,802.06	57,765.73

(ii) Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is insignificant to the fair value measurements as a whole.

Level 1 : quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : valuation techniques for which the lowest level inputs that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3 : valuation techniques for which the lowest level input which has a significant effect on fair value measurement is not based on observable market data.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities, other than those whose fair values are close approximations of their carrying values.

Assets and liabilities which are measured at amortised cost for which fair values are disclosed for year ended are as follows

	Date of valuation	Fair value measurement using			
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets					
Security Deposits	31-Mar-25	0.00	0.00	0.00	0.00
	31-Mar-24	0.00	0.00	0.00	0.00

There have been no transfers between Level 1 and Level 2 during the period.

For cash and cash equivalents, trade receivables, other receivables, short term borrowing, trade payables and other current financial liabilities the management assessed that their fair value is approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of the Company's long-term interest free security deposits are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the Fixed Deposit rate as quoted by SBI as at the end of the reporting period. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.



KRV Brooms Private Limited

Notes to the financial statement for the year ended March 31, 2025

Note No. 16 Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise, trade and other payables, security deposits, employee liabilities. The Company's principal financial assets include trade and other receivables, inventories and cash and short-term deposits/ loan that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks. The Company's senior management is supported by a Risk Management Compliance Board that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The management reviews and agrees policies for managing each of these risks, which are summarised below.

I. 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. Financial instruments affected by market risk include, deposits.

The sensitivity analyses of the above mentioned risk in the following sections relate to the position as at 31 March 2024 and 31 March 2023.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities of foreign operations.

The following assumptions have been made in calculating the sensitivity analyses:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2024 and 31 March 2023.

A. 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's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. However the risk is very low due to negligible borrowings by the Company.

	<i>(INR in Hundred)</i>	
	Increase/ decrease in basis points	Effect on profit before tax
31-Mar-24		
INR	+ 0.5%	0.00
INR	- 0.5%	0.00
31-Mar-23		
INR	+ 0.5%	0.00
INR	- 0.5%	0.00

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.



KRV Brooms Private Limited

Notes to the financial statement for the year ended March 31, 2025

B. Foreign currency sensitivity

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in exchange rates. Foreign currency risk sensitivity is the impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The following tables demonstrate the sensitivity to a reasonably possible change in USD and EURO exchange rates, with all other variables held constant.

(INR in Hundred)

	<u>Change in USD rate</u>	<u>Effect on profit before tax</u>
		Rs
31-Mar-24	+ 0.5%	0.00
	- 0.5%	0.00
31-Mar-23	+ 0.5%	0.00
	- 0.5%	0.00

The movement in the pre-tax effect on profit and loss is a result of a change in the fair value of derivative financial instruments not designated in a hedge relationship and monetary assets and liabilities denominated in INR, where the functional currency of the entity is a currency other than INR.

II. 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.

Credit risk from investments with banks and other financial institutions is managed by the Treasury functions in accordance with the management policies. Investments of surplus funds are only made with approved counterparties who meet the appropriate rating and/or other criteria, and are only made within approved limits. The management continually re-assess the Company's policy and update as required. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty failure.

The maximum credit risk exposure relating to financial assets is represented by the carrying value as at the Balance Sheet date

A. Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit review and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

At the year end the Company does not have any significant concentrations of bad debt risk.

An impairment analysis is performed at each reporting date on an individual basis for major clients. The calculation is based on historical data. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

B. Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties.



KRV Brooms Private Limited

Notes to the financial statement for the year ended March 31, 2025

III. Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	<i>(INR in Hundred)</i>			
	<u>Less than 1</u>	<u>1 to 5 years</u>	<u>> 5 years</u>	<u>Total</u>
<u>Year ended</u>	<u>year</u>			
31-Mar-25				
Borrowings*	3,00,640.00	0.00	0.00	3,00,640.00
Trade payables	40,327.19	0.00	0.00	40,327.19
Other financial liabilities	17,834.87	0.00	0.00	17,834.87
	3,58,802.06	0.00	0.00	3,58,802.06
31-Mar-24				
Borrowings*	17,238.54	0.00	0.00	17,238.54
Trade payables	40,527.19	0.00	0.00	40,527.19
Other financial liabilities	0.00	0.00	0.00	0.00
	57,765.73	0.00	0.00	57,765.73

* In absolute terms i.e. undiscounted and including current maturity portion

IV. Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

The Company's manufacturing facilities are situated in different geographies. Similarly the distribution network is spread PAN India.

Note No. 17. Capital Management

(INR in Hundred)

Particulars	31 March 2025	31 March 2024
Total Liabilities (Excluding Lease Liability)	3,60,768.14	57,942.61
Less: Cash & Cash Equivalents	116.54	158.64
Net debts	3,60,651.60	57,783.97
Total equity	(29,13,407.52)	(9,28,321.74)
Gearing ratio (%)	-12.38%	-6.22%

Derivative instruments and unhedged foreign currency exposure

The Company has no outstanding derivative instrument at the year/ period end. There is no foreign currency exposure in the company.



KRV Brooms Private Limited

Notes to the financial statement for the year ended March 31, 2025

18 Contingent Liabilities (to the extent not provided for)

(INR in Hundred)

Description	As at 31-03-2025	As at 31-03-2024
a) Bank Guarantee	0.00	0.00
b) Income Tax Demand (TDS)	0.00	0.00

Pending Litigation : The company has filed a suit against Mr. Vishal Sharma (Previous Director of the company) for embezzlement of fund amounting to Rs. 33,01,905/-, in the Court of Metropolitan Magistrate, Rohini Courts, North west Delhi during the current year.

19 a) Particulars in respect of Opening Stock, Closing Stock and Sales:

(i) Stock in Trade

Particulars	for the year ended 31-03-2025	for the year ended 31-03-2024
Opening Inventory	0.00	0.00
Purchase Value	0.00	0.00
Sales Value	0.00	0.00
Closing Inventory	0.00	0.00

20 Provision regarding Provident fund and Gratuity Act, 1972 are not applicable to the company during the year under reference.

21 Earning Per Share (EPS)

a. The numerators and denominators used to calculate Basic and Diluted Earning per share:

(INR in Hundred)

Description	for the year ended 31-03-2025	for the year ended 31-03-2024
Number of Equity Shares at the beginning of the year	10,000	10,000
Add: Equity Shares issued during the period	0	0
Number of Equity Shares at the end of the year	10,000	10,000
Basic EPS - weighted average number of equity shares o/s	10,000	10,000
Nominal Value of Each Equity Share (Rs.)	10	10
Profit After Tax attributable to Equity Shareholders	(19,851)	(555)
Basic / Diluted Earning Per Share (Rs.)	(198.51)	(5.55)

22 Previous year figures have been regrouped, reworked, rearranged and reclassified wherever considered necessary.

23 In the opinion of the Management current assets, loans and advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated except where indicated otherwise.

24 Other disclosures as per Revised Schedule-III of the Companies Act, 2013.

- (a) There are no proceedings has been initiated or pending against the entity under the Benami Transactions (Prohibitions) Act, 1988.
- (b) There are none Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- (c) The provision of Corporate Social Responsibility under section 135 of the Act is not applicable to the company.
- (d) The company has not entered in any transaction relating to Crypto Currency or Virtual Currency during the year.
- (e) The entity has not entered into any transaction with such entities whose name has been stuck off u/s 248 of the Act.



KRV Brooms Private Limited

Notes to the financial statement for the year ended March 31, 2025

25 Related Party Disclosures as per Ind AS 24:

(A) Related Parties

- a) Holding Company - Standard Capital Markets Limited
- b) Key Management Personnel and their Relatives
- Mr. Ram Gopal Jindal, Director
 - Ms. Madhu, Director
 - Ms. Anshita Sharma, Director (w.e.f 15-01-2025)
 - Mr. Gaurav Jindal, Director (upto 15-01-2025)

(B) Nature and Volume of Transactions

(INR in Hundred)

Description	For the year ended 31-03-2025	For the year ended 31-03-2024
Mr. Ram Gopal Jindal		
Borrowing	100.00	100.00
Mr. Gaurav Jindal		
Borrowing	1,640.00	1,640.00
Standard Capital Markets Limited		
Borrowing		
Opening Balance	15,498.54	0.00
Amount Received	2,85,535.68	15,300.00
Amount Paid	19,754.99	22.06
Interest Expenses	19,360.77	220.60
Closing Balance	3,00,640.00	15,498.54



KRV Brooms Private Limited

Notes to the financial statement for the year ended March 31, 2025

26 Ratios

(i) Current ratio= Current Assets/ Current Liabilities

(INR in Hundred)

Particulars	March-2025	March-2024
Current assets	3,31,634.06	48,659.39
Current liabilities	60,128.14	40,704.07
Ratio	5.52	1.20
% change from previous year	361.37%	

Reason for change more than 25%:

The ratio is increased due to amount advanced against purchase of property during the current year.

(ii) Debt Equity ratio = Total debt/ Total equity

Total debt = sum of current & non current borrowings

Particulars	March-2025	March-2024
Total debt	3,00,640.00	17,238.54
Total equity	(29,134.08)	(9,283.22)
Ratio	(10.32)	(1.86)
% change from previous period/ year	(455.70%)	

Reason for change more than 25%:

The ratio is decreased due to amount loan taken from Holding company during the current year.

(iii) Debt Service Coverage Ratio= Net Operating Income/ Total interest and principal payments

Particulars	March-2025	March-2024
Profit after tax	(19,850.86)	(554.50)
Add: Finance cost	19,360.77	220.60
Net operating income	(490.09)	(333.90)
Total interest and principal repayments	0.00	0.00
Ratio	0.00	0.00
% change from previous period/ year	0.00%	

(iv) Return on Equity (ROE) Ratio= Net profit after tax / Total Shareholders' Equity

Particulars	March-2025	March-2024
Net profit after tax	(19,850.86)	(554.50)
Total shareholders equity	(29,134.08)	(9,283.22)
Ratio	0.68	0.06
% change from previous period/ year	1040.71%	

Reason for change more than 25%:

The ratio is increased due to interest expenses on loan taken from holding company.

(v) Return on capital employed ratio= Earnings before interest and tax (EBIT)/ (Total Assets - Total Current Liabilities)

(INR in Hundred)

Particulars	March-2025	March-2024
Net profit after tax	(19,850.86)	(554.50)
Finance cost	19,360.77	220.60
Other income	0.00	0.00
EBIT	(490.09)	(333.90)
Total assets	3,31,634.06	48,659.39
Current liabilities	60,128.14	40,704.07
Capital employed	2,71,505.92	7,955.32
Ratio	(0.00)	(0.04)
% change from previous period/ year	95.70%	

Reason for change more than 25%:

The ratio is increased due to interest expenses on loan taken from holding company.



KRV Brooms Private Limited

Notes to the financial statement for the year ended March 31, 2025

27 As at the end of the year the net worth of the company stands eroded. These conditions may cast doubt about the Company's ability to continue as a going concern. Nevertheless, the management have perception of revival of the company in subsequent years and management has considered the erosion as aforesaid as temporary. Financial statements have been prepared on going concern basis.

28 Information under Section 186(4) of the Companies Act 2013:

A. LOANS GIVEN: NIL

B. INVESTMENT : NIL

C. GUARANTEE GIVEN : NIL

D. The company has not provided any security during the year.

29 The company has not taken any borrowings from banks and financial institutions during the year.

In terms of our report of even date annexed

For Krishan Rakesh & Co.
Chartered Accountants
Firm registration number. : 009088N



K. K. Gupta
(Partner)
M.No.: 087891



Place : Delhi
Date : 26-05-2025

For and on behalf of the board of directors of
KRV Brooms Private Limited



Ram Gopal Jindal
(Director)
DIN : 06583160



Madhu
(Director)
DIN : 07581193