



INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF
KEROVIT GLOBAL PRIVATE LIMITED**

Report on the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **KEROVIT GLOBAL PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the period 18-Jan-2022 to 31-Mar-2023 ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the loss (including other comprehensive income), changes in equity and its cash flows for the period 18-Jan-2022 to 31-Mar-2023 ended on that date.

Basis For Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements

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

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the Director's report, Corporate Governance report, Business responsible report and Management Discussion and Analysis of Annual report, but does not include the Standalone Ind AS Financial Statements and our report thereon. The Directors report, Corporate Governance report, Business responsible report and Management Discussion and Analysis of Annual report is expected to be made available to us after the date of this auditors' report.

Our opinion on the Standalone Ind AS Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.





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In connection with our audit of the Standalone Ind AS Financial Statements, our responsibility is to read the other information identified above when it becomes available to us and, in doing so, consider whether the other information is materially inconsistent with the Standalone Ind AS Financial Statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.

When we read such other information as and when made available to us and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the Standalone Financial Statements

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

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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





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1. Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error audit procedures, design and perform 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.
2. Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(l) 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.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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





Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure I" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.
 - e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure II". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended we have been informed that, no managerial remuneration has been paid/provided during the period 18-Jan-2022 to 31-Mar-2023 by the company.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - I. The Company does not have any pending litigations which would impact its financial position.
 - II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - III. There have been no amounts, 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





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("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(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. (a) The company has not proposed and declared any final dividend in the previous period 18-Jan-2022 to 31-Mar-2023.
- (b) The company has not declared and paid any interim dividend during the period 18-Jan-2022 to 31-Mar-2023.
- (c) The Board of Directors of the Company have not proposed any final dividend for the period 18-Jan-2022 to 31-Mar-2023.
- (d) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For O P BAGLA & CO LLP
CHARTERED ACCOUNTANTS
Firm Regn. No. 000018N/N500091

(NITIN JAIN)
PARTNER
M. No. 510841

PLACE: NEW DELHI

DATED: 10th May 2023

UDIN: 2351084184WARM4505





ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Kerovit Global Private Limited of even date)

- i. In respect of the Company's Property, Plant and Equipment:
- (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - (B) The Company does not have any Intangible Assets.
- b. These fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- c. The title deeds comprising of the immovable property of land which are freehold, are held in the name of the Company.
- d. The Company has not revalued any of its Property, Plant and Equipment during the period 18-Jan-2022 to 31-Mar-2023.
- e. No proceedings have been initiated during the period 18-Jan-2022 to 31-Mar-2023 or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The Company does not hold any inventory during the current period.
- (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the period 18-Jan-2022 to 31-Mar-2023, 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. a) The Company has not made any investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the period 18-Jan-2022 to 31-Mar-2023 and hence reporting under clause 3(iii) of the Order is not applicable.
- b) As the company has not made any investment in companies, firms, Limited Liability Partnerships and not granted unsecured loans to other parties during the period 18-Jan-2022 to 31-Mar-2023. Hence clause iii(b) is not applicable.
- c) As the company has not made any investment in companies, firms, Limited Liability Partnerships and not granted unsecured loans to other parties during the period 18-Jan-2022 to 31-Mar-2023. Hence clause iii(c) is not applicable.





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- d) There is no overdue amount in respect of loans granted to such party. Hence clause iii(d) is not applicable.
- e) No loan granted by the Company which has fallen due during the period 18-Jan-2022 to 31-Mar-2023, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same party.
- f) The company has not raised loans during the period 18-Jan-2022 to 31-Mar-2023 on the pledge of securities held in its subsidiaries, joint venture or associates companies.
- iv. We have been informed that the company has not entered into any transactions in nature of loans/ investment/guarantee/security covered under section 185 and 186 of Companies Act 2013.
- v. According to the information and explanations given to us the Company has not accepted any deposit or amounts which are deemed to be deposits. 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 sub-section (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 statutory dues:
- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.
- (c) We have been informed that there are no dues outstanding in respect of income-tax, goods and service tax, sales-tax, service-tax, duty of customs, duty of excise and value added tax on account of any dispute.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the period 18-Jan-2022 to 31-Mar-2023 in the tax assessments under the Income Tax Act, 1961 (43 of 1961).





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- ix. (a) The company has not taken any loan or other borrowings from any bank or financial institution.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the period and there are no outstanding term loans at the beginning of the period 18-Jan-2022 to 31-Mar-2023 and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the period 18-Jan-2022 to 31-Mar-2023 for long-term purposes by the Company.
- (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 any loans during the period on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the period and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the period, the Company has made preferential allotment of equity shares by to its holding company. In respect of the same, in our opinion, the Company has complied with the requirement of Section 42 of the Act and the Rules framed thereunder. During the period, the Company did not make preferential allotment/ private placement of fully or partly convertible debentures.
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the period 18-Jan-2022 to 31-Mar-2023.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the period 18-Jan-2022 to 31-Mar-2023 and upto the date of this report.
- (c) There are no whistle blower complaints received by the Company during the period 18-Jan-2022 to 31-Mar-2023 and up to the date of this report.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.





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- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. a) In our opinion and based on our examination, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act 2013.
b) The company does not have internal audit system and no internal reports were shared with us for the period under audit.
- xv. In our opinion during the period 18-Jan-2022 to 31-Mar-2023 the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, 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) In our opinion, 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 during the financial period covered by our audit for Rs. 16.14 lakhs.
- xviii. There has been no resignation of the statutory auditors of the Company during the period 18-Jan-2022 to 31-Mar-2023.
- 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 18-Jan-2022 to 31-Mar-2023 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 period from the balance sheet date, will get discharged by the Company as and when they fall due.





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- xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the period.
- (b) There are no unspent amount u/s 135(5) of the company act ,2013 hence clause xx (b) is not applicable.
- xxi. This clause is not applicable on audit report on standalone financial statements.

For O P BAGLA & CO LLP
CHARTERED ACCOUNTANTS
Firm Regn. No. 000018N/N500091


(NITIN JAIN)
PARTNER
M. No. 510841

PLACE: NEW DELHI

DATED: 10th May 2023

UDIN: 23510841B4WARM4505





ANNEXURE- II TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

We have audited the internal financial controls over financial reporting of **KEROVIT GLOBAL PRIVATE LIMITED** ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the period 18-Jan-2022 to 31-Mar-2023 ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence I/we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.





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Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For O P BAGLA & CO LLP
CHARTERED ACCOUNTANTS
Firm Regn. No. 000018N/N500091

(NITIN JAIN)
PARTNER
M. No. 510841

PLACE: NEW DELHI

DATED: 10th May 2023

UDIN: 23510841 84WARM4505



KEROVIT GLOBAL PRIVATE LIMITED
BALANCE SHEET AS AT 31 MARCH, 2023
(₹ in lakhs unless otherwise stated)

PARTICULARS	NOTES	AS AT 31 MAR 2023
ASSETS		
Non-current assets		
(a) Property, plant and equipment	3	1,110.65
(b) Capital work-in-progress	4	154.56
		<u>1,265.21</u>
Current assets		
(a) Financial assets		
(i) Cash and cash equivalents	5	3.76
(b) Other current assets	6	0.37
		<u>4.13</u>
		<u>1,269.34</u>
Total Assets		<u><u>1,269.34</u></u>
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	7	902.00
(b) Other equity	8	(16.14)
Total Equity		<u>885.86</u>
LIABILITIES		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	9	376.72
		<u>376.72</u>
Current liabilities		
(a) Financial liabilities		
(i) Other financial liabilities	10	6.52
(b) Other current liabilities	11	0.24
		<u>6.76</u>
Total Liabilities		<u>383.48</u>
Total Equity And Liabilities		<u><u>1,269.34</u></u>

Significant Accounting Policies 1 & 2
The accompanying notes form an integral part of these standalone financial statements.
As per our report of even date attached

FOR O P BAGLA & CO.LLP
CHARTERED ACCOUNTANTS
FRN : 000018N/N500091

For and on behalf of the Board of Directors of
KEROVIT GLOBAL PVT LIMITED
CIN: U28994DL2022PTC392556

Nitin Jain
Partner
M.No. 510841

Ashok Kumar Kajaria
Director
DIN: 273877

Rishi Kajaria
Director
DIN: 228455

Date: 10th May 2023
Place: New Delhi



KEROVIT GLOBAL PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE PERIOD 18TH JAN 2022 TO 31ST MARCH 2023
(₹ in lakhs unless otherwise stated)

PARTICULARS	NOTES	FOR THE PERIOD 18-JAN-2022 TO 31-MAR-2023
I INCOME		
Revenue from operations		-
TOTAL INCOME (I)		-
II EXPENSES		
Finance costs	12	0.02
Other expenses	13	16.12
TOTAL EXPENSES (II)		16.14
III Profit/(Loss) before tax (I-II)		(16.14)
IV Tax expense:		
Current Tax		-
Deferred tax		-
V Profit/(Loss) for the period (III-IV)		(16.14)
VI Other Comprehensive Income (OCI)		
Items that will not be reclassified to statement of profit and loss		
Re-measurement gains (losses) on defined benefit plans		-
Total other comprehensive Income for the period, net of tax		0.00
VII Total comprehensive income for the period (comprising profit and other comprehensive income for the period) (V+ VI)		(16.14)
Earnings per equity share (face value of Rs. 10 each) (Not Annualized)	14	
(1) Basic (in Rs.)		(1.24)
(2) Diluted (in Rs.)		(1.24)

Significant Accounting Policies

The accompanying notes form an integral part of these standalone financial statements.
As per our report of even date attached

1 & 2

FOR O P BAGLA & CO.LLP
CHARTERED ACCOUNTANTS
FRN : 000018N / N500091

Nitin Jain
Partner
M.No. 510841

Date: 10th May 2023
Place: New Delhi

For and on behalf of the Board of Directors of
KEROVIT GLOBAL PVT LIMITED
CIN: U28994DL2022PTC392556

Ashok Kumar Kajaria
Director
DIN: 273877

Rishi Kajaria
Director
DIN: 228455



KEROVIT GLOBAL PRIVATE LIMITED
STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31ST MAR 2023

(₹ in lakhs unless otherwise stated)

PARTICULARS	Period ended 31 March 2023
A. CASH FLOW FROM OPERATING ACTIVITIES	
Net Profit/(Loss) before tax	(16.14)
Adjusted for :	
Finance costs	0.02
	<u>0.02</u>
Operating Profit before Working Capital Changes	(16.12)
Working Capital Adjusted for :	
Trade & Other Receivables	(0.37)
Other financial liabilities	6.52
Other current liabilities	0.24
	<u>6.39</u>
Cash Generated from Operations	(9.73)
Direct Taxes Paid	-
Net Cash flow operating activities	(9.73)
B. CASH FLOW FROM INVESTING ACTIVITIES	
Purchase of property, plant and equipment (including adjustment on account of capital work-in-progress)	(1,265.21)
Net Cash used in Investing Activities	(1,265.21)
C. CASH FLOW FROM FINANCING ACTIVITIES	
Proceeds/ (Repayment) of Long Term Borrowings (Net)	376.72
Proceeds from Issue of Equity Share Capital	902.00
Finance cost	(0.02)
Net Cash used in Financing Activities	1,278.70
Net increase in Cash and Cash Equivalents	3.76



KEROVIT GLOBAL PRIVATE LIMITED
STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31ST MAR 2023

Opening Cash and Cash Equivalents at the beginning of the period

-

Closing Cash and Cash Equivalents at the end of the period


3.76

Note to cash flow statement

1 Components of cash and cash equivalents	
Balances with banks	
- Current accounts	3.76
- Deposit accounts (demand deposits and deposits having original maturity of 3 months or less)	-
Cash on hand	-
Short term borrowings - working capital facilities	-
Cash and cash equivalents considered in the cash flow statement	3.76
2 Reconciliation of cash and cash equivalent with balance sheet	
Cash and cash equivalent as per note 5	3.76
Short term borrowings (working capital facilities) considered as cash and cash equivalent in cash flow	-
Cash and cash equivalents in cash flow statements	3.76
3 The above Statement of cash flows has been prepared in accordance with the 'Indirect method' as set out in Indian Accounting Standard - 7 on 'Statement of Cash Flows' as specified in Companies (Indian Accounting Standard) Amendment Rules, 2016.	

The accompanying notes form an integral part of these standalone financial statements.
As per our report of even date attached

FOR O P BAGLA & CO.LLP
CHARTERED ACCOUNTANTS
FRN : 000018N / N500091


Nitin Jain
Partner
M.No. 510841

Date: 10th May 2023
Place: New Delhi

For and on behalf of the Board of Directors of
KEROVIT GLOBAL PVT LIMITED
CIN: U28994DL2022PTC392556


Ashok Kumar Kajaria
Director
DIN: 273877


Rishi Kajaria
Director
DIN: 228455



KEROVIT GLOBAL PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD 18 JAN'22 TO 31 MAR'2023
(₹ in lakhs unless otherwise stated)

	As at
a) Equity share capital (refer note 7)	31 March 2023
Issued, subscribed and paid up capital	
Balance as at beginning of the period	902.00
Changes during the period	902.00
Balance at the end of the period	902.00
b) Other equity (Refer Note 8)	
Particulars	Reserves and Surplus
	Retained earnings
Profit/(Loss) for the period	(16.14)
Items of OCI for the period Net of Tax	(16.14)
Remeasurement of defined benefit plans	-
	Total other equity
	(16.14)
As At 31 March 2023	(16.14)

The accompanying notes form an integral part of these standalone financial statements.
As per our report of even date attached

FOR O P BAGLA & CO. LLP
CHARTERED ACCOUNTANTS
FRN : 000018N / N500091

(Signature)
Nitin Jain
Partner
M.No. 510841

Date: **10th May 2023**
Place: New Delhi



For and on behalf of the Board of Directors of
KEROVIT GLOBAL PVT LIMITED
CIN: U28994DL2022PTC392556

(Signature)
Ashok Kumar Kajaria
Director
DIN: 273877

(Signature)
Rishi Kajaria
Director
DIN: 228455

Accounting Policies under Ind AS
Standalone financial statements of Kerovit Global Private Limited
for the period ended 31-March-2023

1. Corporate information

KEROVIT GLOBAL PRIVATE LIMITED (“KGPL” or “the company”) is a private limited company domiciled in India and was incorporated on 18th January 2022. The company is subsidiary company of Kajaria Bathware Private Limited. The registered office of the Company is located at J-1/B-1 Extension, Mohan Coop Ind Estate, Mathura Road, New Delhi.

The company is engaged in setting up plant of sanitaryware products in Morbi, Gujarat.

The financial statements of the company for the period 18th January 2022 to 31st March 2023 were authorized for issue in accordance with a resolution of the directors on 10th May 2023.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

The financial statements have been prepared on a historical cost basis, except for the certain assets and liabilities which have been measured at different basis and such basis has been disclosed in relevant accounting policy.

The financial statements are presented in INR and all values are rounded to the nearest lacs (INR 00,000), except when otherwise indicated.

2.2 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/liability is treated as current when it is:

- Expected to be realised or intended to be sold or consumed or settled in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised/settled 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,
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other assets and liabilities are classified as non-current.

The Company classifies all other liabilities as non-current.

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

b. Property, plant and equipment

i) Tangible assets

Property, plant and equipment are stated at cost [i.e., cost of acquisition or construction inclusive of freight, erection and commissioning charges, non-refundable duties and taxes, expenditure during construction period, borrowing costs (in case of a qualifying asset) upto the date of acquisition/ installation], net of accumulated depreciation.

When significant parts of property, plant and equipment (identified individually as component) are required to be replaced at intervals, the Company derecognizes the replaced part, and recognizes the new part with its own associated useful life



Accounting Policies under Ind AS
Standalone financial statements of Kerovit Global Private Limited
for the period ended 31-March-2023

and it is depreciated accordingly. Whenever major inspection/overhaul/repair is performed, its cost is recognized in the carrying amount of respective assets as a replacement, if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the statement of profit and loss.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Property, plant and equipment's are eliminated from financial statements, either on disposal or when retired from active use. Losses/gains arising in case retirement/disposals of property, plant and equipment are recognized in the statement of profit and loss in the period of occurrence.

Depreciation on property, plant and equipment's are provided to the extent of depreciable amount on the straight line (SLM) Method. Depreciation is provided at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013.

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

c. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All other borrowing costs are expensed in the period in which they occur.

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

e. Inventories

Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence, wherever considered necessary. Cost of trading and other products are determined on weighted average basis.

g. Revenue recognition:

Revenue is recognised on transfer of promised goods and services to the customers on performance of obligation at the price that reflects the consideration to which the Company expected to receive on performance of obligation, regardless of when payment is being made. Revenue from operations includes sale of goods and adjusted for discounts. Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

h. Foreign currency transactions

The Company's financial statements are presented in INR, which is also its functional currency.

Foreign currency transactions are initially recorded in functional currency using the exchange rates at the date the transaction.

At each balance sheet date, foreign currency monetary items are reported using the exchange rate prevailing at the period end.

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



Accounting Policies under Ind AS
Standalone financial statements of Kerovit Global Private Limited
for the period ended 31-March-2023

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

i. Taxes on income

Current tax

Current tax is measured at the amount expected to be paid/ recovered to/from 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.

Current income tax relating to items recognised directly in equity/other comprehensive income is recognised under the respective head and not in the statement of profit & loss. 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.

Current tax assets are offset against current tax liabilities if, and only if, a legally enforceable right exists to set off the recognised amounts and there is an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to 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 balance sheet date. Tax relating to items recognized directly in equity/other comprehensive income is recognized in respective head and not in the statement of profit & loss.

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

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.

j. Employee benefits

All employee benefits that are expected to be settled wholly within twelve months after the end of period in which the employee renders the related services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, etc. are recognized as expense during the period in which the employee renders related service.

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered the service entitling them to the contribution.

The Company's contribution to the Provident Fund is remitted to provident fund authorities and are based on a fixed percentage of the eligible employee's salary and debited to Statement of Profit and Loss.

k. Provisions, Contingent liabilities and Contingent assets

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



Accounting Policies under Ind AS
Standalone financial statements of Kerovit Global Private Limited
for the period ended 31-March-2023

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.

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

- **Earnings per share**

Basic earnings per equity share is computed by dividing the net profit after tax attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing adjusted net profit after tax by the aggregate of weighted average number of equity shares and dilutive potential equity shares during the period.

- **Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand, cheques 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.

- **Fair value measurement**

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

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

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

- **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.



Accounting Policies under Ind AS
Standalone financial statements of Kerovit Global Private Limited
for the period ended 31-March-2023

(a) Financial assets

Classification

The Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in below categories:

• **Financial assets carried at amortised cost**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

• **Financial assets at fair value through other comprehensive income**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

• **Financial assets at fair value through profit or loss**

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

Derecognition

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model for measurement and recognition of impairment loss on the financial assets that are trade receivables or contract revenue receivables and all lease receivables.

(b) Financial liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortized cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement



Accounting Policies under Ind AS
Standalone financial statements of Kerovit Global Private Limited
for the period ended 31-March-2023

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

• **Financial liabilities at amortised cost**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized 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 amortization is included as finance costs in the statement of profit and loss.

• **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

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

Derecognition

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

- Unless specifically stated to be otherwise, these policies are consistently followed.

2.3 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of the financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In particular, the Company has identified the following areas where significant judgements, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the financial statements. Changes in estimates are accounted for prospectively.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of



Accounting Policies under Ind AS
Standalone financial statements of Kerovit Global Private Limited
for the period ended 31-March-2023

contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period, are described below. The Company based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) 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 CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing 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 subsidiaries or other available fair value indicators.

(b) Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(c) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(d) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgments in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.



Accounting Policies under Ind AS
Standalone financial statements of Kerovit Global Private Limited
for the period ended 31-March-2023

2.4 Recent accounting pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements- This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of ‘accounting estimates’ and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statement.



KEROVIT GLOBAL PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD 18 Jan'2022 To 31 March 2023
(₹ in lakhs unless otherwise stated)

Note 3 : Property, Plant and Equipment

Particulars	Freehold land	Total
Gross Carrying amount :		
Additions	1,110.65	1,110.65
Disposal	-	-
As at 31 March 2023	1,110.65	1,110.65
Accumulated Depreciation :		
As at 31 March 2022	-	-
Depreciation for the period	-	-
Disposal	-	-
As at 31 March 2023	-	-
Net Carrying amount :		
As at 31 March 2023	1,110.65	1,110.65

Note 4 : Capital work in Progress

Particulars	As at 31 March 2023
Gross carrying amount	
Opening Balance	-
Additions for the period*	154.56
Transfer to property, plant and equipment	
Closing Balance	154.56

*Addition of the period

Particulars	As at 31 March 2023
Civil Work	32.95
Employee Benefit Costs	54.35
Finance Cost	67.26
Total	154.56

Capital work-in-progress ageing schedule as at 31st March 2023

Capital work-in-progress	Amount in lakhs in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	154.56	-	-	-	154.56
Projects temporarily suspended		-	-	-	-

Note:- There are no projects as on the reporting period which has exceeded cost as compared to its original plan or where completion is overdue.



KEROVIT GLOBAL PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD 18 Jan'2022 To 31 March 2023
(₹ in lakhs unless otherwise stated)

Note 5 : Cash and Bank Balances

Particulars	As at 31 March 2023	
	Non-Current	Current
(Unsecured considered good)		
Balance with banks - In current accounts	-	3.76
Cash in hand	-	-
Total	-	3.76

Note 6 : Other Assets

Particulars	As at 31 March 2023	
	Non-Current	Current
Balance with statutory authorities	0.37	-
Total	0.37	-

Note 7: Equity Share Capital

Particulars	As at 31 March 2023	
Authorised :		
1,00,00,000 equity shares of Rs. 10 each.		1,000.00
		<u>1,000.00</u>
Issued and subscribed:		
90,20,000 equity shares of Rs. 10 each		902.00
		<u>902.00</u>

a) Rights, preferences and restrictions attached to the equity shares

The Company has only one class of equity shares having face value of Rs. 10/- per share. The holder of the equity shares is entitled to receive dividend as declared from time to time. The holder of the share is entitled to voting rights proportionate to their shareholding.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive assets of the Company remaining after settlement of all liabilities. The distribution will be in proportion to the number of equity shares held by the share holders.

b) Detail of the Shareholders holding more than 5% shares in the Company

Shareholder's Name	As at 31 Mar 2023	
	No of shares held	% of holding
Kajaria Bathware Private Limited*	9,019,900	100.00

* 100 shares held by director of the company.

c) Detail of Shares held by Holding company:

Shareholder's Name	As at 31 Mar 2023	
	No of shares held	% of holding
Kajaria Bathware Private Limited*	9,019,900	100.00

* 100 shares held by director of the company.

The company does not have any subsidiary company.

d)

No shares in the company is reserved for issue under options and contracts or commitments for the sale of shares or disinvestment.

e)

No shares were issued pursuant to contract without payment being received in cash.

f)

No shares have been brought back by the company during the period.



C) Shareholding of Promoters under sub heading "Equity Share Capital" in Financial Statement

Promoters's Name	As at 31 Mar 2023	
	No of Shares	% of holding
Kajaria Bathware Private Limited	9,019,900	100.00
Rishi Kajaria	100	0
Total	9,020,000	

Note 8 : Reserve & Surplus

	As at 31 March 2023
Retained earnings	
Balance at the beginning of the period	-
Profit/(Loss) for the period	(16.14)
Items of OCI for the period, net of tax	-
Balance at the end of the period	(16.14)

Note 9: Borrowings

Particulars	As at 31 March 2023	
	Non-Current	Current
Loan from Holding company	376.72	-
Total	376.72	-

Loan is taken from ' M/s Kajaria Bathware Private Limited', bearing interest @ 7% p.a. No stipulations has been fixed for repayment of this loan

Note 10 : Other financial liabilities

Particulars	As at 31 March 2023	
	Non-Current	Current
Payable for capital expenditure	-	5.66
Employee Related Payable	-	0.86
Total	-	6.52

Note 11 : Other Current liabilities

Particulars	As at 31 March 2023	
	Non-Current	Current
Statutory Dues Payable	-	0.24
Total	-	0.24



KEROVIT GLOBAL PRIVATE LIMITED
BALANCE SHEET AS AT 31 MARCH, 2023
(₹ in lakhs unless otherwise stated)

Note 12 : Finance Costs

Particulars	Period ended 31 March 2023
Interest on debts and borrowings	-
Interest on unsecured loans from holding company	67.26
Other ancillary borrowing costs	0.02
	67.28
Less: Transferred to Capital Work in Progress	67.26
	0.02

Note 13 : Other expenses

Particulars	Period ended 31 March 2023
Power and fuel	0.21
Payment to auditor's as:	
- Auditors	0.50
- For other services	0.22
Legal and professional expenses	0.84
Communication Expense	0.32
Rates and taxes	10.50
Printing and stationary	0.01
Travelling and conveyance	1.77
Vehicle running and maintenance expenses	0.08
Miscellaneous Expenses	1.69
	16.12



Note 14:

Earnings Per share

Basic and Diluted EPS amounts are calculated by dividing the profit for the period attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the period plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	<u>Period ended</u> <u>31 March 2023</u>
Profit/(Loss) attributable to equity holders of the Company for basis earnings (Rs. In Lakhs) for the period	(16.14)
Weighted Average number of equity shares in calculating basic earnings per Share (Nos.)	1302192
Weighted Average number of equity shares in calculating diluted earnings per Share (Nos.) *	1302192
Profit attributable to equity holders for basic earnings	<u>(16.14)</u>
Dilution effect	-
Profit attributable to equity holders adjusted for dilution effect	<u>(16.14)</u>
Weighted Average number of equity shares used for computing Earning Per Share (Basic & Diluted) *	1302192
* There have been no other transactions involving Equity shares or potential Equity shares between the reporting	
Earning Per Share	
Basic (Rs.)	(1.24)
Diluted (Rs.)	(1.24)
Face value per share (Rs)	10

* There no dilutive potential equity shares as the end of the reporting period.



KEROVIT GLOBAL PRIVATE LIMITED

Summary of significant accounting policies and other explanatory information on the standalone financial statements for the period 18 Jan 2022 to 31 March 2023

(₹ in lakhs unless otherwise stated)

Note 15 : Related party disclosures (as per IND AS 24)

Following are the related parties and transactions entered with related parties for the relevant period:

A	Name of related parties	Nature of relationship
	Kajaria Bathware Private Limited	Holding Company
	Kajaria Sanitaryware Pvt. Ltd	Subsidiary of Holding Company
	Key Managerial Person	
	Ashok Kumar Kajaria	Director
	Rishi Kajaria	Director

Terms and conditions relating to transactions with related parties

The transactions with related parties are made in the ordinary business and on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the period-end are unsecured and settlement occurs in cash. This assessment is undertaken each financial period through examining the financial position of the related party and the market in which the related party operates.

B Transactions during the period:

The following transaction were carried out with related parties in the ordinary course of business:

Particulars	For period ended 31 March 2023
Kajaria Bathware Private Limited	
Interest paid	67.26
Loan Received (net)	309.45
Equity share capital received	901.99
Kajaria Sanitaryware Private Limited	
Reimburement of Expenses/ (Claim of Expenses Incurred)	2.80
Rishi Kajaria	
Equity share capital received	0.01

C Balance outstanding at the end of the period

Particulars	For period ended 31 March 2023
Holding Company - Kajaria Bathware Private Limited	
- Borrowings (including interest)	376.72

Terms and conditions of transactions with related parties

The transaction to and from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the period-end are unsecured.



KEROVIT GLOBAL PRIVATE LIMITED

Summary of significant accounting policies and other explanatory information on the standalone financial statements for the period 18 Jan 2022 to 31 March 2023

Note: 16

Capital Management

The objective of the Company's capital management structure is to ensure that there remains sufficient liquidity within the Company to carry out committed work programme requirements. The Company monitors the long term cash flow requirements of the business in order to assess the requirement for changes to the capital structure to meet that objective and to maintain flexibility.

The Company manages its capital structure and makes adjustments to it, in light of changes to economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital, issue new shares for cash, repay debt, put in place new debt facilities or undertake other such restructuring activities as appropriate.

No changes were made in the objectives, policies or processes during the period ended 31 March 2023.

	For period ended 31 March 2023
Borrowings	376.72
Total debts A	376.72
Total Equity B	885.86
Gearing ratio (A/B)	0.43

Note 17:

Contingent liabilities and commitments

As at 31 March 2023

Commitments:

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)

NIL



KEROVIT GLOBAL PRIVATE LIMITED

Summary of significant accounting policies and other explanatory information on the standalone financial statements for the period 18 Jan 2022 to 31 March 2023

Note: 16

Capital Management

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Total debts A	376.72
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Gearing ratio (A/B)	0.43

Note 17:

Contingent liabilities and commitments

As at 31 March 2023

Commitments:

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)

NIL



Note 18: Income tax

(a) Income tax recognised in Statement of Profit and Loss

	Year ended 31 March 2023
Current Tax:	
In respect of the current year	-
Deferred Tax:	
Deferred tax	-
Income tax reported in the Statement of Profit and Loss	<u>-</u>

(c) Reconciliation of tax expense between accounting profit at applicable tax rate and effective tax rate:

	Year ended 31 March 2023
Accounting loss before tax	(16.14)
Statutory income tax rate (%)	34.94
Tax expense at statutory income tax rate of 34.94% (31 March 2023: 34.94%)	(5.64)
Adjustments in respect of unrecognised tax effect of:	
Unrecognised deferred tax asset on deductible temporary differences	<u>5.64</u>
Income tax expense at effective tax rate reported in the Statement of Profit and Loss	<u>-</u>

Note: Deferred tax arises because of difference in treatment between financial accounting and tax accounting, known as "Timing Differences". The tax effect of these timing differences is recorded as "Deferred Tax Assets" (generally items that can be used as a tax deduction or credit in future periods) and "Deferred Tax Liabilities" (generally items for which the company has received a tax deduction but has not recorded in the statement of income).

The deferred tax asset arising during the year has not been recognized in term of prudence norms and conservative view with regard to virtual certainty of profitability in future years.



Fair value measurements and financial instruments risk

Note 19 : Financial instruments by categories

The carrying values and fair values of financial instruments by categories are as follows:

Particulars	Notes	Carrying value	Fair value/amortised cost/Cost
		31 March 2023	31 March 2023
Financial assets			
Fair value through other comprehensive income			
Current financial assets			
Cash and cash equivalents	5	3.76	3.76
Total		3.76	3.76
Financial liabilities			
Amortised cost			
(i) Non-current financial liabilities			
(a) Borrowings	9	376.72	376.72
(ii) Current financial liabilities			
(a) Other financial liabilities	10	6.52	6.52
Total		383.23	383.23

Valuation technique to determine fair value

Cash and cash equivalents, trade receivables, loans, other current financial assets, trade payables, current borrowings, lease liabilities and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is 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 fair values of long term borrowings, loans, lease liabilities and other deferred payments are determined by using discounted cash flow method using the appropriate discount rate. The discount rate is determined using other similar instruments incorporating the risks associated.

Financial instruments risk

Financials risk management objectives and policies

The Company is exposed to various risks in relation to financial instruments. The main types of financial risks are market risk, credit risk and liquidity risk.

The management of the Company monitors and manages the financial risks relating to the operations of the Company on a continuous basis. The Company's risk management is coordinated at its head office, in close cooperation with the management, and focuses on actively securing the Company's short to medium-term cash flows and simultaneously minimising the exposure to volatile financial markets. Long-term financial investments are managed to generate lasting returns.

The Company does not engage in the trading of financial assets for speculative purposes. The most significant financial risks to which the Company is exposed are described below.

i. Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company is operating through a network of distributors and other distribution partners based at different locations. The Company is exposed to this risk for various financial instruments, for example loans granted, receivables from customers, deposits placed etc. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at end of each reporting period, as summarised below:

	As at 31 March 2023
Classes of financial assets-carrying amounts:	
Cash and cash equivalents	3.76
	3.76

The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

ii. Liquidity risk analysis

Liquidity risk is that the Company might be unable to meet its obligations. The Company manages its liquidity needs by monitoring scheduled debt servicing payments for long-term financial liabilities and considering the maturity profiles of financial assets and other financial liabilities as well as forecast of operational cash inflows and outflows. Liquidity needs are monitored in various time bands, on a day-to-day basis, a week-to-week basis and a month-to-month basis. Long-term liquidity needs for a 180-day and a 360-day lookout period are identified monthly. Net cash requirements are compared to available borrowing facilities in order to determine headroom or any shortfalls.

Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the Company's ability to avail further credit facilities subject to creation of requisite charge on its assets. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low.

The Company's non-derivate financial liabilities have contractual maturities as summarised below:

As at 31 March 2023	1 to 12 months	1 to 5 years	Later than 5 years	Total
Borrowings (current and non-current)	-	376.72	-	376.72
Other financial liabilities (current)	6.52	-	-	6.52
Total	6.52	376.72	-	383.23



Summary of significant accounting policies and other explanatory information on the standalone financial statements for the period 18 Jan 2022 to 31 March 2023

Note 20: Ratio Analysis

S.No.	Ratio	Numerator	Denominator	Numerator	Denominator	Current period as on 31.03.23
1	Current Ratio	4.13	6.76	Current Assets	Current Liabilities	0.61
2	Debt Equity Ratio	376.72	885.86	Total Debt	Shareholder's Equity	0.43
3	Debt Service Coverage Ratio			Earnings for Debt Service = Net Profit after taxes + Non Cash operating expenses	Debt Service = Interest & Lease Payments + Principal Repayments	NA
4	Return on Equity Ratio	(16.14)	442.93	Net Profits after taxes- Preference Dividend	Average Shareholder's Equity	(0.04)
5	Inventory Turnover Ratio			Cost of goods sold	Average Inventory	NA
6	Trade Receivables Turnover Ratio			Net Credit Sales = Gross credit sales- sales return	Average Trade Receivable	NA
7	Trade Payable Turnover Ratio			Net Credit purchases = Gross credit purchases- purchase return	Average Trade Payables	NA
8	Net Capital Turnover Ratio			Net Sales = Total sales- sales return	Working Capital = Current assets - Current liabilities	NA
9	Net Profit Ratio			Net Profit	Net Sales = Total sales - sales return	NA
10	Return on Capital Employed	(16.12)	1,262.57	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability.	(0.01)
11	Return on Investment	N/a	N/a		Not Applicable	

Note 21: Being these are first financial statements of the company, hence comparative figures of previous year are not given.

FOR O P BAGLA & CO.LLP

CHARTERED ACCOUNTANTS
FRN : 000018N/1500091

Nitin Jain
Partner

M.No. 510841

Date: 10th May 2023

Place: New Delhi

For and on behalf of the Board of Directors of

KEROVIT GLOBAL PVT LIMITED

U28994DL2022PTC392556

Ashok Kumar Kajaria
Director
DIN: 273877

Rishi Kajaria
Director
DIN: 228455

