



TIMSI & ASSOCIATES

Chartered Accountants

REGD. OFF: A-125, Sector - 48, NOIDA(U P) - 201301

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INDEPENDENT AUDITOR'S REPORT

To the Members of Earkart Limited [Formerly known as EARKART PRIVATE LIMITED]

Report on the Audit of the Financial Statements

We have audited the financial statements of Earkart Private Limited ("the Company"), which comprise the balance sheet as at 31st March 2025, and the statement of profit and loss the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the 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 Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

Emphasis of Matter

Without qualifying our Opinion, we draw attention that matters fundamental to the users for understanding of the financial statements has been appropriately presented or disclosed in the significant accounting policies and other explanatory information annexed with and forming part of the financial statements.



As per the management, the company is a going concern entity and is in process of further enhancing and improving the performance of the company. The company has prepared its financial statements on a going concern basis.

Key audit matters

SA-701 requires communicating Key Audit Matters in the Independent Auditor's Report.

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Relevant disclosures have been made in the accompanying and explanatory notes forming part of the Financial Statements.

Information other than the financial statements and auditors' report thereon

The Company's management and board of directors are responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure's to Board's Report, Business Responsibility Report 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 standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement therein, we are required to report that fact to those charged with governance and take necessary actions - It is hereby mentioned we have nothing to report in this regard.

Management's responsibility for the financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.



This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial 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, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- 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.



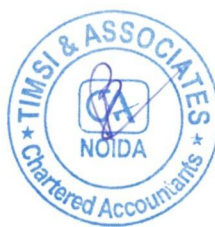
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- 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.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

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 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. The provisions of the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, 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, to the extent applicable, that:

- I. 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;
- II. 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.
- III. The Balance Sheet and 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 books of account;
- IV. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- V. In our opinion, there were no financial transactions or the matters which have any adverse effect on the functioning of the company;
- VI. On the basis of the written representations received from the director as on 31 March 2025 taken on record by the Board of Directors, the director is not disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
- VII. In our opinion there is no adverse remark relating to the maintenance of accounts and other matters connected therewith;
- VIII. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the year is in accordance



with the provisions of section 197 of the Act read with Schedule V of the Companies Act 2013.

- IX. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such control, 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.
- X. 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:
- a) The Company does not have any pending litigations, which would impact its financial position.
 - b) The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - d) (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (ii) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and



- (iii) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.
- e) The company has not declared or paid any dividend during the year. Thus, there is no contravention of the provisions of section 123 of the Companies Act, 2013.
- f) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023. Based on our examination, which included test checks, the Company has used accounting software's 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's. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

For TIMSI & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 020141C
UDIN: 25535006BMSCPZ1869

TIMSI & ASSOCIATES
F.R.N. 020141C

Chartered Accountants
M. No. 535006

CA TIMSI SHARMA
PROPRIETOR
M. NO.: 535006
Date: 29.08.2025
Place: NOIDA



TIMSI & ASSOCIATES

Chartered Accountants

REGD. OFF: A-125, Sector - 48, NOIDA (U P) - 201301

CONTACT: +91-7838583808

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ANNEXURE-I TO THE INDEPENDENT AUDITOR'S REPORT

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, In accordance to clause 3 of Companies (Auditor's Report) Order, 2020, we report that:

(i) In respect of its Property, Plant & Equipment:

- a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment
(B) The company has maintained proper records showing full particulars of intangible assets.
- b) The Property, Plant & Equipment have been physically verified by the management at reasonable intervals. According to the information and explanations given to us, discrepancies, if any, arising from such physical verification have been suitably accounted for in the books of accounts.
- c) The company does not own any immovable property as at March 31st, 2025. There are no Title deeds in respect of immovable property not held in the name of the company.

If not, provide the details thereof in the format below: -

| Descripti on of Property | Gross Carrying Value | Held in Name of | Whether Promoter Director or their relative or employee | Period held indicate range where appropriate | Reason for not being Held in Name of company, |
|--------------------------------|----------------------------|--------------------------|--|---|---|
| Not applicable | | | | | |

- d) The company has not revalued any of its Property, Plant & Equipment and Intangible assets during the year.
- e) No proceedings have been initiated during the year or are pending against the company as at March 31, 2025 for holding any benami property under The Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.



- (ii) (a) The Physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion, the coverage and procedure of such verification by the management is appropriate. As per information and explanation given to us by the company, no discrepancy of 10% or more in the aggregate for each class of inventory were noticed. Other discrepancies were properly dealt with in the books of account.

(b) The Company has been sanctioned working capital limits of five crore rupees during the year, in aggregate, from bank on the basis of security of current assets. As per information and explanations given to us, primarily the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the company. However, somewhere there are marginal differences due to the fact that figures reported in the statements filed with the banks based on unreconciled balances on the basis of Unaudited statements. Though, Financial statements represent the overall financial position on the basis of reconciled balances or balances having realizable value.

(iii) The company has made long term investments in unquoted compulsory convertible preference shares of Private Limited and in Fixed Deposits during the year under consideration in the ordinary course of business activities.

The company has not provided any guarantee or security, not granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, LLPs, or any other parties.

(iv) The company has not given any loans or guarantees within the meaning of sections 185 of The Companies Act, 2013. The Company has complied with the provisions of section 186 of the Companies Act, 2013 in respect of investments made and guarantees and securities provided, as applicable.

(v) According to the information and explanations given to us, the company has not accepted any deposits from public to which the provision of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Rules framed thereunder are 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 cause (vi) of the Order is not applicable to the Company.

(vii) In respect of statutory dues:

- a) On the basis of our checks and audit procedures we are of the opinion that 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, Cess and other material statutory dues applicable to it with the appropriate authorities.



- b) According to the information and explanations given to us and as certified by the management on which we have relied upon, 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, Cess and other material statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.
- c) According to the information and explanations given to us and as certified by the management on which we have relied upon, there are no statutory dues which have not been deposited on account of any dispute.
- (viii) As per information and explanation given to us, there were no transactions relating to previous unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix)(a) As per Information and explanation given to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) As per Information and explanation given to us, the company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) As per Information and explanation given to us, the term loans were applied for the purpose for which the loans were obtained.
- (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 year 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, associates or joint ventures.
- (f) The company has not raised any loans during the year on the pledge of securities held in its subsidiaries, Joint ventures or associate companies, hence reporting on clause 3(ix)(f) of the Order is not applicable.
- (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) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year, 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 to us by the management, no fraud by the company and no material fraud on the company has been noticed or reported during the year.

(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 year and upto the date of this report.

(c) According to the information and explanations given to us by the management, no whistle blower complaints have been received by the company during the year (and upto the date of this report).

(xii) According to the information and explanations given to us, the company is not a Nidhi Company. Accordingly, clauses 3 (xii) (a) to (c) of the Order are not applicable to the company.

(xiii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, transactions with the related parties are in compliance with section 177 to 188 of the Act where applicable and the necessary disclosures have been made in the explanatory notes forming part of the financial Statements, as required by the applicable accounting standards.

(xiv) (a) The provisions for an internal audit system under the Companies Act, 2013 governed by Section 138, read with Rule 13 of the Companies (Accounts) Rules, 2014 are not applicable for the company for the year ended March 31st, 2025. Though, in our opinion the company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) The internal audit reports for the year under audit are not available in the case of the company.

(xv) In our opinion during the year 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 Ac, 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) As per Information and explanation given to us, the group does not have any Core Investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directors, 2016).



- (xvii) The company has not incurred cash losses during the Financial Year covered by our audit and the immediately preceding Financial Year.
- (xviii) There has been no resignation of the statutory auditors of the company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements 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 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 form the balance sheet date, we get discharged by the company as and when they fall due.
- (xx) (a) The provisions of Corporate Social Responsibility (CSR) in accordance with Section 135 of the Act are not applicable for the company for the year ended March 31st, 2025. Accordingly reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (xxi) No reporting under clause 3(xxi) of the order is done as the clause is applicable to Consolidated Financial Statements only.

For TIMSI & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 020141C
UDIN: 25535006BMSCPZ1869

TIMSI & ASSOCIATES
F.R.N. 020141C


Chartered Accountants
CA TIMSI SHARMA
PROPRIETOR
M. NO.: 535006
Date: 29.08.2025
Place: NOIDA



TIMSI & ASSOCIATES **Chartered Accountants**

REGD. OFF: A-125, Sector - 48, NOIDA(U P) - 201301

CONTACT: +91-7838583808

EMAIL ID: ca1timsisharma@gmail.com

ANNEXURE II TO THE INDEPENDENT AUDITORS' 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 statements of **Earkart Limited** **[Formerly known as EARKART PRIVATE LIMITED]** ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the Guidance Note") and the standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered



Accountant of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

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 authorizations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized 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, 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 on "Audit of Internal Financial Controls Over Financial Reporting" issued by the Institute of Chartered Accountants of India.

For TIMSI & ASSOCIATES

CHARTERED ACCOUNTANTS

FRN: 020141C

UDIN: 25535006BMSCPZ1869

TIMSI & ASSOCIATES
F.R.N. 020141C

CA TIMSI SHARMA
Chartered Accountants
M. NO: 535006

PROPRIETOR

M.NO: 535006

Date: 29.08.2025

Place: Noida

| |
|---|
| EARKART LIMITED (Formerly Known as Earkart Private Limited) |
| CIN : U74999DL2021PLC399313 |
| Shop No. 8-P, STREET NO. 6, VASUNDHARA ENCLAVE DELHI East Delhi DL 110096 IN |
| Balance Sheet as on year end |

(All amounts are in INR thousands except share numbers or otherwise stated)

| | Particulars | Note | As at March 31, 2025 | As at March 31, 2024 |
|------------|--|------|----------------------|----------------------|
| I. | EQUITY AND LIABILITIES | | | |
| (1) | Shareholders' Funds | | | |
| | (a) Share Capital | 1 | 104,389.32 | 691.32 |
| | (b) Reserves and Surplus | 2 | 93,671.18 | 130,959.72 |
| | (c) Money received against share warrants | | | |
| (2) | Share application money pending allotments | | | |
| (3) | Non-current liabilities | | | |
| | (a) Long-term borrowings | - | - | - |
| | (b) Deferred tax liabilities (net) | - | - | - |
| | (c) Other Long Term Liabilities | - | - | - |
| | (d) Long term provision | 3 | 1,740.06 | - |
| (4) | Current Liabilities | | | |
| | (a) Short Term Borrowings | 4 | 49,592.64 | 40,010.98 |
| | (b) Trade Payables | | | |
| | i) Total outstanding dues of Micro, Small and Medium Enterprises | | 331.88 | 546.00 |
| | ii) Total outstanding dues of other than Micro, Small and Medium Enterprises | 5 | 29,835.37 | 10,051.89 |
| | (c) Other Current Liabilities | 6 | 4,758.47 | 3,847.83 |
| | (d) Short Term Provisions | 7 | 18,758.02 | 7,127.23 |
| | TOTAL | | 303,076.93 | 193,234.96 |
| II. | ASSETS | | | |
| (1) | Non-Current Assets | | | |
| | (a) Property, Plant and Equipment and Intangible Assets | | | |
| | (i) Property, Plant and Equipment | 8 | 10,035.34 | 9,445.44 |
| | (ii) Intangible Assets | 8.1 | 847.23 | 616.76 |
| | (ii) Capital Work in Progress | 8 | - | - |
| | (ii) Intangible Assets under development | 8.1 | 802.40 | 601.80 |
| | (b) Deferred Tax Asset | 8.2 | 576.39 | 175.66 |
| | (c) Non Current Investments | 8.3 | 8,261.85 | 1,879.40 |
| | (d) Long term loans and advances | - | - | - |
| | (e) Other Non current assets | 8.4 | 11,963.58 | 10,567.81 |
| (2) | Current Assets | | | |
| | (a) Inventories | 9 | 65,496.48 | 62,158.98 |
| | (b) Trade Receivables | 10 | 186,314.58 | 64,336.24 |
| | (c) Cash and Cash Equivalents | 11 | 3,664.35 | 13,786.97 |
| | (d) Short-term Loans and Advances | 12 | 8,153.46 | 16,830.43 |
| | (e) Other Current Assets | 13 | 6,961.27 | 12,835.48 |
| | TOTAL | | 303,076.93 | 193,234.96 |

See accompanying notes to the Financial Statements including explanatory notes

For Timsi and Associates

Chartered Accountants

FRN - 020141C

TIMSI & ASSOCIATES
F.R.N. 020141C

Timsi Sharma

(Proprietor)

Chartered Accountants

Membership No. 835006

Date: 29.8.25

Place: Noida

For EARKART LIMITED

[Signature]

Managing Director

Rohit Misra

DIN: 00775537

Date : 29.08.2025

Place: Noida

Director & CFO

Ajay Kumar Giri

DIN: 09506951

M. No. A-31615

Company Secretary

Preeti Srivastava

M. No. A-31615



UDIN - 25535006 BMSCP21869

| | | | |
|---|--|--|--|
| EARKART LIMITED (Formerly Known as Earkart Private Limited) CIN : U74999DL2021PLC399313 Shop No. 8-P, STREET NO. 6, VASUNDHARA ENCLAVE DELHI East Delhi DL 110096 IN Statement of Profit & Loss for the period | | | |
|---|--|--|--|

(All amounts are in INR thousands except share numbers or otherwise stated)

| Particulars | Note | For the Year ended March 31, 2025 | For the Year ended March 31, 2024 |
|--|------|--------------------------------------|--------------------------------------|
| REVENUE | | | |
| I. Revenue from operations | 14 | 431,062.08 | 317,546.45 |
| II. Other Income | 15 | 858.56 | 3,049.18 |
| III. Total Income (I +II) | | 431,920.64 | 320,595.63 |
| EXPENSES: | | | |
| Purchases and Direct Expenses | 16 | 259,500.61 | 252,310.03 |
| Changes in Inventories | 17 | -3,337.49 | (38,571.86) |
| Employee Benefits Expense | 18 | 41,662.54 | 33,725.69 |
| Finance Costs | 19 | 4,085.71 | 3,325.39 |
| Depreciation and Amortization Expenses | 20 | 4,323.99 | 1,795.55 |
| Other Expenses | 21 | 37,593.73 | 33,322.85 |
| IV. Total Expenses | | 343,829.09 | 285,907.66 |
| V. Profit before exceptional and extraordinary items and tax (III-IV) | | 88,091.55 | 34,687.97 |
| VI. Exceptional Items | | 0.00 | 0.00 |
| VII. Profit before extraordinary items and tax (V - VI) | | 88,091.55 | 34,687.97 |
| VIII. Extraordinary Items | | 0.00 | 0.00 |
| IX. Profit before tax (VII - VIII) | | 88,091.55 | 34,687.97 |
| X. Tax expense: | | | |
| (1) Current tax | | 17,620.86 | 5,991.95 |
| (2) Previous year tax adjustment | | (548.31) | 10.89 |
| (3) Deferred tax | | (400.73) | (0.16) |
| (4) MAT Credit | | 5,010.27 | (3,522.38) |
| XI. Profit(Loss) for the period from continuing operations (IX-X) | | 66,409.46 | 32,207.68 |
| XII. Profit/(Loss) from discontinuing operations | | 0.00 | 0.00 |
| XIII. Tax expense of discontinuing operations | | 0.00 | 0.00 |
| XIV. Profit/(Loss) from Discontinuing operations (XII - XIII) | | 0.00 | 0.00 |
| XV. Profit/(Loss) for the period (XI + XIV) | | 66,409.46 | 32,207.68 |
| XVI. Earning per equity share: | | | |
| (1) Basic | 22 | 6.36 | 4.27 |
| (2) Diluted | 22 | 6.36 | 3.09 |

See accompanying notes to the Financial Statements including explanatory notes

For Timsi and Associates

Chartered Accountants

FRN - 020141C

TIMSI & ASSOCIATES
F.R.N. 020141C
Naresh 27/8/25
Chartered Accountants
M. No. 535006

Timsi Sharma

(Proprietor)

Membership No. 535006

Date: 29.8.25

Place: Noida

For EARKART LIMITED

Managing Director

Rohit Misra

DIN:00775537

Date : 29.08.2025

Place: Noida

Director & CFO

Ajay Kumar Giri

DIN: 09505964

Company Secretary

Preeti Srivastava

M. No. A-31615



Cash Flow Statement

| | PARTICULARS | For the Year ended March 31, 2025 | For the Year ended March 31, 2024 |
|----------|---|--|--|
| A | Cash Flow from Operating Activities | | |
| | Net Profit/ (Loss) for the year before tax | 88,091.55 | 34,687.97 |
| | Adjustments for : | | |
| Add: | Amortisation | 56.98 | 56.98 |
| | Depreciation | 4,323.99 | 1,795.55 |
| | Interest on borrowings | 4,085.71 | 3,325.39 |
| Less: | Interest Income | (104.27) | (155.88) |
| | Operating profit before working capital changes | 96,453.96 | 39,710.01 |
| | Changes in Working Capital: | | |
| | <u>Adjustments for increase/ (decrease) in operating liabilities:</u> | | |
| | Short Term Borrowings | 9,581.66 | 27,869.31 |
| | Trade Payables | 19,569.35 | (47,806.26) |
| | Other current liabilities and provisions | 14,281.49 | (405.34) |
| | | 43,432.50 | (20,342.29) |
| | <u>Adjustments for decrease/ (increase) in operating assets:</u> | | |
| | Sundry debtors | (121,978.34) | (17,218.71) |
| | Inventories | (3,337.49) | (7,243.55) |
| | Short Term Loans & Advances | 8,676.97 | 4,695.32 |
| | Other current assets | 5,948.45 | (7,014.24) |
| | | (110,690.41) | (26,781.19) |
| | Cash used in Operations | 29,196.05 | (7,413.47) |
| | Income tax Paid | 22,082.82 | 2,570.10 |
| | Net cash flow from operating activities | 7,113.22 | (9,983.57) |
| B | Cash Flow from Investing Activities | | |
| | Purchase of Fixed Assets | (5,344.97) | (9,910.94) |
| | Interest Income | (26.61) | 99.25 |
| | (Increase) / decrease in Other non current assets | (1,395.77) | (2,292.72) |
| | (Increase) / decrease in investments | (6,382.45) | (765.90) |
| | Net cash flow from investing activities | (13,149.80) | (12,870.32) |
| C | Cash Flow from Financing Activities | | |
| | Proceeds from issue of share capital | - | 34,144.41 |
| | Interest paid | (4,086.05) | (3,323.75) |
| | Net cash from financing activities | (4,086.05) | 30,820.66 |
| | Net Increase in cash and cash equivalents | (10,122.62) | 7,966.77 |
| | Cash and cash equivalents at the beginning of the year | 13,786.97 | 5,820.20 |
| | Cash and cash equivalents at the end of the year | 3,664.35 | 13,786.97 |
| | | | |
| | Components of cash and cash equivalents | FIGURES AS ON THE END OF CURRENT REPORTING PERIOD | FIGURES AS ON THE END OF CURRENT REPORTING PERIOD |
| | With Banks: | | |
| | In current accounts | 3,594.92 | 13,586.38 |
| | Cash in hand | 69.43 | 200.60 |
| | Cash and cash equivalents considered in cash flow | - | - |
| | TOTAL | 3,664.35 | 13,786.97 |

For Timsi and Associates

Chartered Accountants
 FRN - 020141C

Timsi Sharma
 (Proprietor)
 Membership No. 535006
 Date: 29/8/25
 Place: Noida

For EARKART LIMITED

Managing Director
 Robit Misra
 DIN:00775537
 Date : 29.08.2025
 Place: Noida

Director & CFO
 Ajay Kumar Giri
 DIN: 09505964

Company Secretary
 Preeti Srivastava
 M. No. A-31615



SIGNIFICANT ACCOUNTING POLICIES AND EXPLANATORY NOTES FORMING PART OF THE FINANCIAL STATEMENTS - EARKART LIMITED [Formerly known as EARKART PRIVATE LIMITED]

A. CORPORATE INFORMATION

The company EARKART LIMITED Formerly known as [EARKART PRIVATE LIMITED] is domiciled in India & originally incorporated under the provisions of the Companies Act, 2013 on 14/04/2021.

The company has been officially registered as a startup under the applicable government scheme with the Department for promotion of Industry and Internal Trade in the development and improvement of products in Health care and Lifesciences vide certificate dated 04.05.2021 being valid from 14.04.2021 to 13.04.2031. Subsequently, the company has been registered as an "Eligible Startup" by the Inter-Ministerial Board and has been issued certificate of eligible business under section 80-IAC of the Income tax Act, 1961 having Certificate Number DIPP79260/IMB for availing Tax Exemption under Section 80-IAC of the Income Tax Act

The name of the company is changed to EARKART LIMITED [Formerly known as EARKART PRIVATE LIMITED] w.e.f. 18/12/2024, upon an intimation made for conversion into public company under Section 18 of the Companies Act, 2013; and approval of Central Government signified in writing having been accorded thereto by the ROC, CPC vide SRN AB2138522 dated 17/12/2024..

The Company is engaged in the development and improvement of products in Health care and Lifesciences "Industry and Healthcare services". The main object of the company is to assemble, manufacture, sell, trade, provide after sales services (including user training) and undertake research and development of affordable hearing aids, MSIED Kits, TLM Kits and other rehabilitation products, including their components, accessories and parts thereof. There has been no change in the business of the Company since incorporation.

The details of financial performance of the company are appearing in the financial statements annexed herewith for the period ended March 31, 2025. Since, the date of inception, the Company has continuously expanded range of services and clientele base for growth of the Company.

The Directors / Management are putting up efforts for improvement in each and every area of business activities including the maintenance of records.

B. SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Preparation

These financial statements have been prepared to comply with Accounting Principles generally accepted in India, the Indian GAAP read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and the Accounting Standards specified under the Companies Act 2013 read with Company (Accounting Standards) Rules, 2014 and other relevant provisions of the Companies



Act, 2013. The Financial Statements are prepared on accrual basis under the historical cost convention.

2. Use of estimates

The preparation of Financial Statements is in conformity with Indian GAAP requires the Management to make judgements, estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and reported income and expenses during the period.

The Management believes that the estimates used in preparation of financial statements are prudent and reasonable. Future results could differ due to these estimates and the difference between the actual results and the estimates are recognized in the periods in which the results are known/materialized.

3. Cash and Bank Balances

Cash comprises cash in hand, balance in bank accounts maintained with banks and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

4. Revenue and Expenditure recognition

Revenue is recognized only when risks and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

Dividend income is recognized when the right to receive payment is established.

Accounting of Income and Expenditure is done on accrual basis and as per above principles.

5. Employee benefits

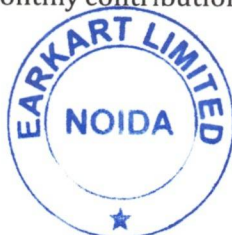
- Short term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized as an expense during the period when the employees render the services. These benefits include performance incentive and compensated absences. The relevant benefits have been charged to Profit and loss account during the period under consideration.

- Post-employment benefits

- Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund, The



Employees' State Insurance (ESI) scheme and Pension Scheme. The Company's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

The company has made contributions under The Employees' Provident Funds And Miscellaneous Provisions Act, 1952 and Employees' State Insurance Act, 1948 and recognized as expense during the period under consideration. The said contributions were made on timely basis.

- **Defined benefit plans**

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services. Actuarial gains and losses in respect of post-employment and other long-term benefits are charged to the Statement of Profit and Loss.

The company has made provision on account of Gratuity expense as per the Accounting Standard 15- Employees Benefits prescribed under the Companies Act, 2013 and amount is provided on the basis of Report dated 09.04.2025 on Actuarial valuation of the gratuity liability for the period from 01/04/2024 to 31/03/2025, as per AS-15(R).

- **Employee Separation Costs**

Compensation to employees who have opted for retirement under the voluntary retirement scheme of the Company is charged to the Statement of Profit and Loss in the period of exercise of option by the employee.

No such items are charged in profit and loss account during the period under consideration as not applicable.

6. Foreign Currency transactions

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

Foreign currency monetary items are reported or carried in terms of historical cost denominated in a foreign currency reported using the exchange rate at the date of the transaction.

Exchange difference arising on the settlement at rates different from those at which they initially recorded during the year, or reported in previous financial statements, are recognized as income or expenses in the year in which they arise.

7. Taxes on income

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflects the current period timing differences between taxable income and accounting income



for the period and reversal of timing differences of earlier periods. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognized if there is virtual certainty that sufficient future taxable income will be available to realize the same. Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

Minimum Alternative Tax (MAT) is calculated in accordance with the provisions of Income Tax Act 1961, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as asset in the balance sheet.

Further Company is following ICDR requirement and Taxes has been recognized in the financial statement as per above mentioned principle.

As per the provision subject to conditions laid down under section 80-IAC of the Income tax Act, 1961 a deduction of an amount equal to one hundred per cent of the profits and gains derived from eligible business is allowed in computing the total income of the assessee for three consecutive assessment years. The company had already claimed the deduction of an amount equal to one hundred per cent of the profits and gains derived from manufacturing business for the preceding three years from FY 21-22 to FY 23-24 under section 80-IAC of the Income tax Act, 1961.

8. Provisions and contingencies

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Provisions involving substantial degree of estimation in measurement are recognized as per said principles being certified by the management.

Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in financial statement.

9. Classification of Assets and Liabilities as Current and Non-Current

All assets and liabilities are classified as current or non-current as per the company's normal operating cycle and other criteria set out in schedule III to the Companies Act, 2013. Based on the nature of products and time between acquisition of assets for processing and their realization in cash and cash equivalents, 12 months has been considered by the Company for the purpose of current or non-current classification of assets and Liabilities.

10. Inventory

Assessee is following Weighted Average Method as a measurement of cost, and that approximates the actual cost. The stock is value at cost or NRV whichever is lower.



11. Property, Plant and equipment and Intangible Assets

Fixed assets are recognized in Books at cost of acquisition and further stated at their written down value.

Cost includes purchase price, taxes and duties, labour cost and directly attributable overhead expenditure for self-constructed assets incurred up to the date the asset is ready for its intended use.

Depreciation on fixed assets is provided to the extent of depreciable amount on the Written Down Value (WDV) Method at the rates and the manner prescribed in Schedule II to the Companies Act, 2013.

Expenditure against Capital Assets which are not ready to use as on balance sheet date are separately shown under Fixed Asset Schedule under Capital work in progress

12. Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as a part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Profit and loss statement in the period in which they incurred.

13. Impairment

The carrying value of assets/ cash generating units at each balance sheet date are reviewed for impairment, if any indication of impairment exists. An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value. An impairment loss is charged to the statement of profit and loss in the period in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if a change in the estimates of the recoverable amount. No such relevant adjustment is required in the balance sheet for the period under consideration.

14. Investments

Investments are classified as Current Investments and Non-current Investments. Investments are carried at cost, less any provision for diminution in value, which is other than temporary.

The cost of investments does not include acquisition charges such as brokerage, fees, and duties as on 31.03.2025

15. Segment Reporting

Company is operating under a single segment. The disclosure in terms of provisions of AS 17, Segment Reporting, are not applicable in the present case.



16. Claims

Revenue in respect of claims is recognized only when the same are reasonably ascertained

Unless specifically stated to be otherwise, these policies are consistently followed and there is no change in significant accounting policies of the Company.

C. OTHER EXPLANATORY NOTES

1. During the period ended March 31, 2025, there is change in the Authorized share capital of the Company which has been increased as under:

- Equity Share capital of Rs 10,00,000/- being 1,00,000 Equity Shares of Rs 10/- each increased to Rs 14,50,00,000/- being 2,90,00,000 Equity Shares of Rs 5/- each.
- However, the Authorized Preference share capital remains the same.

During the period ended March 31, 2025, there is change in the Paid up share capital of the Company which has been increased as under:

- Pursuant to the approval of the shareholders accorded on 30th September, 2024 vide ordinary resolution in Extra Ordinary General Meeting conducted by the Company, each compulsory convertible preference share (CCPS) is converted into 1 equity share in the ratio of 1:1 of face value of Rs 10/- per share, w.e.f. 30th September, 2024.
- Pursuant to the approval of the shareholders accorded on 30th September, 2024 vide ordinary resolution in Extra Ordinary General Meeting conducted by the Company, each equity share of face value of Rs 10 per share was sub-divided in to two equity shares of face value Rs 5/- per share, with effect from 30th September, 2024.
- Pursuant to approval given by the shareholders vide ordinary resolution in Extra Ordinary General Meeting on 30 Sep, 2024, the Company has issued 2,07,39,600 fully paid-up bonus equity shares of Face value of Rs 5/- each in the ratio of 150 (One hundred Fifty) equity share of Rs 5/- each for every 1 (One) existing equity share of Rs 5/- each as on record date September 30, 2024.
- Pursuant to the approval of the shareholders accorded on 3rd February, 2025 vide ordinary resolution in Extra Ordinary General Meeting conducted by the Company, two equity share of face value of Rs 5 per share was consolidated in to one equity share of face value Rs 10/- per share, with effect from 3rd February, 2025.

The company has not received Foreign Direct Investment during the year under consideration.

The company has filed FLA (Foreign Assets and Liabilities) Return with the RBI for the F.Y. 2024-25 on the basis of unaudited statements.



2. Disclosure in respect of Related Party Transactions as per AS-18 of Companies (Accounting Standards) Rules, 2006

| Name of the Party | PAN | Relation |
|-------------------|------------|-------------------------|
| ROHIT MISRA | AHFPM5307E | Managing Director & CEO |
| MONIKA MISRA | ANNPM3896L | Whole Time Director |
| AJAY KUMAR GIRI | AWKPG8284E | Director & CFO |
| RAHUL SALESHA | BLWPS5962B | Director |
| GEETIKA CHAWLA | AREPC0340E | Company Secretary |
| PREETI SRIVASTAVA | BLHPS6688B | Company Secretary |

| Nature of transaction | Related Person | Amount (in Rs) |
|---|-------------------|----------------|
| Payment to Remuneration (As tabulated below) | Directors and KMP | 1,76,23,826 |
| Payment to Directors for expenses reimbursements (As tabulated below) | Directors and KMP | 30,73,419 |

| NAME OF PERSON | REMUNERATION PAID | Reimbursement |
|-------------------|--------------------|------------------|
| ROHIT MISRA | 7896000 | 1378765.68 |
| MONIKA MISRA | 4512000 | 812493.68 |
| AJAY KUMAR GIRI | 1480500 | 292195 |
| RAHUL SALESHA | 3482136 | 589965 |
| GEETIKA CHAWLA | 96047 | Nil |
| PREETI SRIVASTAVA | 157143 | Nil |
| TOTAL | 1,76,23,826 | 30,73,419 |

3. The company has filed Form DPT-3 Return with the ROC for the F.Y. 2024-25 on the basis of unaudited statements.
4. The financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
5. In the opinion of the Management, the value declared under current assets, current liabilities and Loans and Advances has a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance sheet. Provisions for liabilities and doubtful assets has already been made in the financials.
6. Value of Closing stock as on 31.03.2025 is certified by the Management of the company.



7. As per the information provided by the management of the company, Trade payables as on 31.03.2025 which are outstanding to Medim, small and micro enterprises are shown separately.
8. The company has contingent liability on account of Bank Guarantee of Rs 765900/-.

D. Subsequent events

The company is in the process of filing requisite application / documents with the Ministry of corporate affairs and with the Securities and Exchange Board of India to launch an Initial Public Offering (IPO) and thereby for conversion of Company from an Unlisted entity to Listed entity as on 31st March 2025. The DRHP was filed on 12th June'2025 and pending for approval as on date.

| | |
|--|---|
| FOR TIMSI AND ASSOCIATES CHARTERED ACCOUNTANTS FRN: 020141C TIMSI & ASSOCIATES F.R.N. 020141C Chartered Accountants TIMSI SHARMA (PROPRIETOR) M.NO.: 535006 DATE: 29.08.25 PLACE: NOIDA | FOR EARKART LIMITED MD & CEO Rohit Misra DIN: 00775537 Director & CFO Ajay Kumar Giri DIN: 09505964 Company Secretary Preeti Srivastava MN: A31615 DATE: 29.08.2025 PLACE: NOIDA |
|--|---|

All amounts are in Absolute INR Value.

1 SHARE CAPITAL
Note -1. SHARE CAPITAL

| Particulars | As at March 31, 2025 | | As at March 31, 2024 | |
|---|----------------------|-----------------|----------------------|--------------|
| | Number of shares | VALUE IN INR | Number of shares | VALUE IN INR |
| (a) Authorised | | | | |
| *Equity shares of FV* of Rs.10/- each with voting rights Post Consolidation | 1,45,00,000.00 | 14,50,00,000.00 | 1,00,000.00 | 10,00,000.00 |
| **Preference Shares of FV* of Rs. 10/- each | 30,000.00 | 3,00,000.00 | 30,000.00 | 3,00,000.00 |
| | 1,45,30,000.00 | 14,53,00,000.00 | 1,30,000.00 | 13,00,000.00 |
| (b) Issued, Subscribed and Paid up | | | | |
| Fully paid up Equity shares of FV* of Rs.10/- each with voting rights- Post Conversion, Post Split and Post consolidation | 69,132.00 | 6,91,320.00 | | |
| Fully paid up Equity shares of FV* of Rs.10/- each with voting rights - Pre Conversion and Split | - | - | 50,000.00 | 5,00,000.00 |
| Fully paid up Compulsory Convertible Preference Shares of FV* of Rs. 10/- each - Pre Conversion | - | - | 19,132.00 | 1,91,320.00 |
| Fully paid up Bonus Share Issued during the period of FV of Rs 10/- each - Post Consolidation. | 1,03,69,800.00 | 10,36,98,000.00 | - | - |
| | 1,04,38,932.00 | 10,43,89,320.00 | 69,132.00 | 6,91,320.00 |
| FV - Face Value | | | | |

Additional information

| Reconciliation of Equity shares outstanding at the beginning and at the end of the reporting period | As at March 31, 2025 | As at March 31, 2024 |
|---|----------------------|----------------------|
| Shares outstanding at the beginning of the reporting period | 50,000.00 | 50,000.00 |
| Conversion of compulsorily convertible preference shares into equity share (1:1) | 19,132.00 | - |
| Increase in Equity shares on account of sub division of Shares from Face value of Rs.10 to Rs5 each during the reporting period | 69,132.00 | - |
| ***Total shares after split of face value from Rs. 10/- to Rs. 5/- | 1,38,264.00 | |
| ****Bonus Share Issued during the period -Post split / Pre consolidation | 2,07,39,600.00 | - |
| Total shares after conversion & Sub-division | 2,08,77,864.00 | |
| Post Consolidation - Shares outstanding at the end of the reporting period | 1,04,38,932.00 | 50,000.00 |

Note :

*The Company has only one class of equity shares having a par value of Rs 10/-. The holders of the equity shares are entitled to receive dividends as declared from time to time, if any, and are entitled to voting rights proportionate to their shareholding at the meeting of the shareholders

**The Company has only one class of Preference shares namely compulsorily convertible preference shares all having a par value of Rs 10/-. The holders of the Preference shares are entitled to receive dividends as declared from time to time, if any, as per the terms laid out in shareholder's agreement and are entitled to voting rights proportionate to their shareholding at the meeting of the shareholders. The Preference shares shall be automatically converted to Equity shares on the 19th anniversary of the date of issue and allotment of securities.

*During the F.Y. 24-25, there is change in the Authorized share capital of the Company which has been increased as under:

- (i) Equity Share capital of Rs.10,00,000/- being 100,000 Equity Shares of Rs 10/- each increased to Rs.14,50,00,000/- being 1,45,00,000 Equity Shares of Rs 10/- each (Post Consolidation)
(ii) However, the Authorized Preference share capital remains the same.

***Pursuant to the approval of the shareholders accorded on 30th September, 2024 vide ordinary resolution in Extra Ordinary General Meeting conducted by the Company, each equity share of face value of Rs 10 per share was sub-divided in to two equity shares of face value Rs 5/- per share, with effect from 30th september , 2024.

****Pursuant to approval given by the shareholders vide ordinary resolution in Extra Ordinary General Meeting on 30 Sep, 2024, the Company has issued 2,07,39,600 fully paid up bonus equity shares of Face value of Rs 5/- each in the ratio of 150 (One hundred Fifty) equity share of Rs 5/- each for every 1 (One) existing equity share of Rs 5/- each as on record date September 30, 2024.

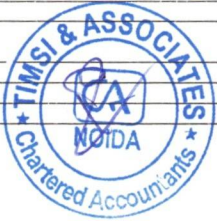
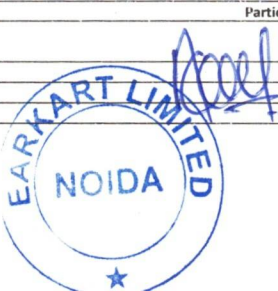
*****The Board of Directors of the Company approved to capitalise a sum of Rs. 10,36,98,000/- (Rupees Ten Crore Thirty-Six Lakh Ninety Eight Thousand) out of the Company's Securities Premium Account or such other accounts (Free reserves) as are permissible to be utilized for the purpose, as per the audited accounts of the Company for the financial year ended March 31, 2024 and that such amounts be transferred to the Share Capital Account and be applied for issue and allotment of 2,07,39,600 (Two Crores Seven Lakhs Thirty Nine Thousand and Six Hundred) Equity Shares of Rs. 5/- (Rupees Five only) each as Bonus Equity Shares in the ratio of 1:150, credited as fully paid-up Equity Shares to the holders of the Equity Shares of the Company, whose names appear in the Register of Members / Beneficial Owners' position of the Company on 30 Sept, 2024 ("Record Date"), and that the new Bonus Equity Shares so issued and allotted shall be treated for all purposes as an increase of nominal amount of share capital of the Company held by each such members and not as income in lieu of dividend credited.

*Pursuant to the approval of the shareholders accorded on 3rd February, 2025 vide ordinary resolution in Extra Ordinary General Meeting conducted by the Company, two equity share of face value of Rs 5 per share was consolidated in to one equity share of face value Rs 10/- per share, with effect from 3rd February, 2025.

| Reconciliation of Preference shares outstanding at the beginning and at the end of the reporting period | As at March 31, 2025 | As at March 31, 2024 |
|---|----------------------|----------------------|
| Shares outstanding at the beginning of the reporting period | 19,132.00 | 17,706.00 |
| Conversion of compulsorily convertible preference shares Into Equity share (Ratio 1:1). | 19,132.00 | 1,426.00 |
| Shares outstanding after Conversion at the close of the reporting period | - | 19,132.00 |

List of Equity Shareholders holding more than 5% share capital

| Particulars | As at March 31, 2025 | | | |
|------------------------|----------------------|-------------------|-------------|-----------------------|
| | Number of shares | % of total shares | Value/Share | ABSOLUTE VALUE IN INR |
| Name of Shareholders | | | | |
| Rohit Misra (Promoter) | 79,04,397.00 | 75.72 | 10.00 | 7,90,43,970.00 |
| Ashneer Grover | 9,31,972.00 | 8.93 | 10.00 | 93,19,720.00 |
| Total | 88,36,369.00 | 84.65 | | 8,83,63,690.00 |
| Particulars | As at March 31, 2024 | | | |
| | Number of shares | % of total shares | Value/Share | ABSOLUTE VALUE IN INR |
| Name of Shareholders | | | | |
| Rohit Misra (Promoter) | 47,576.00 | 95.15 | 10.00 | 4,75,760.00 |
| Total | 47,576.00 | 95.15 | | 4,75,760.00 |



List of Preference Shareholders holding more than 5% share capital

| Name of Shareholders | Particulars | As at March 31, 2025 | | | |
|---|-------------|----------------------|-------------------|-------------|-----------------------|
| | | Number of shares | % of total shares | Value/Share | ABSOLUTE VALUE IN INR |
| All compulsorily convertible preference shares converted in to equity share in the ratio of 1:1 | | NIL | | | |
| | | | | | |
| Total | | - | - | - | - |

| Name of Shareholders | Particulars | As at March 31, 2024 | | | |
|------------------------|-------------|----------------------|-------------------|-------------|-----------------------|
| | | Number of shares | % of total shares | Value/Share | ABSOLUTE VALUE IN INR |
| Rohit Misra (Promoter) | | 3,699.00 | 19.33 | 10.00 | 36,990.00 |
| Ashneer Grover | | 6,172.00 | 32.26 | 10.00 | 61,720.00 |
| Sushma Ninad Shah | | 1,287.00 | 6.73 | 10.00 | 12,870.00 |
| Kumar Agneet | | 989.00 | 5.17 | 10.00 | 9,890.00 |
| Total | | 12,147.00 | 63.49 | | 1,21,470.00 |

1b STATEMENTS OF CHANGES IN EQUITY

| As at March 31, 2025 | | | | | ABSOLUTE VALUE IN INR |
|--|---|--|---|--|-----------------------|
| Balance at the beginning of the current reporting period | Changes in Equity Share Capital due to prior period error | Related Balance at the beginning of the current reporting period | Changes in Equity Share Capital during the current year | Balance at the end of the current reporting period | |
| 500000 | - | 5,00,000.00 | 10,38,89,320.00 | 10,43,89,320.00 | |

| As at March 31, 2024 | | | | | ABSOLUTE VALUE IN INR |
|--|---|--|---|--|-----------------------|
| Balance at the beginning of the current reporting period | Changes in Equity Share Capital due to prior period error | Related Balance at the beginning of the current reporting period | Changes in Equity Share Capital during the current year | Balance at the end of the current reporting period | |
| 500000 | - | 5,00,000.00 | - | 5,00,000.00 | |



EARKART LIMITED (Formerly Known as Earkart Private Limited)
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET

2 RESERVES AND SURPLUS

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|----------------------|----------------------|
| A. Securities Premium Account | | |
| Opening balance | 84,901.08 | 50,770.93 |
| Addition:- | - | 34,130.15 |
| Deductions:- Issue of fully paid Bonus Shares of Face value of Rs 5/- each | 84,901.08 | - |
| Closing balance | - | 84,901.08 |
| Total (A) | - | 84,901.08 |
| B. Surplus / (Deficit) in Statement of Profit and Loss | | |
| Opening balance | 46,058.63 | 13,850.96 |
| Add: Profit / (Loss) for the period | 66,409.46 | 32,207.68 |
| Deductions:- Issue of fully paid Bonus Shares of Face value of Rs 5/- each | 18,796.92 | - |
| Closing balance | 93,671.18 | 46,058.63 |
| Balance at the end of the period | Total (A+B) | 93,671.18 |
| | | 130,959.72 |

3 LONG TERM PROVISIONS

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|-----------------------------------|----------------------|----------------------|
| Provision for Gratuity- Long term | 1,740.06 | - |
| Total | 1,740.06 | - |

4 Short Term Borrowings

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|----------------------|----------------------|
| Secured Loans | | |
| Working capital Facility From Bank- Punjab National Bank * | 49,592.54 | 40,010.98 |
| Unsecured Loans | | |
| SME Flexi Loan / CC facility from Bajaj Finance Limited | 0.10 | - |
| Balance as at the end of the period | 49,592.64 | 40,010.98 |

*Company has availed CC facility from PNB. Sanctioned amount is Rs. 5,00,00,000/- (Rs. Five Crore Only). Secured against hypothecation of stock and Book debts.

5 TRADE PAYABLES

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|----------------------|----------------------|
| i) Total outstanding dues of Micro Enterprises and Small Enterprises | 331.88 | 546.00 |
| ii) Total outstanding dues of creditor other than Micro Enterprises and Small Enterprises | 29,835.37 | 10,051.89 |
| Total | 30,167.24 | 10,597.89 |



6 OTHER CURRENT LIABILITIES

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|-------------------------------------|-------------------------|----------------------|
| (i) Other Payable, unsecured | | |
| (a) Advance received from customers | 289.42 | 256.67 |
| (b) Payable to Staff | | |
| -Salary Payables | 2,623.43 | 2,288.85 |
| -Expenses payable | 467.03 | 484.74 |
| | 3,379.88 | 3,030.26 |
| (ii) Statutory Dues | | |
| (a) TDS | 613.41 | 541.64 |
| (b) PF & ESIC | 278.85 | 275.94 |
| (c) GST | 486.33 | - |
| | 1,378.60 | 817.57 |
| Total | 4,758.47 | 3,847.83 |

7 SHORT TERM PROVISIONS

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|-----------------------------------|-------------------------|----------------------|
| Provision for Income tax | 17,620.86 | 5,991.95 |
| Provision for Doubtful debts | 633.18 | - |
| Refundable Security Deposit | 180.00 | 760.00 |
| Provision for Gratuity-Short term | 7.41 | - |
| Provision for Other Payables | 316.56 | 375.29 |
| Total | 18,758.02 | 7,127.23 |



5 TRADE PAYABLES - BILLED

Figures For the Current Reporting Period - FY 2024-25

| Particulars | Audited Outstanding for following periods | | | | Total |
|-------------------|---|-----------|-----------|-------------------|-----------|
| | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | |
| MSME | 331.88 | - | - | - | 331.88 |
| Others | 21,192.72 | 8,642.65 | - | - | 29,835.37 |
| Dispute dues-MSME | - | - | - | - | - |
| Dispute dues | - | - | - | - | - |
| Others | - | - | - | - | - |
| Total | 21,524.60 | 8,642.65 | - | - | 30,167.24 |

TRADE PAYABLES - UNBILLED

Nil

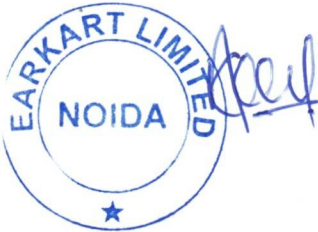
TRADE PAYABLES - BILLED

Figures For the Previous Reporting Period - FY 2023-24

| Particulars | Audited Outstanding for following periods | | | | Total |
|-------------------|---|-----------|-----------|-------------------|-----------|
| | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | |
| MSME | 546.00 | - | - | - | 546.00 |
| Others | 10,051.89 | - | - | - | 10,051.89 |
| Dispute dues-MSME | - | - | - | - | - |
| Dispute dues | - | - | - | - | - |
| Others | - | - | - | - | - |
| Total | 10,597.89 | - | - | - | 10,597.89 |

TRADE PAYABLES - UNBILLED

Nil



10 TRADE RECEIVABLES

Figures For the Current Reporting Period - FY 2024-25

| Particulars | Audited Outstanding for following periods | | | | | Total |
|---|---|-----------------|-----------|-----------|-------------------|------------|
| | Less than 6 Months | 6 Months -1Year | 1-2 Years | 2-3 Years | More than 3 Years | |
| Undisputed Trade Receivables- Considered Goods | 183,158.13 | 2,203.84 | 638.87 | 115.40 | 198.34 | 186,314.58 |
| Undisputed Trade Receivables- Considered Doubtful | - | - | - | - | - | - |
| Disputed Trade Receivables- Considered Goods | - | - | - | - | - | - |
| Disputed Trade Receivables- Considered Doubtful | - | - | - | - | - | - |
| Others | - | - | - | - | - | - |
| Total | 183,158.13 | 2,203.84 | 638.87 | 115.40 | 198.34 | 186,314.58 |

TRADE RECEIVABLES - UNBILLED

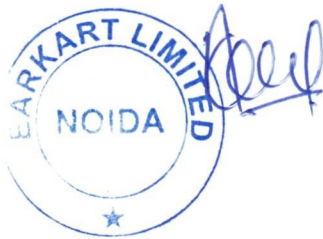
Nil

Figures For the Previous Reporting Period - FY 2023-24

| Particulars | Audited Outstanding for following periods | | | | | Total |
|---|---|-----------------|-----------|-----------|-------------------|-----------|
| | Less than 6 Months | 6 Months -1Year | 1-2 Years | 2-3 Years | More than 3 Years | |
| Undisputed Trade Receivables- Considered Goods | 60,717.74 | 1,935.34 | 1,484.82 | 198.34 | - | 64,336.24 |
| Undisputed Trade Receivables- Considered Doubtful | - | - | - | - | - | - |
| Disputed Trade Receivables- Considered Goods | - | - | - | - | - | - |
| Disputed Trade Receivables- Considered Doubtful | - | - | - | - | - | - |
| Others | - | - | - | - | - | - |
| Total | 60,717.74 | 1,935.34 | 1,484.82 | 198.34 | - | 64,336.24 |

TRADE RECEIVABLES - UNBILLED

Nil



EARKART LIMITED (Formerly Known as Earkart Private Limited)
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET

8.3 Non current Investments

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|----------------------|----------------------|
| Investment in Fixed Deposits | 6,765.90 | 1,879.40 |
| Long term Investment in Unquoted 119 Compulsory Convertible Preference Shares of N.G. Consumertech Private Limited of Face Value of Rs 10/- each (At Cost)- Fully Paid up | 1,495.95 | - |
| Total | 8,261.85 | 1,879.40 |

8.4 Other Non current assets

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---------------------------------|----------------------|----------------------|
| Preliminary Expenses | 1,199.99 | 113.97 |
| Rent Security Deposit | 1,187.50 | 482.00 |
| Earnest Money Deposit - Tenders | 9,476.09 | 9,971.84 |
| Security Deposit- NSDL/CDSL | 100.00 | - |
| Total | 11,963.58 | 10,567.81 |

9 INVENTORIES

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|----------------------|----------------------|
| Finished Goods | 61,640.71 | 57,850.79 |
| Raw Material (including Packing Material) | 3,855.77 | 4,308.19 |
| Inventory in Transit | - | - |
| Total | 65,496.48 | 62,158.98 |

11 CASH & CASH EQUIVALENTS

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--------------------------------|----------------------|----------------------|
| Balance with Banks | | |
| -Current accounts | 3,594.92 | 13,586.38 |
| (ii) Cash and cash equivalents | 69.43 | 200.60 |
| Total | 3,664.35 | 13,786.97 |

12 SHORT TERM LOAN & ADVANCES

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|----------------------|----------------------|
| Advances to Suppliers - Purchases | 6,198.59 | 15,991.78 |
| Advances to other Suppliers / creditors | 177.08 | 151.93 |
| Advances to Employees | 45.12 | - |
| Prepaid Expenses | 1,732.67 | 686.71 |
| Total | 8,153.46 | 16,830.43 |

13 OTHER CURRENT ASSETS

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|-----------------------------------|----------------------|----------------------|
| GST Balance recoverable | 1,415.37 | 3,928.03 |
| Interest accrued on Fixed Deposit | 130.88 | 56.63 |
| MAT Credit Entitlement | - | 4,461.96 |
| TDS & Advance Tax- FY 24-25 | 5,415.02 | 4,388.86 |
| Total | 6,961.27 | 12,835.48 |



14 REVENUE FROM OPERATIONS

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|----------------------|----------------------|
| (i) Sale of Product | | |
| (a) Hearing Aids | 363,902.15 | 246,922.67 |
| (b) Hearing Aids Parts & Accessories | 8,288.30 | 43,540.49 |
| (c) Other | 51,748.05 | 18,919.99 |
| Total (a) | 423,938.50 | 309,383.14 |
| (ii) Sale of Services | | |
| (a) Support services - Conversion Charge | 5,549.39 | 7,813.36 |
| (b) Support services- Consultancy charges | 18.75 | 58.70 |
| (c) Freight Charge | - | 291.25 |
| (d) Franchise Fees | 1,186.44 | - |
| (e) Audiometry Charge | 368.99 | - |
| Total (b) | 7,123.58 | 8,163.31 |
| Total (a+b) | 431,062.08 | 317,546.45 |

15 OTHER INCOME

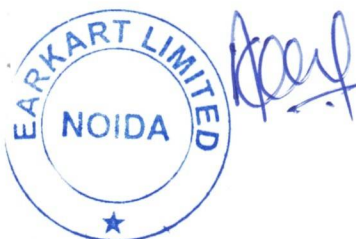
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|----------------------|----------------------|
| Interest on FDR's | 104.27 | 155.88 |
| Short and excess | 1.01 | 0.49 |
| Gain from Foreign Exchange Fluctuation | 510.03 | 1,646.26 |
| Trading Liabilities W/off | 243.26 | 319.99 |
| Reversal of Provision for Doubtful Debts | - | 926.56 |
| Total | 858.56 | 3,049.18 |

16 PURCHASES AND DIRECT EXPENSES

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--------------------------|----------------------|----------------------|
| Purchases | 253,694.81 | 239,253.90 |
| Custom Agency Charges | 382.02 | 343.95 |
| Custom Handling Expenses | 142.65 | 408.53 |
| Freight Inward expense | 1,172.49 | 1,901.05 |
| Custom Duty & GST | 3,638.31 | 9,541.74 |
| Consumable Stores | 90.97 | 370.70 |
| Laser Printing Expenses | 379.37 | 490.16 |
| Total | 259,500.61 | 252,310.03 |

17 CHANGES IN INVENTORIES

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|----------------------|----------------------|
| Inventories at the end of the year: | | |
| Finished goods | 61,640.71 | 57,850.79 |
| Raw materials | 3,855.77 | 4,308.19 |
| | 65,496.48 | 62,158.98 |
| Inventories at the beginning of the year: | | |
| Finished goods | 57,850.79 | 8,636.02 |
| Raw materials | 4,308.19 | 14,951.11 |
| Stock -in-Transit | - | - |
| | 62,158.98 | 23,587.13 |
| Net (increase) / decrease | (3,337.49) | (38,571.86) |



18 EMPLOYEE BENEFITS EXPENSE

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--------------------------------------|----------------------|----------------------|
| Salaries | 37,391.30 | 31,350.03 |
| Contribution to Provident Fund & ESI | 1,765.05 | 1,903.78 |
| Gratuity Expense | 1,747.47 | - |
| Staff welfare Expenses | 758.73 | 471.88 |
| Total | 41,662.54 | 33,725.69 |

19 FINANCE COSTS

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|----------------------------------|----------------------|----------------------|
| Finance processing charges | 244.36 | 1,635.58 |
| Interest on CC and loan Accounts | 3,841.35 | 1,689.82 |
| Total | 4,085.71 | 3,325.39 |

20 DEPRECIATION AND AMORTIZATION EXPENSE

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|-----------------------------------|----------------------|----------------------|
| Depreciation on Tangible Assets | 2,816.94 | 1,160.45 |
| Depreciation on Intangible Assets | 1,507.04 | 635.10 |
| Total | 4,323.99 | 1,795.55 |

21 OTHER EXPENSES

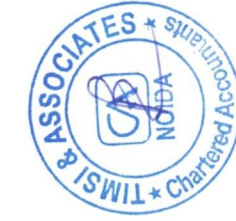
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|----------------------|----------------------|
| Power & Fuel expenses | 760.64 | 906.57 |
| Rent Expense | 4,215.68 | 3,012.16 |
| Repair & Maintenance | 808.22 | 722.90 |
| Legal & Professional | 6,676.06 | 5,634.35 |
| Tours & Travel expenses | 2,765.77 | 1,496.28 |
| Conveyance expenses | 1,965.25 | 1,399.78 |
| Hotel & Lodging expenses | 790.95 | 294.97 |
| Bank Charges | 306.92 | 239.21 |
| Advertisement expenses | 5,547.17 | 9,683.91 |
| Business Promotion expenses | 5,375.98 | 2,457.85 |
| Telephone expenses | 773.39 | 533.08 |
| Freight & Courier charges | 4,069.41 | 2,487.62 |
| Office Supplies expenses | 1,023.07 | 688.52 |
| Recruitments Expenses | 113.23 | 118.36 |
| Insurance Expenses | 153.04 | 102.65 |
| Printing & Stationery expenses | 54.82 | 95.95 |
| GEM Transaction Charges | 684.49 | 481.44 |
| Preliminary Expenses Written Off | 56.98 | 56.98 |
| Subscription , License & Registration Fees | 372.08 | 1,051.26 |
| Miscellaneous Expenses | 273.82 | 69.16 |
| Commission & Brokerage Expenses | 173.58 | 133.75 |
| Hearing Aid Development Cost- R&D | - | 1,656.11 |
| Provision for Doubtful debts | 633.18 | - |
| Total | 37,593.73 | 33,322.85 |



FIXED ASSETS

NOTE - 8 AND 8.1

| S. No. | Particulars | Gross Amount | | | Depreciation & Amortization | | | | Net Carrying Amount | | |
|--------------------------|-------------------------------|----------------------------|-------------------------|--|-----------------------------|---------------------|---------------------|---------------------------------------|----------------------|--------------------------|--------------------------|
| | | Cost as on April 1st, 2024 | Additions during period | Deletion/Adjustment Foreign Exchange (Gain)/Loss | Cost as at March 31, 2025 | Upto March 31, 2024 | Charge for the year | Deletion / adjustment during the year | Up to March 31, 2025 | WDV as at March 31, 2025 | WDV as at March 31, 2024 |
| Tangible Assets | | | | | | | | | | | |
| 1 | Data Preprocessing Equipments | | | | | | | | | | |
| | (i) Server and Networks | 327.00 | - | - | 327.00 | 225.19 | 40.02 | - | 265.21 | 61.80 | 101.82 |
| | (ii) End user devices | 2,859.23 | 1,006.92 | - | 3,866.14 | 1,388.44 | 1,211.94 | - | 2,600.39 | 1,265.76 | 1,470.78 |
| 2 | Furniture & Fittings | 215.86 | - | - | 215.86 | 91.14 | 32.29 | - | 123.43 | 92.43 | 124.72 |
| 3 | Office Equipment | 498.92 | - | - | 498.92 | 302.07 | 88.72 | - | 390.79 | 108.13 | 196.85 |
| 4 | Airconditioner | 85.96 | - | - | 85.96 | 60.57 | 11.44 | - | 72.01 | 13.95 | 25.39 |
| 5 | Plant & Machinery | 7,941.26 | 4,137.45 | (1,770.00) | 10,308.70 | 415.37 | 1,432.53 | (32.48) | 1,815.42 | 8,493.29 | 7,525.88 |
| Total (a) | | 11,928.23 | 5,144.37 | - | 1,770.00 | 2,482.79 | 2,816.94 | (32.48) | 5,267.25 | 10,035.34 | 9,445.44 |
| Intangible Assets | | | | | | | | | | | |
| 1 | Software | 2,029.08 | - | 1,770.00 | 3,799.08 | 1,412.32 | 1,507.04 | 32.48 | 2,951.85 | 847.23 | 616.76 |
| 2 | Software under development | 601.80 | 200.60 | - | 802.40 | - | - | - | - | 802.40 | 601.80 |
| Total (b) | | 2,630.88 | 200.60 | 1,770.00 | 4,601.48 | 1,412.32 | 1,507.04 | 32.48 | 2,951.85 | 1,649.63 | 1,218.56 |
| Total (a+b) | | 14,559.10 | 5,344.97 | - | 19,904.07 | 3,895.11 | 4,323.99 | - | 8,219.09 | 11,684.98 | 10,664.00 |
| Previous Year | | 4,648.16 | 9,910.94 | - | 14,559.10 | 2,099.56 | 1,795.55 | - | 3,895.11 | 10,664.00 | 2,548.60 |



EARKART LIMITED (Formerly Known as Earkart Private Limited)

NOTE NO 8.2

Statement showing Calculation of DTA / DTL

Statement showing calculation of Difference

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--------------------------------------|-------------------------|-------------------------|
| Add:- WDV as per Companies Act, 2013 | 11,684.98 | 10,664.00 |
| Less:- WDV as per IT Act, 1961 | 13,756.83 | 11,339.60 |
| Closing Difference | 2,071.85 | 675.60 |

Statement showing calculation of DTA / DTL

| Particulars | | |
|--|-----------------|---------------|
| Opening Deferred Tax Asset/(Liability) | 175.66 | 175.50 |
| Closing Deferred Tax Asset/(Liability) | 576.39 | 175.66 |
| Debit/(Credit) to P & L Account | (400.73) | (0.16) |



EARKART LIMITED (Formerly Known as Earkart Private Limited)

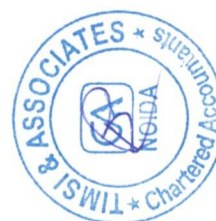
DEPRECIATION AS PER INCOME TAX ACT, 1961

AS ON 31.03.2025

| S.NO. | PARTICULARS | RATE | OPENING WDV | ADDITION | | ADJUSTMENT | DELETIONS | TOTAL | DEPRECIATION | CLOSING WDV |
|-------|------------------------|------|------------------|-----------------|-----------------|------------|-----------|------------------|-----------------|------------------|
| | | | | UPTO 3/10/24 | AFTER 3/10/24 | | | | | |
| 1 | Intangible Assests | 25% | 1,240.29 | | - | 1,548.75 | | 2,789.04 | 697.26 | 2,091.78 |
| 2 | Intangible Assests-WIP | 0% | 601.80 | 200.60 | - | | - | 802.40 | - | 802.40 |
| 3 | Office Equipment | 15% | 469.46 | 116.89 | - | | | 586.35 | 87.95 | 498.40 |
| 4 | Computer | 40% | 1,639.13 | 128.15 | 761.88 | | | 2,529.16 | 859.29 | 1,669.87 |
| 5 | Plant & Machinery | 15% | 7,216.22 | 1,407.15 | 2,730.30 | (1,548.75) | | 9,804.92 | 1,265.97 | 8,538.95 |
| 6 | Furniture | 10% | 172.70 | - | - | | | 172.70 | 17.27 | 155.43 |
| | Total | | 11,339.60 | 1,852.78 | 3,492.18 | | - | 16,684.57 | 2,927.74 | 13,756.83 |

AS ON 31/03/2024

| S.NO. | PARTICULARS | RATE | OPENING WDV | ADDITION | | DELETIONS | TOTAL | DEPRECIATION | CLOSING WDV |
|-------|------------------------|------|-----------------|-----------------|-----------------|---------------|------------------|-----------------|------------------|
| | | | | UPTO 3/10/23 | AFTER 3/10/23 | | | | |
| 1 | Intangible Assests | 25% | 833.29 | 713.05 | 92.04 | | 1,638.38 | 398.09 | 1,240.29 |
| 2 | Intangible Assests-WIP | 0% | 490.50 | - | 601.80 | 490.50 | 601.80 | - | 601.80 |
| 3 | Office Equipment | 15% | 475.01 | 51.42 | 23.79 | | 550.21 | 80.75 | 469.46 |
| 4 | Computer | 40% | 702.68 | 294.57 | 1,300.98 | | 2,298.23 | 659.09 | 1,639.13 |
| 5 | Plant & Machinery | 15% | 582.80 | 67.26 | 7,203.96 | | 7,854.03 | 637.81 | 7,216.22 |
| 6 | Furniture | 10% | 139.31 | 52.58 | - | | 191.89 | 19.19 | 172.70 |
| | Total | | 3,223.58 | 1,178.88 | 9,222.57 | 490.50 | 13,134.53 | 1,794.93 | 11,339.60 |



22 EARNINGS PER SHARE

| Particulars | | As at March 31, 2025 | As at March 31, 2024 |
|---|-----------|----------------------|----------------------|
| Profit for the year | A | 66,409.46 | 32,207.68 |
| Dilutive effect on the profit | B | 0.00 | 0.00 |
| Profit attributable to equity shareholders for computing diluted EPS | C=A +/- B | 66,409.46 | 32,207.68 |
| Weighted average number of Equity shares outstanding for Basic EPS | D | 10,438.93 | 7,550.00 |
| Dilutive effect of outstanding potential equity shares - No. of equity shares | E | 0.00 | 2,888.93 |
| Weighted average number of Equity shares for Diluted EPS | F=D+E | 10,438.93 | 10,438.93 |
| Basic Earnings per share | A/D | 6.36 | 4.27 |
| Diluted Earnings per share | C/F | 6.36 | 3.09 |

Pursuant to the approval of the shareholders accorded on 30th September, 2024 vide ordinary resolution in Extra Ordinary General Meeting conducted by the Company, each equity share of face value of Rs 10 per share was sub-divided into two equity shares of face value Rs 5/- per share, with effect from 30th september, 2024.

Pursuant to approval given by the shareholders on 30 Sep, 2024, the Company has issued 2,07,39,600 fully paid up bonus equity shares of Face value of Rs 5/- each in the ratio of 150 (One hundred Fifty) equity share of Rs 5/- each for every 1 (One) existing equity share of Rs 5/- each as on record date September 30, 2024.

Pursuant to the approval of the shareholders accorded on 3rd February, 2025 vide ordinary resolution in Extra Ordinary General Meeting conducted by the Company, two equity share of face value of Rs 5 per share was consolidated in to one equity share of face value Rs 10/- per share, with effect from 3rd February, 2025.

The earnings per share has been adjusted for previous periods and presented in accordance with AS 20, Earnings Per Share



Additional Information forming Notes to Balance Sheet**NOTE 23****1 Contingent Liabilities**

| Sr. No | Particulars | Current Year | Previous Year |
|--------|--|--------------|---------------|
| 1 | Claims against the company not acknowledged as debt | Nil | NA |
| 2 | Corporate Guarantees issued by the company to certain banks on behalf of its own company | 765.90 | 765.90 |
| 3 | Corporate Guarantees issued by the company to certain banks on behalf of its Related Parties | Nil | NA |
| 4 | Other money for which Company is contingent liable | Nil | NA |
| | Total | - | - |

2 Commitments

| Sr. No | Particulars | Current Year | Previous Year |
|--------|--|--------------|---------------|
| 1 | Estimated amount of contracts remaining to be executed on capital account and not provided for | 200.60 | NA |
| 2 | Uncalled liability on shares partly paid | Nil | NA |
| 3 | Other Commitments (specify nature) | Nil | NA |
| | Total | - | - |

3 Others

| Sr. No | Particulars | Remarks |
|--------|---|---------|
| 1 | Amount of Proposed dividend & related EPS | |
| - | Equity Shares | Nil |
| - | Preference shares | Nil |
| 2 | Arrears of Fixed Cumulative dividend on Preference Share | Nil |
| 3 | Use of Unutilised proceeds of Securities issued for Specific purpose (if not used for specific purpose) | NA |
| 4 | Whether Board is of opinion that assets (other than fixed assets and non current Investments) have a realisable value less than at which they are stated) (y/n) | No |



| Sr. No | Particulars | Current Year |
|--------|--|--------------|
| 1 | <u>Payment to Auditors as</u> | |
| | a) Auditors | 100.00 |
| | b) for taxation matters | 100.00 |
| | c) for Company Law Matters | 30.00 |
| | d) for management services | - |
| | e) for other services | 147.00 |
| | f) for reimbursement of expenses | - |
| 2 | <u>Items of Exceptional & Extraordinary nature (specify nature)</u> | Nil |
| 3 | <u>Prior Period Items (Specify nature)</u> | Nil |
| 4 | <u>Dividends from subsidiary companies</u> | Nil |
| 5 | <u>Provision of losses of subsidiary companies</u> | Nil |
| 6 | <u>Value of Imports (on CIF Basis)</u> | |
| - | Raw Materials | 151835.99 |
| - | Component & Spare Parts | - |
| - | Capital Goods | - |
| 7 | <u>Expenditure in foreign Currency</u> | |
| - | Royalty | Nil |
| - | Know-How | Nil |
| - | Professional & Consultation fee | Nil |
| - | Interest | Nil |
| - | Other matters | 146.51 |
| 8 | <u>Total Value if all imported raw materials, spare parts and components consumed during financial year</u> | 151835.99 |
| 9 | <u>Earnings in foreign exchange</u> | |
| - | Export of goods calculated on F.O.B basis | 3410.23 |
| - | Royalty/Know How/Professional fee | Nil |
| - | Interest & Dividend | Nil |
| - | Other Income, indicating nature | Nil |
| 10 | <u>Amount remitted in foreign currencies on account of dividends (specify number of non-residents S/H ,S/holding & year</u> | Nil |



EARKART LIMITED (Formerly Known as Earkart Private Limited)
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET

I Title deeds of immovable Property not held in name of the Company

NOTE 25

| Relevant line items in the Balance sheets | Descriptions of Item of property | Gross carrying Value | Title deeds of immovable Property not held in name of the Company | Whether title deed holder is a promotor, director or relative of Promotor' director or employee of promoters/ director | Property held since which date | Reason for not being held in the name of company |
|---|----------------------------------|----------------------|---|--|--------------------------------|--|
| | | NIL | | | | |

II Where the Company has revalued its Property, Plant and Equipment, the company shall disclose as to whether the revaluation is based on the valuation by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017
NIL

III where Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are:

(a) repayable on demand or

(b) without specifying any terms or period of repayment

| Type of Borrower | Amount of loan and Advance in the nature of Loan outstanding | Percentage to the total Loans and Advances in the nature of loans |
|------------------|--|---|
| Promoters | | |
| Directors | | |
| KMPs | NIL | NIL |
| Related Parties | | |

IV Capital Work In Progress (CWIP)

(a) For Capital-work-in progress, following ageing schedule shall be given

| CWIP | Amount in CWIP for a period of | | | | Total |
|--------------------------------|--------------------------------|-----------|-----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 Years | More than 3 years | |
| Projects in progress | | | NIL | | |
| Projects temporarily suspended | | | | | |

(b) For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, following

| CWIP | To be Completed in | | | | Total |
|-----------|--------------------|-----------|-----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 Years | More than 3 years | |
| Project 1 | | | NIL | | |
| Project 2 | | | | | |

V Intangible assets under development:

(a) For Intangible assets under development

| Intangible Assets under Development | Amount in CWIP for a period of | | | | Total |
|-------------------------------------|--------------------------------|-----------|-----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 Years | More than 3 years | |
| CRM and Mobile Application | 200.6 | 601.8 | | | 802.4 |

(b) Intangible assets under development completion schedule-whose completion is overdue or has exceeded its cost compared to its original plan

| Intangible Assets under Development | To be Completed in | | | | Total |
|-------------------------------------|--------------------|-----------|-----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 Years | More than 3 years | |
| CRM and Mobile Application | | | NIL | | 0 |

VI Details of Benami Property held **NIL**

VII Where the Company has borrowings from banks or financial institutions on the basis of current assets

YES

(a) whether quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

Primarily, the quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts. However, somewhere there are marginal differences due to the fact that figures reported in the statements filed with the banks are either unreconciled balances on the basis of Unaudited statements. Though, Financial statements represent the overall financial position on the basis of reconciled balances or balances having realizable value.

(b) if not, summary of reconciliation and reasons of material discrepancies, if any to be adequately disclosed

No Material Discrepancy seen



VIII Wilful Defaulter - NA

- a. Date of declaration as wilful defaulter,
b. Details of defaults (amount and nature of defaults),

IX Relationship with Struck off Companies - NIL

Where the company has any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, the Company shall disclose the following details:-

| Name of struck off Company | Nature of transactions with struck-off Company | Balance outstanding | Relationship with the Struck off company, if any, to be disclosed |
|----------------------------|--|---------------------|---|
| | Investments in securities | | |
| | Receivables | | |
| | Payables | | |
| | Shares held by struck-off Company | | |
| | Other outstanding balances (to be specified) | | |

x Registration of charges or satisfaction with Registrar of Companies - CHARGES ALREADY REGISTERED

Where any charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period, details and reasons thereof shall be disclosed.

XI Compliance with number of layers of companies - NA

Where the company has not complied with the number of layers proscribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017, the name and CIN of the companies beyond the specified layers and the relationship/extent of holding of the company in such downstream companies shall be disclosed.

XI Ratios

| Ratios | Numerator | Denominator | Current Reporting Period | Previous reporting period | Change in the ratio (%) | Remark for any Change in the ratio by more than 25% |
|----------------------------------|--|------------------------------|--------------------------|---------------------------|-------------------------|---|
| Debt Equity Ratio | Debt Capital | Shareholder's Equity | 0.25 | 0.30 | -17.61 | - |
| Debt Service coverage ratio | EBITDA-CAPEX | Debt Service (Int+Principal) | 1.84 | 0.75 | 145.98 | Significant improvement due to increase in operating income and without considerable change in debt obligations |
| Return on Equity Ratio | Profit for the year | Average Shareholder's Equity | 0.40 | 0.33 | 23.17 | - |
| Inventory Turnover Ratio | COGS | Average Inventory | 4.01 | 3.65 | 9.92 | - |
| Trade Receivables turnover ratio | Net Sales | Average trade receivables | 3.44 | 5.70 | -39.64 | Decline in the ratio as Company's operations have been increasing with an increase in average trade receivables in the normal course of business activities |
| Trade payables turnover ratio | Total Purchases (Fuel Cost + Other Expenses+Closing Inventory-Opening Inventory) | Closing Trade Payables | 8.71 | 26.03 | -66.53 | Decline in the ratio as Company's operations have been increasing with an increase in average trade payables with corresponding increase in average trade receivables in the normal course of business activities |
| Net capital turnover ratio | Sales | Working capital (CA-CL) | 1.99 | 2.14 | -7.14 | - |
| Net profit ratio | Net Profit | Sales | 0.15 | 0.10 | 51.89 | Net profit ratio has shown steady improvement year-on-year, supported by growth in scale and cost efficiencies. |
| Return on Capital employed | Earnings before interest and tax | Capital Employed | 0.37 | 0.22 | 68.08 | ROCE improved in FY2024-25 due to better deployment of capital and operational efficiency. |
| Return on investment | Net Profit | Investment | 8.04 | 17.14 | -53.10 | Increase in risk free / fixed returns investment not having much proportional returns |



XII Compliance with approved Scheme(s) of Arrangements

Where any Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013, the Company shall disclose that the effect of such Scheme of Arrangements have been accounted for in the books of account of the Company 'in accordance with the Scheme' and 'in accordance with accounting standards' and deviation in this regard shall be explained

Utilisation of Borrowed funds

XIII

| | |
|-------------------------------------|---|
| Borrowed funds - secured | Working capital |
| Borrowed funds - Unsecured | In the normal course of business activities |
| Utilisation of share premium | For issue of Bonus shares |



I Undisclosed income -NO SUCH TYPE OF INCOME

The Company shall give details of any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961), unless there is immunity for disclosure under any scheme and also shall state whether the previously unrecorded income and related assets have been properly recorded in the books of account during the year.;

II Corporate Social Responsibility (CSR) - NOT APPLICABLE IN CASE OF COMPANY

Where the company covered under section 135 of the companies act, the following shall be disclosed with regard to CSR activities:-

- (a) amount required to be spent by the company during the year,
- (b) amount of expenditure incurred,
- (c) shortfall at the end of the year,
- (d) total of previous years shortfall,
- (e) reason for shortfall,
- (f) nature of CSR activities,
- (g) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard
- (h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately

III Details of Crypto Currency or Virtual Currency- NO SUCH TRANSACTIONS CARRIED OUT DURING THE YEAR

Where the Company has traded or invested in Crypto currency or Virtual Currency during the financial year, the following shall be disclosed:-

- (a) profit or loss on transactions involving Crypto currency or Virtual Currency
- (b) amount of currency held as at the reporting date,
- (c) deposits or advances from any person for the purpose of trading or investing in Crypto Currency/ virtual currency.”;

