



ELICA PB WHIRLPOOL KITCHEN
APPLIANCES PRIVATE LIMITED

ANNUAL REPORT

2022-23

INDEPENDENT AUDITOR'S REPORT

To the Members of Elica PB Whirlpool Kitchen Appliances Private Limited
(Formerly known as Elica PB India Private Limited)

Report on the Audit of the Financial Statements**Opinion**

We have audited the accompanying financial statements of Elica PB Whirlpool Kitchen Appliances Private Limited (Formerly known as Elica PB India Private Limited) ("the Company"), which comprise the Balance sheet as at March 31 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, 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 audit opinion on the financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director 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 such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- 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.

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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of accounts required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2023;
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company does not have any pending litigations which would impact its financial position;
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - (iv) a) The management has represented that, to the best of its knowledge and belief, no funds 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;
 - b) The management has represented that, to the best of its knowledge and belief, 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
 - c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

d) No dividend has been declared or paid during the year by the Company.

v) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

Sd/-
per Sanjay Vij
Partner
Membership Number: 095169
UDIN: 23095169BGXZYU1896
Place of Signature: Gurugram
Date: May 15, 2023

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF ELICA PB WHIRLPOOL KITCHEN APPLIANCES PRIVATE LIMITED (FORMERLY KNOWN AS ELICA PB INDIA PRIVATE LIMITED)

Statement on the matters specified in paragraphs 3 and 4 of the Company Audit Report Order 2020

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (i) (a) (B) The Company has maintained proper records showing full particulars of intangibles assets.
- (i) (b) Some of Property, Plant and Equipment except display stands were physically verified by the management in the current year in accordance with a planned programme of verifying them once in three years. In accordance with a planned programme to cover display stands installed at its customer locations over a period of two years, the Company has obtained confirmations from its customers or performed physical verification during the year covering substantial asset value. The same is reasonable having regard to the size of the Company and the nature of its assets.
- (i) (c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.
- (i) (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2023.
- (i) (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory including inventory lying with third parties at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate.
- (ii) (b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- (iii) (b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.
- (iii) (c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clauses 3(iii)(c), (d), (e) and (f) of the Order are not applicable to the Company.
- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of Kitchen Hood, Cooktops and Built in Hobs and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

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- (vii) (b) There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess, goods and service tax and other statutory dues which have not been deposited on account of any dispute.
- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.
- (ix) (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (ix) (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.
- (ix) (d) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.
- (ix) (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clauses 3(ix)(e) and (f) of the Order are not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (x) (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud/ material fraud by the Company or no fraud / material fraud on the Company has been noticed or reported during the year.
- (xi) (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (xi) (c) The provisions of clause (xxi) are not applicable on the Company.
- (xii)(a) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clauses 3(xii)(a), (b) and (c) of the Order are not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.
- (xiv)(a) The Company has an internal audit system commensurate with the size and nature of its business.
- (xiv)(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi)(a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (xvi)(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (xvi)(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

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- (xvi)(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year and immediately preceding financial year.
- (xvii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 42 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx)(a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 31(ii) to the financial statements.
- (xx)(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 31(ii) to the financial statements.
- (xxi) The Company does not have any subsidiary, associate or joint venture and accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Company.

For **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/

E300005

Sd/-

per Sanjay Vij

Partner

Membership Number: 095169

UDIN: 23095169BGXZYU1896

Place of Signature: Gurugram

Date: May15, 2023

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ELICA PB WHIRLPOOL KITCHEN APPLIANCES PRIVATE LIMITED (Formerly Known as Elica PB India Private Limited)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to these financial statements of Elica PB Whirlpool Kitchen Appliances Private Limited (Formerly Known as Elica PB India Private Limited) ("the Company") as of March 31, 2023 in conjunction with our audit of these financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements 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, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 with reference to these financial statements 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to these financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, 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 with reference to these financial statements.

Meaning of Internal Financial Controls with Reference to these Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to these Financial Statements

Because of the inherent limitations of internal financial controls with reference to these financial statements, 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 with reference to these financial statements to future periods are subject to the risk that the internal financial control with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

S.R. BATLIBOI & Co. LLP

Chartered Accountants

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to these financial statements and such internal financial controls with reference to these financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

Sd/-

per Sanjay Vij

Partner

Membership Number: 095169

UDIN: 23095169BGXZYU1896

Place of Signature: Gurugram

Date: May 15, 2023

Elica PB Whirlpool Kitchen Appliances Private Limited

(Formerly Known as Elica PB India Private Limited)

Balance Sheet as at 31 March 2023

(Amount in INR Lacs, unless otherwise stated)

Particulars	Note	As at	
		31 March 2023	31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	5A	1,512	1,379
Capital work-in-progress	5B	12	27
Other Intangible assets	6	15	21
Right-of-use assets	7	910	807
Financial assets			
(i) Other financial assets	8	128	114
Deferred tax assets (net)	32	955	790
Non-current Tax assets (net)		272	91
Other non-current assets	8A	13	17
Total non-current assets (i)		<u>3,817</u>	<u>3,246</u>
Current assets			
Inventories	9	8,598	9,286
Financial assets			
(i) Trade receivables	10	3,548	4,331
(ii) Cash and cash equivalents	11	15,766	8,441
(iii) Other Bank balances	12	-	320
(iv) Loans	13	26	14
(v) Other financial assets	14	152	444
Other current assets	15	206	644
Total current assets (ii)		<u>28,296</u>	<u>23,480</u>
Total assets (i+ii)		<u>32,113</u>	<u>26,726</u>
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	16	483	483
(b) Other Equity	17	23,074	18,146
Total equity (i)		<u>23,557</u>	<u>18,629</u>
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Lease liabilities	35	536	484
Provisions	18	1,480	1,356
Total non-current liabilities (ii)		<u>2,016</u>	<u>1,840</u>
Current liabilities			
Financial liabilities			
(i) Lease Liabilities	35	458	386
(ii) Trade payables	19		
(a) total outstanding dues of micro and small enterprises		409	765
(b) total outstanding dues of creditors other than micro and small enterprises		3,453	3,546
(iii) Other financial liabilities	20	21	32
Other current liabilities	21	1,654	1,139
Provisions	22	545	327
Current tax liabilities (net)	32	-	62
Total current liabilities (iii)		<u>6,540</u>	<u>6,257</u>
Total equity and liabilities (i+ii+iii)		<u>32,113</u>	<u>26,726</u>
Summary of significant accounting policies 2-4			
The accompanying Notes are an integral part of the financial statements			
As per our report of even date			
For S.R. Battliboi & Co. LLP Chartered Accountants ICAI Firm registration number : 301003E/E300005		For and on behalf of the Board of Directors of Elica PB Whirlpool Kitchen Appliances Private Limited CIN : U29300PN2010PTC136095	
Sd/- per Sanjay Vij Partner Membership Number : 095169	Sd/- Pralhad Bhutada Managing Director and CEO DIN : 00272306	Sd/- Narasimhan Eswar Director DIN : 08065594	Sd/- Nishant Hundiwala Chief Financial Officer
	Sd/- Urvi Upadhyay Company Secretary		
Place : Gurugram Date : 15-05-2023	Place : Pune Date : 15-05-2023		

Elica PB Whirlpool Kitchen Appliances Private Limited

(Formerly Known as Elica PB India Private Limited)

Statement of Profit and Loss

For the year ended 31 March 2023

(Amount in INR Lacs, unless otherwise stated)

Particulars	Note	31 March 2023	31 March 2022
Revenue from contract with customers	23	45,893	37,493
Other income	24	529	389
Total Income		46,422	37,882
Expenses			
Cost of raw material and components consumed	25	12,520	10,836
Purchases of traded goods	26	12,576	11,795
Changes in inventory of finished goods, work-in-progress and traded goods	27	211	(1,444)
Employee benefits expense	28	4,176	3,460
Finance costs	29	251	252
Depreciation and amortization expense	30	1,142	890
Other expenses	31	9,221	6,336
Total expenses		40,097	32,125
Profit before tax		6,325	5,757
Income tax expense / (credit)			
Current tax	32	1,796	1,761
Adjustment of tax relating to earlier years		(165)	(53)
Deferred Tax charge / (credit)	32	(165)	(289)
Income tax expenses / (credit)		1,466	1,419
Profit for the year		4,859	4,338
Other comprehensive income / (loss)	17		
Items that will not be reclassified to profit or loss:			
- Remeasurement gain/(loss) on defined benefit plans		20	3
- Income tax effect		(5)	(1)
Other comprehensive income / (loss) for the year, net of tax		15	2
Total comprehensive income for the year		4,874	4,340
Earnings per equity share (nominal value of share: INR 10/-) (31 March 2022 - INR 10/-)	33		
Basic (in INR)		100.51	89.72
Diluted (in INR)		100.51	89.72
Summary of significant accounting policies	2-4		
The accompanying Notes are an integral part of the financial statements			
As per our report of even date			
For S.R. Batliboi & Co. LLP Chartered Accountants ICAI Firm registration number : 301003E/E300005		For and on behalf of the Board of Directors of Elica PB Whirlpool Kitchen Appliances Private Limited CIN : U29300PN2010PTC136095	
Sd/- per Sanjay Vij Partner Membership Number : 095169	Sd/- Pralhad Bhutada Managing Director and CEO DIN : 00272306	Sd/- Narasimhan Eswar Director DIN : 08065594	Sd/- Nishant Hundiwala Chief Financial Officer
Place : Gurugram Date :15-05-2023	Sd/- Urvi Upadhyay Company Secretary Place : Pune Date :15-05-2023		

Elica PB Whirlpool Kitchen Appliances Private Limited

(Formerly Known as Elica PB India Private Limited)

Statement of Cash flows

(Amount in INR Lacs, unless otherwise stated)

For the year ended 31 March 2023

Particulars	31 March 2023	31 March 2022
A. Cash flow from operating activities		
Profit before tax	6,325	5,757
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortization expenses	1,141	890
Finance costs	241	249
Interest income	(509)	(362)
Loss on disposal of property, plant and equipment	6	7
Unrealised foreign exchange (gain) / loss	116	78
Employee stock option plan	53	22
Bad Debts	4	-
Operating profit before working capital adjustments	<u>7,377</u>	<u>6,641</u>
Working capital adjustments :		
Decrease/ (increase) in loans	(12)	17
Decrease/(Increase) in Other financial assets	350	3,942
increase in inventories	689	(2,442)
Increase in trade receivables	783	(503)
increase in other current assets	441	(446)
Increase in provisions	363	361
(Decrease)/ increase in trade payables	(567)	(845)
increase in other current financial liabilities	-	-
Increase in other current liabilities	515	225
	<u>2,563</u>	<u>309</u>
	<u>9,940</u>	<u>6,950</u>
Income tax paid (net of refund)	<u>(1,878)</u>	<u>(1,757)</u>
Net cash flows from operating activities (A)	<u>8,062</u>	<u>5,193</u>
B. Cash flow from investing activities		
Purchase of property, plant and equipment including intangible assets (Capital work in progress and capital advances)	(843)	(740)
Proceeds from sale of property, plant and equipment	3	2
Proceeds from / (Investment in) Bank deposits (having original maturity of more that 3 months)	320	3,777
Interest received	436	395
Net cash flow from / (used) in investing activities (B)	<u>(84)</u>	<u>3,434</u>
C. Cash flow from Financing activities		
Interest paid	(151)	(179)
Payment of principal portion of lease liabilities	(502)	(448)
Repayment of Borrowings	-	(1,250)
Net cash flow used in financing activities (C)	<u>(653)</u>	<u>(1,877)</u>
Net increase in cash and cash equivalents (A+B+C)	7,325	6,750
Cash and cash equivalents at the beginning of the year	8,441	1,691
Cash and cash equivalents at the end of the year	<u>15,766</u>	<u>8,441</u>
Cash and cash equivalents comprises:		
Cash on hand	0	1
Balance with bank		
- On current accounts	15,766	8,440
	<u>15,766</u>	<u>8,441</u>
Non-cash investing activities		
Acquisition of Right-of-use assets	533	332

Summary of significant accounting policies

2-4

The accompanying Notes are an integral part of the financial statements

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm registration number : 301003E/E300005

For and on behalf of the Board of Directors of
Elica PB Whirlpool Kitchen Appliances Private Limited
CIN : U29300PN2010PTC136095

Sd/-
per Sanjay Vij
Partner
Membership Number : 095169

Sd/-
Pralhad Bhutada
Managing Director and CEO
DIN : 00272306

Sd/-
Narasimhan Eswar
Director
DIN : 08065594

Sd/-
Nishant Hundiwala
Chief Financial Officer

Sd/-
Urvi Upadhyay
Company Secretary

Place : Gurugram
Date : 15-05-2023

Place : Pune
Date : 15-05-2023

Elica PB Whirlpool Kitchen Appliances Private Limited

(Formerly Known as Elica PB India Private Limited)

Statement of Changes in Equity

For the year ended 31 March 2023

(Amount in INR Lacs, unless otherwise stated)

a. Equity Share Capital (refer note16):

At 01 April 2022

Changes in Equity Share Capital

At 31 March 2023

	No. in lacs	INR in lacs
At 01 April 2022	48	483
Changes in Equity Share Capital	-	-
At 31 March 2023	48	483

For the year ended 31 March 2022

a. Equity Share Capital (refer note16):

At 01 April 2021

Changes in Equity Share Capital

At 31 March 2022

	No. in lacs	INR in lacs
At 01 April 2021	48	483
Changes in Equity Share Capital	-	-
At 31 March 2022	48	483

b. Other Equity

For the year ended 31 March 2023

Particulars	Other equity (refer note 17)				Total
	Securities Premium	Retained Earnings	Share based payments reserves	Remeasurement of defined benefit liability / asset	
Balance as at 01 April 2021	3,453	10,320	-	11	13,784
Add: Profit for the year	-	4,338	-	-	4,338
Add: Other comprehensive income (net of tax)	-	-	-	2	2
Total comprehensive income	3,453	14,658	-	13	18,124
Share Based payment reserve	-	-	22	-	22
Balance as at 31 March 2022	3,453	14,658	22	13	18,146
Balance as at 01 April 2022	3,453	14,658	22	13	18,146
Add: Profit for the year	-	4,859	-	-	4,859
Add: Other comprehensive income (net of tax)	-	-	-	15	15
Total comprehensive income	3,453	19,518	22	28	23,020
Add: Share Based payment reserve	-	-	53	-	53
Balance as at 31 March 2023	3,453	19,518	75	28	23,074

Summary of significant accounting policies 2-4

The accompanying Notes are an integral part of the financial statements

As per our report of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm registration number : 301003E/E300005

For and on behalf of the Board of Directors of

Elica PB Whirlpool Kitchen Appliances Private Limited

CIN : U29300PN2010PTC136095

Sd/-

per Sanjay Vij

Partner

Membership Number : 095169

Sd/-

Pralhad Bhutada

Managing Director and CEO

DIN : 00272306

Sd/-

Narasimhan Eswar

Director

DIN : 08065594

Sd/-

Nishant Hundiwala

Chief Financial Officer

Sd/-

Urvi Upadhyay

Company Secretary

Place : Gurugram

Date : 15-05-2023

Place : Pune

Date : 15-05-2023

1. Corporate Information

Elica PB Whirlpool Kitchen Appliances Private Limited (formerly known as Elica PB India Private Limited) ('the Company') is a private company domiciled in India with its registered office situated at Pisoli, Pune. The Company was incorporated in Pune, India on 16 April 2010 under the Companies Act applicable in India, as a private limited company. The Company is primarily engaged in the manufacture, assembly and trading of extensive range of kitchen appliances such as kitchenhood, gas hobs, cooktop and others.

The Company became subsidiary of Whirlpool of India Limited as on 29 September, 2021. Pursuant to clause 24.9 of the Shareholder's agreement dated 29 September 2021 the name of the Company was required to change from Elica PB India Private Limited to Elica PB Whirlpool Kitchen Appliances Private Limited. The Company after taking approval from shareholders meeting held on 08 February 2022, filed necessary forms with the Registrar of Companies and received the Certificate of Incorporation pursuant to name change w.e.f. 24 March 2022.

These financial statements were approved for issue in accordance with a resolution of the Board of Directors of the Company in their meeting held on 15 May, 2023.

2. Summary of Significant Accounting Policies

I) Basis of Preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities, which have been measured at fair value:

- Derivative financial instruments,
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments), and
- Defined benefit plans – plan assets measured at fair value.

The financial statements of the Company are presented in INR and all values are rounded to the nearest lacs, except when otherwise indicated.

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

II) Summary of significant accounting policies

a) Current versus Non-Current classification

Assets and Liabilities in the balance sheet have been classified as either current or non-current based upon the requirements of Schedule III notified under the Companies Act, 2013.

An asset has been classified as current if

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

All other assets have been classified as non-current.

A liability has been classified as current when

- a) it is expected to be settled in the Company's normal operating cycle; or
- b) it is held primarily for the purpose of being traded; or
- c) it is due to be settled within twelve months after the reporting date ; or
- d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities have been classified as non-current.

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

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

b) Foreign currencies

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is the Company's functional and presentation currency.

Transactions and balances

Transactions in foreign currencies are initially recorded at its functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate, if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item [i.e., translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income (OCI) or Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively].

c) Fair value measurement

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

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

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

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

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

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

d) Property, plant and equipment

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred. The present value of the expected cost for the decommissioning of an asset, if any, after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

e) Depreciation on property, plant and equipment

Depreciation is calculated on Written down method basis over the estimated useful lives of the following assets:

Type of Assets	Useful lives estimated by the management (years)
Plant and machinery	15
Dies and Tools	15
Display Stand (*)	5
Electric Installation	10

Furniture and fixture	10
Office equipment	5
Computer	3
Server and networks	6
Vehicles	8

*Useful life of Display Stand is determined by management. The Company capitalizes 'Display Stands' used exclusively for display at the distributor/dealers outlets. These display stands are the property of the Company and are returnable at the Company's discretion. The management has estimated useful life of the display stands to be five years based on the payback period of display stands

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

Considering the proprietary nature of assets and historical data, the Management has estimated the salvage value of the assets for the purpose of computing depreciation. Further, the residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

f) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

Software

Cost of software is amortised over its useful life of 60 months starting from the month of project implementation on straight-line basis .

g) Impairment of non-financial assets

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available, and if no such transactions can be identified an appropriate valuation model is used. These calculations are corroborated by valuation multipliers, quoted share prices for publicly traded companies or other available fair value indicator.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's CGU's to which the individual assets are allocated. These budgets and forecast

calculations are generally cover a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flows projections beyond period covered by the most recent budgets/ forecasts, the company extrapolates cash flow projects in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceeded the long term average growth rate for the products, industries, or countries in which the company operates, or for the market in which the asset is used.

Impairment losses, including impairment on inventories, are recognized in the statement of profit and loss. except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

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

h) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

a) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. if ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

b) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a

modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

c) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

i) Financial Instrument

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

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (n) Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

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

- Debt instruments at amortised cost
- Debt Instrument at Fair Value through profit and loss (FVTPL)
- Debt Instruments at fair value through other comprehensive income (FVTOCI)
- Equity Instruments at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade receivables, security deposits and other receivables. For more information on receivables, refer note 8,10 & 13.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent Solely Payments of Principal and Interest.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has designated, forward exchange contracts taken by the Company to mitigate the foreign exchange risk, as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

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

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at

each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through Statement of Profit and loss, trade & other financial liabilities, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other financial liabilities and derivative financial instruments.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

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

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

Derecognition

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

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior Management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately

next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in Statement of Profit and Loss
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to Statement of Profit and Loss at the reclassification date

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

j) Cash and Cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits.

k) Cash dividend to equity holders of the Company

The Company recognises a liability to make dividend distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

l) Inventories

Inventories are valued at the lower of Cost and Net Realisable Value.

Cost incurred in bringing each product to its present location and condition are accounted for as follows:

- a) Raw materials and Store and Spares: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average method.

- b) Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average method.
- c) Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average method.

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

m) Borrowing Costs

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

Borrowing costs include interest and amortization of ancillary costs incurred in connection with the arrangement of borrowing. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

n) Revenue from contract with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in note x .

Sale of goods

Revenue from sale of product is recognised at the point in time when control of the product is transferred to the customer, generally on delivery of the product. The normal credit term is 0 to 90 days upon delivery.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., warranties). In determining the transaction price for the sale of product, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract "

Rendering of services

In view of the nature of services provided, revenue from services is recognised under the proportionate completion method provided the consideration is reliably determinable and no significant uncertainty exists regarding the collection of the consideration. Revenue from rendering of services comprises of revenue from maintenance contracts (AMC). Revenues from maintenance contracts are recognised on straight line basis which is pro-rata over the period of the contract as and when services are rendered.

i) Variable consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated

at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of electronic equipment provide customers with a right of return the goods within a specified period. The Company also provides retrospective volume rebates to certain customers once the quantity of electronic equipment purchased during the period exceeds the threshold specified in the contract. The rights of return and volume rebates give rise to variable consideration.

(a) Rights of return

The Company uses the expected value method to estimate the variable consideration given the large number of contracts that have similar characteristics. The Company then applies the requirements on constraining estimates of variable consideration in order to determine the amount of variable consideration that can be included in the transaction price. A refund liability is recognized for the goods that are expected to be returned (i.e., the amount not included in the transaction price). A right of return asset (and corresponding adjustment to cost of sales) is also recognised for the right to recover the goods from a customer.

(b) Volume rebates

The Company applies the most likely amount method or the expected value method to estimate the variable consideration in the contract. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The most likely amount is used for those contracts with a single volume threshold, while the expected value method is used for those with more than one volume threshold. The Company then applies the requirements on constraining estimates in order to determine the amount of variable consideration that can be included in the transaction price and recognised as revenue. A refund liability is recognised for the expected future rebates (i.e., the amount not included in the transaction price).

(c) Warranty obligations

The Company typically provides warranties for general repairs of defects that existed at the time of sale, as required by law. These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets. Refer to the accounting policy on warranty provisions in section (v) Provisions.

The Company provides a warranty beyond fixing defects that existed at the time of sale. These service-type warranties are sold either separately or bundled together with the sale of fire prevention equipment. Contracts for bundled sales of equipment and a service-type warranty comprise two performance obligations because the equipment and service-type warranty are both sold on a stand-alone basis and are distinct within the context of contract. Using the relative stand-alone selling price method, a portion of the transaction price is allocated to the service-type warranty and recognised as a contract liability. Revenue for service-type warranties is recognised over the period in which the service is provided based on the time elapsed.

(0) Contract balances

A contract asset is initially recognised for revenue earned from sale of products because the receipt of consideration is conditional on successful transfer of the completion of performance obligation. Upon completion of the performance obligation and acceptance by the customer, the amount recognised as contract assets is reclassified to trade receivables.

Contract assets are subject to impairment assessment

Trade receivables

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (t) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

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

Provision for expected credit losses of trade receivables and contract assets

The Company uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Company's trade receivables and contract assets is disclosed in Note 41.

(p) Assets and liabilities arising from rights of return

Right of return assets

A right-of-return asset is recognised for the right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods and any potential decreases in value. The Company updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned products.

Refund liabilities

A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from the customer. The Company's refund liabilities arise from customers' right of return and volume rebates. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

q) Other Revenue Streams

Interest Income

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in the other income in the statement of profit and loss.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Interest income is included under the head "other income" in the Statement of Profit and Loss.

r) Retirement and other employee benefits

Provident fund

Retirement benefit in the form of Provident Fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the Balance Sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Gratuity

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit (PUC) method made at the end of each financial year. The Company has created an approved Gratuity Fund, which has taken a group gratuity cum insurance policy with an Insurance company to cover the gratuity liability of the employees and premium on contribution paid to such insurance company is charged to the Statement of Profit and Loss.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to Statement of Profit and Loss in subsequent periods.

Past service costs are recognised in Statement of Profit and Loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

Compensated absences:

The Company treats accumulated leave to be carried forward beyond twelve months as long term employee benefit for measurement purposes, such long term compensated absences are provided for based on actuarial valuation which is done as per projected unit credit method at year end. The Company presents the leave as current liability in the Balance Sheet to the extent it does not have an unconditional right to defer its settlement beyond twelve months from the reporting date.

s) Share-based Payments

Senior executives of the Company receive remuneration from the Ultimate Holding Company in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised as employee benefits expense in the Statement of Profit and Loss together with a corresponding increase in other equity as 'Share based payments reserve' in lines with requirement as per Ind AS 102 (Share based payments), over the period in which the performance and/ or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The Statement of Profit and Loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/ or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/ or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/ or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through Statement of Profit and Loss.

t) Taxes

Current Income Tax and Deferred Tax

Tax expense comprises current income tax and deferred tax. Current income-tax expense is measured at the amount expected to be paid to the taxation authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

In assessing the recoverability of deferred tax assets, the company relies on the same forecast assumption used elsewhere in the financial statements and in other management reports.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

u) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders of the Company by the weighted average number of the equity shares outstanding during the year.

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

v) Provisions

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Warranty provisions

Provisions for product warranty related costs are recognised when the product is sold to the customer. Warranty costs are estimated on the basis of past experience. Provision is made for estimated liability in respect of warranty costs in the period of sale of goods.

Contingencies

Provision in respect of loss contingencies relating to claims, litigations assessment, fines, penalties etc are recognised when it is probable that a liability has been incurred, and the amount can be estimated reliably. Where no reliable estimate can be made as to the outcome of an event, a disclosure is made as contingent liability. Contingent assets are not recognised in the accounts.

(3) Changes in accounting policies and disclosures

New and amended standards

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 April 2022. The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2022 dated March 23, 2022, to amend the following Ind AS which are effective from April 01, 2022.

(i) Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37

An onerous contract is a contract under which the unavoidable of meeting the obligations under the contract costs (i.e., the costs that the company cannot avoid because it has the contract) exceed the economic benefits expected to be received under it.

The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services including both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract and costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

These amendments had no impact on the financial statements of the company as there were no onerous contracts entered into by the company within the scope of these amendments that arose during the period.

(ii) Reference to the Conceptual Framework – Amendments to Ind AS 103

The amendments replaced the reference to the ICAI's "Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards" with the reference to the "Conceptual Framework for Financial Reporting under Indian Accounting Standard" without significantly changing its requirements.

The amendments also added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately. The exception requires entities to apply the criteria in Ind AS 37 or Appendix C, Levies, of Ind AS 37, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date. The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

In accordance with the transitional provisions, the company applies the amendments prospectively, i.e., to business combinations occurring after the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). These amendments had no impact on the standalone financial statements of the company as there were no contingent assets, liabilities, or contingent liabilities within the scope of these amendments that arose during the year.

iii) Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

The amendments are effective for annual reporting periods beginning on or after 1 April 2022. These amendments had no impact on the financial statements of the Company as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

iv) Ind AS 109 *Financial Instruments* – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

In accordance with the transitional provisions, the Company applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment (the date of initial application).

These amendments had no impact on the financial statements of the Company as there were no modifications of the Company's financial instruments during the period.

(v) Ind AS 101 *First-time Adoption of Indian Accounting Standards* – Subsidiary as a first-time adopter

The amendment permits a subsidiary that elects to apply the exemption in paragraph D16(a) of Ind AS 101 to measure cumulative translation differences for all foreign operations in its financial statements using the amounts reported by the parent, based on the parent's date of transition to Ind AS, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. This amendment is also available to an associate or joint venture that uses exemption in paragraph D16(a) of Ind AS 101.

The amendments are effective for annual reporting periods beginning on or after 1 April 2022 but do not apply to the company as it is not a first-time adopter.

(vi) Ind AS 41 *Agriculture* – Taxation in fair value measurements

The amendment removes the requirement in paragraph 22 of Ind AS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of Ind AS 41.

The amendments are effective for annual reporting periods beginning on or after 1 April 2022. The amendments had no impact on the financial statements of the Company as it did not have assets in scope of IAS 41 as at the reporting date.

(vii) Ind AS 109 *Financial Instruments* – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

In accordance with the transitional provisions, the company applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment (the date of initial application). These amendments had no impact on the standalone financial statements of the company as there were no modifications of the company's financial instruments during the year.

(3a) Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

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

a) Determining the lease term of contracts with renewal and termination options- Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

b) Defined benefit plans

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for defined benefit plans, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on the expected future inflation rates. Further details about the defined benefit obligations are given in Note 39.

c) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets wherever possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer Note 41 for further disclosures.

d) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow (DCF) model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

e) Revenue from contracts with customers

The Company applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

Determining method to estimate variable consideration and assessing the constraint

Certain contracts for the sale of goods include a right of return and volume rebates that give rise to variable consideration. In estimating the variable consideration, the Company is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled.

The Company determined that the expected value method is the appropriate method to use in estimating the variable consideration for the sale of goods with rights of return, given the large number of customer contracts that have similar characteristics. In estimating the variable consideration for the sale of goods with volume rebates, the Company determined that using a combination of the most likely amount method and expected value method is appropriate. The selected method that better predicts the amount of variable consideration was primarily driven by the number of volume thresholds contained in the contract. The most likely amount method is used for those contracts with a single volume threshold, while the expected value method is used for contracts with more than one volume threshold.

Before including any amount of variable consideration in the transaction price, the Company considers whether the amount of variable consideration is constrained. The Company determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions. In addition, the uncertainty on the variable consideration will be resolved within a short time frame.

f) Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the nature of business differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and different interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

g) Product warranties accruals

The provisions for product warranties, on account of goods sold, recorded in the balance sheet on the basis of actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate and failure rates. Due to the complexities involved in the valuation and its long-term nature, a provision for product warranty is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the product warranty provision.

The failure rate is based on actual number of calls received by the Company from customers on account of complaints. Further details about provisions for product warranties are given in note 16.

(4) Standards issued but not yet effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective from 01 April 2023.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 1 April 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

The amendments are not expected to have a material impact on the Company's financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to Ind AS 1 are applicable for annual periods beginning on or after 1 April 2023. Consequential amendments have been made in Ind AS 107.

The Company is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101. The amendments to Ind AS 12 are applicable for annual periods beginning on or after 1 April 2023. The Company is currently assessing the impact of the amendments.

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Notes to the financial statements *(continued)*

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(Amount in INR Lacs, unless otherwise stated)

5A Property, plant and equipment and Capital work-in-progress

	Plant and machinery	Electric installation	Office equipment	Dies, tools & fixtures	Computers	Furniture and fixtures	Display stands	Vehicles	Total	Capital work in progress
Cost										
As at 01 April 2021	204	2	45	259	79	395	1,807	128	2,919	-
Additions	4	-	2	16	17	20	458	184	701	27
Disposals	-	-	(5)	-	-	(8)	(2)	(52)	(67)	-
As at 31 March 2022	208	2	42	275	96	407	2,263	260	3,553	27
As at 01 April 2022	208	2	42	275	96	407	2,263	260	3,553	27
Additions	17	-	8	90	20	117	596	-	847	126
Disposals	(4)	-	(2)	(0)	-	(15)	(7)	-	(28)	(141)
As at 31 March 2023	221	2	48	365	116	509	2,852	260	4,372	12
Depreciation										
As at 01 April 2021	94	1	26	102	60	173	1,175	100	1,731	
Depreciation charged for the year	21	-	8	29	15	58	360	11	502	
Disposals	-	-	(5)	-	-	(8)	(2)	(44)	(59)	
As at 31 March 2022	115	1	29	131	75	223	1,533	67	2,174	
As at 01 April 2022	115	1	29	131	75	223	1,533	67	2,173	
Depreciation charged for the year	18	-	7	36	18	61	506	60	706	
Disposals	(4)	-	(2)	(0)	-	(9)	(6)	-	(20)	
As at 31 March 2023	129	1	34	167	93	275	2,033	127	2,859	
Net Book Values										
As at As at 31 March 2023	92	0	14	197	22	234	820	133	1,512	
As at 31 March 2022	93	1	13	144	21	184	730	193	1,379	

(a) Display stands lying with the third parties amounting to INR 2,852 lacs (31 March 2022: INR 2,263 lacs) with a net book value of INR 820 lacs (31 March 2022: INR 730 lacs)

(b) Capital work in progress (CWIP) as at 31 March 2023 comprises expenditure for the new assembly line in factory premises. Total amount of CWIP is INR 12 lacs (31 March 2022: INR 27 lacs).

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

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Notes to the financial statements *(continued)*

For the year ended 31 March 2023

(Amount in INR Lacs, unless otherwise stated)

5B Capital work in progress (CWIP) Ageing Schedule
As at 31 March 2023

	Amount in CWIP for a period of					Total
	Less Than 1 Year	1-2 Years	2-3 Years	More than 3	INR Lacs	
	INR Lacs	INR Lacs	INR Lacs	Years INR Lacs		
Project in Progress	12	-	-	-	-	12
Project temporarily suspended	-	-	-	-	-	-
Total	12	-	-	-	-	12

As at 31 March 2022

	Amount in CWIP for a period of					Total
	Less Than 1 Year	1-2 Years	2-3 Years	More than 3	INR Lacs	
	INR Lacs	INR Lacs	INR Lacs	Years INR Lacs		
Project in Progress	27	-	-	-	-	27
Project temporarily suspended	-	-	-	-	-	-
Total	27	-	-	-	-	27

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6 Other Intangible Assets

Particulars	Computer Software
Cost	
As at 01 April 2021	52
Additions	-
As at As at 31 March 2022	52
As at 01 April 2022	52
Additions	-
As at As at 31 March 2023	52
Amortisation	
As at 01 April 2021	23
Charge for the year	8
As at 31 March 2022	31
As at 01 April 2022	31
Charge for the year	6
As at 31 March 2023	37
Net Book Value	
As at As at 31 March 2023	15
As at 31 March 2022	21

7 Right-of-use assets

Particulars	Building	Total
As at 01 April, 2021	855	855
Addition	332	332
Depreciation expenses	380	380
As at 31 March 2022	807	807
Addition	533	533
Depreciation expenses	430	430
As at As at 31 March 2023	910	910

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Notes to the financial statements (continued)

For the year ended 31 March 2023

(Amount in INR Lacs, unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
8 Other non-current financial assets (unsecured considered good unless otherwise stated)		
Advance to employees	11	-
Security deposits	117	114
	<u>128</u>	<u>114</u>
8A Other non-current assets (unsecured considered good unless otherwise stated)		
Capital advances	13	17
	<u>13</u>	<u>17</u>
9 Inventories (valued at lower of cost and NRV)		
Raw materials and components (at cost) [Includes goods -in- transit INR 114 lacs (31 March 2022: INR 185 lacs)]	3,706	4,183
Work-in-progress (at cost)	59	71
Finished goods (at cost or net realisable value)	555	404
Traded goods (at cost or net realisable value) [Includes goods -in- transit INR 63 lacs (31 March 2022: INR 570 lacs)]	4,278	4,628
Total Inventories at the lower of cost or net realisable value	<u>8,598</u>	<u>9,286</u>
10 Trade Receivables		
Trade receivables	4,327	4,585
Receivables from related parties (refer note 43)	125	117
Trade receivables -Credit impaired	19	111
	<u>4,471</u>	<u>4,813</u>
Less: Provision for trade discounts	<u>(904)</u>	<u>(371)</u>
	<u>3,567</u>	<u>4,442</u>
Impairment Allowance (allowance for bad and doubtful debts) Trade Receivables - credit impaired	(19)	(111)
Total Trade receivables	<u>3,548</u>	<u>4,331</u>
Break-up for security details:		
Considered good-Secured	14	23
Considered good-Unsecured	4,438	4,679
Receivables - credit impaired	19	111
	<u>4,471</u>	<u>4,813</u>

Trade receivables Ageing Schedule

Outstanding for following period from due date of payment of Trade Receivables Ageing:

Particulars	Secured - considered good		Unsecured - considered good	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Undisputed Trade Receivable				
Current but not due	-	-	3,651	3,352
Less than 6 months	14	23	793	1,411
6 months -1 year	-	-	-	10
1-2 years	-	-	5	11
2-3 years	-	-	7	3
More than 3 years	-	-	2	3
Total	<u>14</u>	<u>23</u>	<u>4,458</u>	<u>4,790</u>
Undisputed Trade Receivable- Credit Impaired				
Current but not due	-	-	-	-
Less than 6 months	-	-	5	87
6 months -1 year	-	-	-	7
1-2 years	-	-	5	11
2-3 years	-	-	7	3
More than 3 years	-	-	2	3
Total	<u>-</u>	<u>-</u>	<u>19</u>	<u>111</u>

Refer note 41 for Company's exposure to credit and currency risk.

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

For terms and conditions with related parties, refer to Note 43

Trade receivables are non-interest bearing and are generally on terms of 0 to 90 days.

There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.

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(Amount in INR Lacs, unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
11 Cash and cash equivalents		
(i) Cash in hand	0	1
(ii) Balances with banks		
- On current accounts	460	906
- Deposit with remaining maturity for less than 3 months	15,306	7,534
	<u>15,766</u>	<u>8,441</u>

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the company, and earn interest at the respective short-term deposit rates.

At 31 March 2023, the company had available INR nil (31 March 2022: INR 280 lacs) of undrawn committed borrowing facilities.

	As at 31 March 2023	As at 31 March 2022
Changes in liabilities arising from financing activities		
Current borrowings		
Opening balances	-	1,250
Cash flows	-	1,250
Closing balances	<u>-</u>	<u>-</u>

	As at 31 March 2023	As at 31 March 2022
12 Other Bank balances		
Other Deposit with remaining maturity for more than 3 months but less than 12 months	-	320
	<u>-</u>	<u>320</u>

	As at 31 March 2023	As at 31 March 2022
13 Current loans		
<i>(unsecured considered good unless otherwise stated)</i>		
Advance to employees	26	14
	<u>26</u>	<u>14</u>

	As at 31 March 2023	As at 31 March 2022
14 Other current financial assets		
<i>(unsecured considered good unless otherwise stated)</i>		
Security deposits	39	23
Interest accrued on Bank deposits	113	41
Bank deposits (Deposits with maturity of more than 12 months)	-	380
	<u>152</u>	<u>444</u>

	As at 31 March 2023	As at 31 March 2022
15 Other current assets		
<i>(unsecured considered good unless otherwise stated)</i>		
Advances to suppliers	15	125
Receivables for Expected Sales Return	66	-
Balance with Government authorities	60	419
Prepaid expenses	63	92
Claims receivable	-	6
Custom duty receivable	2	2
	<u>206</u>	<u>644</u>

Break up of financial assets carried at amortised cost

Particulars	As at 31 March 2023	As at 31 March 2022
Security deposits	156	137
Trade Receivables	3,548	4,331
Cash and cash equivalents	15,766	8,441
Other Bank balances	-	320
Current loans	26	14
Interest accrued on Bank deposits	113	41
Bank Deposits	-	380
	<u>19,609</u>	<u>13,664</u>

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16 Share capital

Authorised Share Capital

	Equity Shares	
	No. in Lacs	INR. in Lacs
As at 01 April 2021	93	930
Increase/(decreased) during the year	-	-
As at 31 March 2022	93	930
Increase/(decreased) during the year	-	-
As at 31 March 2023	93	930

Issued Share Capital

Equity Shares of INR 10 each Issued, subscribed and paid-up

	Equity Shares	
	No. in Lacs	INR. in Lacs
As at 01 April 2021	48	483
Increase/(decreased) during the year	-	-
Issue of share capital	-	-
As at 31 March 2022	48	483
Increase/(decreased) during the year	-	-
Issue of share capital	-	-
As at 31 March 2023	48	483

16.1 Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend, if declared, are paid in Indian rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

16.2 Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year

	As at 31 March 2023		As at 31 March 2022	
	Number	Amount	Number	Amount
Equity shares				
At the commencement of the year	48,34,687	483	48,34,687	483
Shares issued during the year	-	-	-	-
At the end of the year	48,34,687	483	48,34,687	483

16.3 Shares of the Company held by Holding Company/Joint Venturer is set out below:

Name of Shareholder	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount	Number of shares	Amount
Whirlpool of India Limited (Holding Company, Joint Venturer till 28 September 2021)	42,18,260	422	42,18,260	422
Elica S.p.A - Italy (Joint Venturer till 28 September 2021)	3,08,211	31	3,08,211	31
Mr. Pralhad Bhutada jointly with Mrs Pallavi Bhutada (Joint Venturer till 28 September 2021)	1,54,911	15	1,54,911	15
	46,81,382	468	46,81,382	468

16.4 Particulars shareholders holding more than 5% shares is set out below:

Name of Shareholder	As at 31 March 2023		As at 31 March 2022	
	Number of shares	%	Number of shares	%
Whirlpool of India Limited	42,18,260	87.25%	42,18,260	87.25%
Elica S.p.A - Italy	3,08,211	6.37%	3,08,211	6.37%
	45,26,471	93.62%	45,26,471	93.62%

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16.5 Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

Pursuant to the resolution passed at the board meeting held on 6 April 2018, 1 compulsorily convertible debenture of INR 3,527 lacs each was converted into 734,687 equity shares of INR 10 each at a premium of INR 3,453 lacs as on 6 April 2018.

16.6 Details of shares held by promoters

Promoter Name	No. of shares at the beginning of the year	Change during the year No. of shares	As at 31 March 2023		
			No. of shares at the end of the year	% of Total Shares	% change during the year
Whirlpool of India Limited	42,18,260	-	42,18,260	87.25%	0.00%

Promoter Name	No. of shares at the beginning of the year	Change during the year	As at 31 March 2022		
			No. of shares at the end of the year	% of Total Shares	% change during the year
Whirlpool of India Limited	42,18,260	-	42,18,260	87.25%	0.00%

	As at 31 March 2023	As at 31 March 2022
17 Other equity		
Other reserves		
Securities premium	3,453	3,453
Retained earnings	19,517	14,658
Other comprehensive income	28	13
Share based payments reserves	75	22
Total other reserves	<u>23,074</u>	<u>18,146</u>
Securities premium reserve		
Balance at the beginning of the year	3,453	3,453
Add: Addition during the year	-	-
Closing Balance	3,453	3,453
Securities premium is used to record the premium received on issue of shares. The same is generated on account of conversion of compulsory convertible debentures into equity shares pursuant to resolution passed at the board meeting held on 6 April 2018. It is utilised in accordance with the provisions of the Companies Act, 2013.		
Surplus in the statement of Profit & Loss		
Balance at the beginning of the year	14,658	10,320
Add: Profit for the year	4,859	4,338
Add: Share Based payment reserve	-	-
Closing balance	<u>19,517</u>	<u>14,658</u>
Components of other comprehensive income		
Remeasurement of defined benefit liability/(asset), net of tax		
Balance at the beginning of the year	13	11
Addition during the year	15	2
Closing balance	<u>28</u>	<u>13</u>
Retained earnings represents the undistributed profits of the Company accumulated as on Balance Sheet date.		
Remeasurements of defined benefit liability/(asset) comprises actuarial gains and losses and return on plan assets (excluding interest income)		
Share based payments reserves		
Balance at the beginning of the year	22	-
Add: Addition during the year	53	22
Closing Balance	<u>75</u>	<u>22</u>

The ultimate holding company provides various share-based payment schemes to the employees of the Company including key management personnel. The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees as a part of their remuneration. Refer note 44 for further details. It represents amount of parent equity employee stock option outstanding/transferred/exercised during the year.

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		As at 31 March 2023	As at 31 March 2022
18 Non current provisions			
Provision for Employee benefits			
Gratuity		99	108
Compensated absences		88	90
	(A)	<u>187</u>	<u>198</u>
Other provisions			
Provision for warranties		1,293	1,158
	(B)	<u>1,293</u>	<u>1,158</u>
Total Non current provisions	(A) + (B)	<u><u>1,480</u></u>	<u><u>1,356</u></u>

Movement in provision for warranties

Particulars	As at 31 March 2023	As at 31 March 2022
As at the beginning of the year	1,455	1,106
Charged/(credited) to profit or loss		
- additional provision recognised	718	497
- unused amount reversed	-	-
- unwinding of discount	150	148
Amounts utilised during the year	<u>(515)</u>	<u>(297)</u>
As at the end of the year	<u>1,808</u>	<u>1,454</u>
Non- current provision	1,294	1,157
Current provision	514	297

Provision for warranties:

The Company provides warranty for kitchen hoods, cooktops, hobs and other products. The Company provides warranty for 15 years on certain kitchen hoods and warranty of 0-3 years on other products. The Provision for warranties is estimated for warranty claims in respect of products sold during the year on the basis of past experience regarding failure trends of products and cost of rectification or replacement.

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(Amount in INR Lacs, unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
19 Trade payables		
(a) Trade payable: micro enterprises and small enterprises	409	765
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	2,911	2,851
(c) Trade payable to related parties (Refer Note 43)	542	695
	<u>3,862</u>	<u>4,311</u>

Trade Payables Ageing

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Outstanding for following period from due date of payment	Micro enterprises and small enterprises		Total outstanding dues of creditors other than micro enterprises and small enterprises	
Undisputed Trade Payables dues				
Unbilled	-	-	1,705	305
Not due	385	239	1,133	2,447
Less than 1 year	24	526	606	785
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
Total	<u>409</u>	<u>765</u>	<u>3,444</u>	<u>3,537</u>
Disputed Trade Payables dues				
Less than 1 year	-	-	-	-
1-2 years	-	-	-	5
2-3 years	-	-	5	4
More than 3 years	-	-	4	-
Total disputed dues	<u>-</u>	<u>-</u>	<u>9</u>	<u>9</u>
Total	<u>409</u>	<u>765</u>	<u>3,453</u>	<u>3,546</u>

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled on 60-day terms
- For terms and conditions with related parties, refer to Note 43

For explanations on the Company's credit risk management processes, refer to Note 41 iii

	As at 31 March 2023	As at 31 March 2022
20 Other financial liabilities		
Payable towards Capital goods	21	32
	<u>21</u>	<u>32</u>
	As at 31 March 2023	As at 31 March 2022
21 Other current liabilities		
Statutory dues payable	484	401
Contract Liabilities (Advance from customers)	193	137
Liability for Expected Sales Return	118	-
Deferred revenue (annual maintenance service contracts) (refer below)	45	18
Other liabilities	814	583
	<u>1,654</u>	<u>1,139</u>

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Deferred revenue (annual maintenance service contracts)

A deferred revenue is recognised when the Company has obligation to provide maintenance services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company provides such services to the customer, a deferred revenue is recognised when the payment is made or the payment is due (whichever is earlier). Deferred revenue is recognised as revenue when the Company performs services under the contract.

		<u>31 March 2023</u>	<u>31 March 2022</u>
Opening Balance		18	26
Add: Revenue recognised during the year		225	171
Less: Invoice during the year		(198)	(179)
Closing Balance		<u>45</u>	<u>18</u>
		As at	As at
		<u>31 March 2023</u>	<u>31 March 2022</u>
22 Current Provisions			
Provision for Employee benefits			
Compensated absences		31	30
	(A)	<u>31</u>	<u>30</u>
Other provisions			
Provision for warranty (also refer note 18)		514	297
	(B)	<u>514</u>	<u>297</u>
Total Current provisions	(A) + (B)	<u>545</u>	<u>327</u>

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(Amount in INR Lacs, unless otherwise stated)

	31 March 2023	31 March 2022
23 Revenue from contract with customers		
Sale of products (transferred at point of time)		
- Manufactured goods	21,809	16,949
- Traded goods	23,787	20,325
	<u>45,596</u>	<u>37,274</u>
Sale of services (transferred over time)	225	171
Other operating revenue		
- Scrap Sales	72	48
Total	<u>45,893</u>	<u>37,493</u>

Disclosure for revenue from contracts with customers

Particulars	31 March 2023	31 March 2022
Revenue recognised from contracts with customers		
Disaggregation of revenue		
Based on type of goods		
- Sale of trade goods	23,787	20,325
- Sale of manufactured goods	21,809	16,949
- Sale of scrap	72	48
- Sale of services	225	171
Based on market/type of customer		
- India	45,717	37,314
- Outside India	175	179

Performance obligations

The Company satisfies its performance obligations pertaining to the sale of traded ,manufactured goods and scrap in time when the goods are delivered to and have been accepted at their premises. The payment is generally due within 30 - 90 days.

There are no other significant obligations attached in the contract with customer.

Revenue from rendering of services comprises of revenue from maintenance contracts (AMC). Revenues from maintenance contracts are recognised on straight line basis which is pro-rata over the period of the contract as and when services are rendered.

Refer note 10 balance of trade receivables and note 21 for deferred revenue as at the year end.

Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

	31 March 2023	31 March 2022
Revenue as per contracted price	50,315	39,527
Less: Adjustments	-	-
Sales return	(488)	(244)
Discount	(3,934)	(1,790)
Revenue from contract with customers	<u>45,893</u>	<u>37,493</u>

	31 March 2023	31 March 2022
Contract balances		
Trade receivables	3,548	4,331
Contract liabilities	193	137

Trade receivables are non-interest bearing and are generally on terms of 0 to 90 days.

Contract liabilities consist of short-term advances received to supply goods from customer.

	31 March 2023	31 March 2022
24 Other Income		
Interest income from bank deposits and others	497	354
Gain on sale of / disposal of property, plant and equipment	-	7
Interest income on fair value of security deposits	12	8
Miscellaneous income	20	20
	<u>529</u>	<u>389</u>

	31 March 2023	31 March 2022
25 Cost of materials and components consumed		
Inventory at the beginning of the year	4,183	3,185
Add: Purchases	12,043	11,834
Less: Inventory at the end of the year	3,706	4,183
Cost of Raw materials and components consumed	<u>12,520</u>	<u>10,836</u>

	31 March 2023	31 March 2022
26 Purchase of Traded goods		
Purchases of Kitchen Appliances and others	12,576	11,795
	<u>12,576</u>	<u>11,795</u>

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	31 March 2023	31 March 2022
27 Changes in inventory of finished goods, work-in-progress and Traded goods		
Inventory at the beginning of the year		
- Work in progress	71	48
- Finished goods	404	183
- Traded goods	4,628	3,428
	<u>5,103</u>	<u>3,659</u>
Inventory at the end of the year		
- Work in progress	59	71
- Finished goods	555	404
- Traded goods	4,278	4,628
	<u>4,892</u>	<u>5,103</u>
Changes in inventory		
- Work in progress	12	(23)
- Finished goods	(151)	(221)
- Traded goods	350	(1,200)
(Increase) / decrease in inventory	<u>211</u>	<u>(1,444)</u>
28 Employee benefits expense	31 March 2023	31 March 2022
Salaries, wages and bonus	3,814	3,174
Contribution to provident and other funds	146	130
Employee stock option (refer note 44)	53	22
Compensated absences	20	20
Gratuity expenses (refer note 39)	33	29
Staff welfare expenses	110	85
	<u>4,176</u>	<u>3,460</u>
29 Finance costs	31 March 2023	31 March 2022
Interest expense on financial liabilities measured at amortised cost	-	27
Interest on MSME payables	10	3
Unwinding of discount due to passage of time on warranty (refer note 18)	150	148
Interest expense on lease liabilities (refer note 35)	91	74
	<u>251</u>	<u>252</u>
30 Depreciation and amortisation	31 March 2023	31 March 2022
Depreciation of property, plant and equipment (refer note 5A)	706	502
Depreciation of Right-of-use Asset (refer note 7)	430	380
Amortisation of intangible assets (refer note 6)	6	8
	<u>1,142</u>	<u>890</u>

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	31 March 2023	31 March 2022
31 Other expenses		
Power and fuel	46	39
Contractual charges	1,145	935
Rent	112	125
Rates and taxes	231	130
Repairs and maintenance	57	58
Legal and professional fees	373	331
Payments to auditors (refer note (i) below)	23	21
Travelling and conveyance expenses	270	160
Foreign exchange variation (net)	116	78
Corporate social responsibility expenses (refer note (ii) below)	114	91
Insurance	96	86
Freight and forwarding	1,364	993
Royalty	-	58
Technical License Fee	49	25
Trademark License Fee	1,608	710
Whirlpool Royalties	42	8
Warranties (refer note 18)	718	498
Carrying, forwarding and distribution expenses	1,109	760
Bad Debts	4	-
Sales promotion, marketing and advertisement	1,584	914
Loss on sale / disposal of property, plant and equipment	6	-
Miscellaneous expenses	153	316
	<u>9,221</u>	<u>6,336</u>

Note:

(i) Payments to statutory auditors*

As auditor:

- Statutory audit fee

- Tax audit fee

- Limited Review

In other capacity:

- Reimbursement of expenses

Total

	31 March 2023	31 March 2022
- Statutory audit fee	14	12
- Tax audit fee	2	3
- Limited Review	6	6
- Reimbursement of expenses	1	-
Total	<u>23</u>	<u>21</u>

* Excludes applicable taxes

(ii) Details of corporate social responsibility expenditure

a) Gross amount required to be spent by the Company during the year

b) Amount spent during the year:

(i) Construction / acquisition of any asset

(ii) On purpose other than (i) above

Bank

Unpaid

(c) Details of spent on other than ongoing projects:

1. Skill Development Programme

2. Community Development Programme

2. Support to a college by providing desktop Computers in order to facilitate Computer Education for students

3. Support by providing education and other recreational activities to Umed Pariwar, a rehabilitation centre for differently abled adults

4. Skill Development by providing soft skills training and employment opportunities (Course - Manual Insertion Operator)

5. Tree Plantation Project

6. Administrative Overhead

(iii) On purpose other than (i) and (ii) above, Contribution to PM CARE Fund

Total

c) Excess Spent amount

	31 March 2023	31 March 2022
a) Gross amount required to be spent by the Company during the year	112	91
b) Amount spent during the year:		
(i) Construction / acquisition of any asset	-	-
(ii) On purpose other than (i) above	-	-
Bank	114	-
Unpaid	-	-
(c) Details of spent on other than ongoing projects:		
1. Skill Development Programme	78	-
2. Community Development Programme	30	-
2. Support to a college by providing desktop Computers in order to facilitate Computer Education for students	-	7
3. Support by providing education and other recreational activities to Umed Pariwar, a rehabilitation centre for differently abled adults	-	6
4. Skill Development by providing soft skills training and employment opportunities (Course - Manual Insertion Operator)	-	10
5. Tree Plantation Project	-	10
6. Administrative Overhead	4	-
(iii) On purpose other than (i) and (ii) above, Contribution to PM CARE Fund	2	58
Total	<u>114</u>	<u>91</u>
c) Excess Spent amount	<u>2</u>	<u>-</u>

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32 Income tax expense

	31 March 2023	31 March 2022
A. Amounts recognised in profit or loss		
Current year	1,796	1,761
Tax expense / (refund) for earlier years	(165)	(53)
Current tax (a)	1,631	1,708
Attributable to -		
Origination and reversal of temporary differences	(165)	(289)
Deferred tax income relating to changes in tax rates/ Reduction in tax rates	-	-
Deferred tax (b)	(165)	(289)
Tax expense (a) + (b)	1,466	1,419

B. Income tax recognised in other comprehensive income	31 March 2023			31 March 2022		
	Before tax	Tax(expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Remeasurements of defined benefit obligations	20	(5)	15	3	(1)	2
	20	(5)	15	3	(1)	2

C. Reconciliation of effective tax rate	31 March 2023		31 March 2022	
	%	Amount	%	Amount
Accounting Profit before tax		6,325		5,757
At Statutory tax rate (A)	25.17%	1,592	25.17%	1,449
Effect of:				
Non deductible expenses	0.63%	40	0.41%	23
Increase/decrease in tax rate on deferred tax expense	0.00%	-	0.00%	-
Tax expense/(refund) of previous year	-2.61%	(165)	-0.93%	(53)
Total (B)				
Effective tax rate / tax expense (A+B)	23.18%	1,466	24.65%	1,419

The company has opted for Taxation under section 115BAA of Income Tax Act, 1961. Accordingly, provision for income tax and deferred tax as at 31 March 2023 and 31 March 2022 are recognised at 25.168%.

D. Recognised deferred tax assets and liabilities	Net deferred tax (assets) liabilities	
	31 March 2023	31 March 2022
Deferred tax assets		
Provision - employee benefits	(55)	(57)
Provision - others	(966)	(772)
Other items	(40)	(59)
	(1,061)	(888)
Deferred tax liabilities		
Property, plant and equipment and intangible assets	101	96
Other	5	1
	107	97
Net deferred tax (assets) / liabilities	(955)	(791)

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Movement in temporary differences:	As at 1 April 2021	Recognised in profit or loss during 2021-22	Recognised in OCI during 2021-22	As at 31 March 2022	Recognised in profit or loss during 2022-23	Recognised in OCI during 2022-23	As at 31 March 2023
Property, plant and equipment and intangible assets	74	22	-	96	5	-	101
Provision for employee benefits	(54)	(4)	1	(57)	3	5	(49)
Provision - others	(493)	(279)	-	(772)	(194)	-	(966)
Expenses allowable on payment basis and others	(29)	(30)	-	(59)	18	-	(41)
	(502)	(291)	1	(792)	(168)	5	(955)

In assessing the realizability of deferred tax assets, the Company considers the extent to which it is probable that the deferred tax asset will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences become deductible. The Company considers the expected reversal of deferred tax liabilities, projected future taxable income, tax planning strategies and impact of other marketing conditions in making this assessment.

Based on this, the Company believes that it is probable that the Company will realize the benefits of these deductible differences. The amount of deferred tax asset considered realizable, however, could be reduced in the near term if the estimates of future taxable income are reduced.

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33 Earnings per share (EPS)

A. Basic earnings per share

The calculation of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purpose of basic earnings per share calculation are as follows:

		31 March 2023	31 March 2022
i. Profit attributable to equity shareholders (basic)			
Profit for the year, attributable to the equity holders		4,859	4,338
ii. Weighted average number of equity shares (basic)			
	Note	31 March 2023	31 March 2022
Opening balance	16	48,34,687	48,34,687
Effect of changes during the year		-	-
Weighted average number of equity shares for the year		48,34,687	48,34,687
Total basic earnings per share attributable to equity share holder of the Company		100.50	89.72

B. Diluted earnings per share

The calculation of diluted earning per share is based on profit attributable to equity shareholders and weighted average number of equity shares outstanding, after adjusting for the effects of all dilutive potential equity shares as follows:

		31 March 2023	31 March 2022
i. Profit attributable to equity shareholders (diluted)			
Profit for the year, attributable to the equity holders		4,859	4,338
Interest expense on convertible debentures, net of tax		-	-
Profit for the year, attributable to the equity holders (diluted)		4,859	4,338
ii. Weighted average number of equity shares (diluted)			
	Note	31 March 2023	31 March 2022
Opening balance	16	48,34,687	48,34,687
Effect of dilutive potential equity shares		-	-
Weighted average number of equity shares for the year		48,34,687	48,34,687
Total diluted earnings per share attributable to equity share holder of the Company		100.50	89.72

34 Contingent liability and commitments (to the extent not provided for)

a. Claims against the Company not acknowledged as debt

31 March 2023	31 March 2022
-	-

35 Leases -The Company as a lease

The Company has entered into operating lease arrangements for office space generally have lease terms between 3 and 5 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the company is restricted from assigning and subleasing the leased asset. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

The company also has certain leases of office space with lease terms of 12 months or less. The company applies the 'short-term lease' recognition exemptions for these leases.

A. Right of use assets

	31 March 2023	31 March 2022
Opening Balance	807	855
Add: Addition during the year	533	332
Less: Depreciation charged for the year	430	380
Closing Balance	910	807

B. Lease liabilities

	31 March 2023	31 March 2022
Opening Liabilities	871	912
Add: Addition during the year	533	332
Add: Interest Accrued on Lease liability	91	74
Less: Cash outflows for leases	(501)	(448)
Closing liabilities	994	870

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Bifurcation of Lease Liabilities

	31 March 2023	31 March 2022
Current	458	386
Non Current	536	484
Total	994	870

The effective interest rate for lease liabilities ranges 7.9% to 9.5% (31 March 2022: 7.5%), with maturity between 2022-2027 (31 March 2022: 2022-2027)

	31 March 2023	31 March 2022
The following are the amounts recognised in profit or loss:		
Depreciation expense of right-of-use assets	430	380
Interest expense on lease liabilities	91	74
Expense relating to short-term leases (included in other expenses)	112	125
Total amount recognised in profit or loss	633	579

36 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants, if any. To maintain or adjust the capital structure, the Company reviews the fund management at regular intervals and take necessary actions to maintain the requisite capital structure.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2023 and 31 March 2022.

37 Transfer pricing

The Company is in the process of establishing a system of maintenance of information and documents as required by transfer pricing legislation under section 92-92F of the Income Tax Act, 1961 for the financial year 2022-23.

Management is of the opinion that its international transactions are at arm's length. Accordingly, the Company's Management believes that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

38 Segment reporting

A. Business Segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. The Company is engaged in manufacturing and trading of kitchen hoods, hobs, cook tops and cooking ranges, the risks and returns on these being similar, it recognizes kitchen appliances as its only primary business segment. The 'Chief Operating Decision Maker' i.e MD and CEO monitors the operating results of the Company's business as single segment. Accordingly in context of 'Ind AS 108 - Operating Segments' the principle business of the Company constitute a single reportable segment. Accordingly, income from sale of goods comprises the primary basis of segmental information set out in these financial statements.

B. Geographical Segments

	31 March 2023	31 March 2022
Based on market/type of customer		
- India	45,717	37,314
- Outside India	175	179
	45,892	37,493

39 Assets and liabilities relating to employee benefits

	31 March 2023	31 March 2022
Net defined benefit liability - Gratuity plan	99	108
Liability for compensated absences	118	120
Total employee benefit liabilities	217	228
Non-current	186	198
Current	31	30

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For details about the related employees benefit expenses (including those of Defined Contribution Plan), see note 28.

The Company operates the following post employment benefit plans:

The Company has a defined benefit plan, governed by the Payment of Gratuity Act, 1972. Benefit plan entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days for every completed year of service or part thereof in excess of six months., based on the rates of wages last drawn by the employee concerned.

The defined benefit plan for gratuity is administered and funded through a Group Gratuity Scheme with Life Insurance Corporation of India.

These defined benefit plans expose the Company to actuarial risk, such as longevity risk, interest rate risk and market (investment) risk and salary increment risk.

A. Funding

Gratuity Plan is funded by the Company. The funding requirements are based on the gratuity fund's actuarial measurement framework set out in the funding policies of the plan. The funding of Gratuity Plan is based on separate actuarial valuation for funding purposes for which assumption may differ from the assumptions set out in (E). Employees do not contribute to the plan.

The Company expects to pay INR 48.88 lacs in contributions to its defined benefit plans in the financial year 2022-23.

B. Reconciliation of the net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability and its components:

	31 March 2023	31 March 2022
Reconciliation of present value of defined benefit obligation (A)		
Balance at the beginning of the year	252	221
Current service cost	27	25
Interest cost	15	11
Actuarial (gain)/ loss on obligations recognised in other comprehensive income in other comprehensive income	-	-
- changes in demographic assumptions	-	-
- changes in financial assumptions	(11)	(3)
- experience variance	(9)	-
Benefits paid	(5)	(2)
Balance at the end of the year	<u>269</u>	<u>252</u>
Reconciliation of present value of plan assets (B)		
Balance at the beginning of the year	144	124
Interest income	9	7
Employers contributions	21	15
Benefits paid	(5)	(2)
Return on plan assets	0	-
Balance as the end of the year	<u>169</u>	<u>144</u>
Net defined benefit liability (A) - (B)	<u>100</u>	<u>108</u>
C. (i) Expense recognised in profit or loss		
Current service cost	27	25
Interest expense (net)	6	4
Total	<u>33</u>	<u>29</u>
C. (ii) Remeasurements recognised in other comprehensive income		
Opening amount recognised in OCI	(12)	(9)
Actuarial (gain)/loss on defined benefit obligation	(20)	(3)
Return on plan assets excluding interest income	(0)	0
Total	<u>(32)</u>	<u>(12)</u>
D. Plan assets		
Plan assets comprise of the following:		
State Government securities	-	-
High quality corporate bonds	-	-
Equity shares of listed companies	-	-
Funds managed by Insurer	100%	100%
Other Investments	-	-
	<u>100%</u>	<u>100%</u>

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		31 March 2023	31 March 2022
E. Defined benefit obligation			
i. Actuarial assumptions			
Principal actuarial assumptions at the reporting date:			
Discount rate		7.40%	6.50%
Future salary growth			
Until 1 year		8.50%	8.50%
More than 1 year		7.50%	7.50%
Attrition rate	Age (years)		
	21-30	26%	26%
	31-50	14%	14%
	51-59	17%	17%
Mortality rate (% of IALM 2006-08)		100%	100%

Assumptions regarding future mortality are based on published statistics and mortality tables (i.e. Indian Assured Live Mortality (2006-08)).

At 31 March 2023, the weighted average duration of the defined benefit obligation is 4.86 years (31 March 2022: 5.12 years)

ii. Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amount shown below:

	31 March 2023		31 March 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(263)	(274)	(244)	(256)
Future salary growth (0.5% movement)	274	263	257	247

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

The following payments are expected contributions to the defined benefit plan in future years:

	31 March 2023	31 March 2022
Within the next 12 months (next annual reporting period)	48.88	44
Between 2 and 5 years	199	189
Between 5 and 10 years	173	155
Total expected payments	421	388

Note : Amount in brackets represent unfavourable position to the profit of the Company.

40 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006

The Company has amounts due to suppliers under The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) as The disclosure pursuant to the said Act, to the extent of information received and available with the Company is as under

	31 March 2023	31 March 2022
a) The principal amount and the interest due thereon remaining unpaid to supplier at the end of		
-Principal	409	765
-Interest	13	5
b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006) along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
- Interest paid	-	-
- Payment made to suppliers (other than interest) beyond the appointed day during the year	1,623	3,274
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	38	26
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year	38	31
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	137	99

The Company has not received intimation from certain its suppliers regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure, relating to amounts unpaid as at the year end together with interest paid / payable as required under the Act are made to the extent for the parties who have confirmed their status under Micro, Small and Medium Enterprises Development Act, 2006.

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41 i Categories of financial instruments

Particulars	Note	As at	Fair value		
		31 March 2023	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
		Amortised cost			
<i>Financial assets measured at fair value through profit & loss</i>					
Security deposits	8 & 14	156	-	-	156
Trade Receivables	10	3,548	-	-	3,548
Cash and cash equivalents	11	15,766	-	-	15,766
Other Bank balances	12	-	-	-	-
Current loans	13	26	-	-	26
Interest accrued on Bank deposits	14	113	-	-	113
Bank Deposits	14	-	-	-	-
Total financial assets		19,609	-	-	19,609
Particulars	Note	As at 31 March 2022	Fair value		
		Amortised cost	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<i>Financial assets measured at fair value through profit & loss</i>					
Security deposits	8 & 14	137	-	-	137
Trade Receivables	10	4,331	-	-	4,331
Cash and cash equivalents	11	8,441	-	-	8,441
Other Bank balances	12	320	-	-	320
Current loans	13	14	-	-	14
Interest accrued on Bank deposits	14	41	-	-	41
Bank Deposits	14	380	-	-	380
Total financial assets		13,664	-	-	13,664
Particulars	Note	As at	Fair value		
		31 March 2023	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<i>Financial liabilities</i>					
Lease Liabilities	35	458	-	-	458
Trade payables	19	3,862	-	-	3,862
Other financial liabilities	20	21	-	-	21
Total financial liabilities		4,341	-	-	4,341

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Particulars	Note	As at 31 March 2022	Fair value		
		Amortised cost	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<i>Financial liabilities</i>					
Lease Liabilities	35	386	-	-	386
Trade payables	19	4,311	-	-	4,311
Other financial liabilities	20	32	-	-	32
Total financial liabilities		4,729	-	-	4,729

41 ii (a) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value.

To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level is as follows

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2: Fair value of financial instruments that are not traded in an active market (for example, traded bonds, over the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

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

41 ii (b) As per Ind AS 107 "Financial Instrument:Disclosure", fair value disclosures are not required when the carrying amounts reasonably approximate the fair value. Financial assets and liabilities such as trade receivables, employee dues, cash and cash equivalent, bank balance other than cash and cash equivalents, security deposits, interest accrued on fixed deposits, deferred rent, loans repayable on demand, trade payables, interest accrued, accrued employee liabilities, payable on account of capital purchases etc. are largely short-term in nature. The fair values of these financial assets and liabilities approximate their carrying amount due to the short-term nature of such assets and liabilities.

Elica PB Whirlpool Kitchen Appliances Private Limited

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Notes to the financial statements (continued)

For the year ended 31 March 2023

(Amount in INR Lacs, unless otherwise stated)

41 iii Financial risk management

The Company has exposure to the following risk arising from financial instruments:

- credit risk (see (iii B) below);
- liquidity risk (see (iii C) below); and
- market risk (see (iii D) below).

41 iii (A) Risk management framework

The Company's principal financial liabilities, other than derivatives, comprise trade and other financial liability. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks and also ensure that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken.

The Board of Directors reviews and agrees policies for managing each of these risks

41 iii (B) Credit risk

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

a) Trade Receivables

Customer credit risk is managed subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and balances of customers are not covered by letters of credit or other forms of credit insurance.

An impairment analysis is performed at each quarter end on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 10. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Financial Year	Contract Asset	<1 Year	1-2 Years	2-3 Years	>3 Years	Grand total
	ECL Rate	0%	100%	100%	100%	
31-03-2023	Estimated total gross	4,457	5	7	2	4,471
	ECL - Simplified	5	5	7	2	19
	Net carrying amount	4,452	-	-	-	4,452
31-03-2022	ECL Rate	2%	100%	100%	100%	
	Estimated total gross ca	4,796	11	3	3	4,813
	ECL - Simplified	94	11	3	3	111
	Net carrying amount	4,702	-	-	-	4,702

Particulars	Trade Receivable
Provision as at 1 April 2021:	-
Add: Provision made during the year	111
Less: Provision utilized during the year	-
Provision as at 31 March 2022:	111
Add: Provision made during the year	-
Less: Provision utilized/reversed during the year	92
Provision as at 31 March 2023	19

b. Financial instruments and cash deposits

The Bank balance is held with Banks. Credit risk on Bank balance is limited as the Company generally invest in deposits with banks with high credit ratings assigned by domestic credit rating agencies. Bank balance primarily include investment in fixed deposit with banks for a specified time period.

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Notes to the financial statements (continued)

For the year ended 31 March 2023

(Amount in INR Lacs, unless otherwise stated)

41 iii (C) Liquidity risk

The Company monitors its risk of a shortage of funds through fund management exercise at regular intervals.

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

	Less than 1 year	More than 1 year	Total
	INR in lacs	INR in lacs	INR in lacs
As at			
31 March 2023			
(i) Lease Liabilities	458	536	994
(ii) Trade payables	3,862	-	3,862
(iii) Other financial liabilities	21	-	21
Total	4,341	536	4,877
	Less than 1 year	More than 1 year	Total
	INR in lacs	INR in lacs	INR in lacs
As at			
31 March 2022			
(i) Lease Liabilities	386	484	870
(ii) Trade payables	4,311	-	4,311
(iii) Other financial liabilities	32	-	32
Total	4,729	484	5,213

41 iii (D) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include deposits and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at 31 March 2023 and 31 March 2022.

The analysis exclude the impact of movements in market variables on the carrying values of gratuity, other post-retirement obligations and provisions.

The sensitivity of the relevant profit and loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of 31 March 2023 and 31 March 2022.

Elica PB Whirlpool Kitchen Appliances Private Limited

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Notes to the financial statements (continued)

For the year ended 31 March 2023

(Amount in INR Lacs, unless otherwise stated)

a) Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the functional currency (INR) of the Company.

Exposure to currency risk

The summary of quantitative data about the Company's exposure to currency risk as at reporting date is as follows:

	31 March 2023		31 March 2022	
	INR	EUR	INR	EUR
Advances to suppliers	-	-	4	0
Trade payables	(161)	(2)	(173)	(2)
Net exposure in respect of recognised assets and liabilities	(161)	(2)	(169)	(2)

	31 March 2023		31 March 2022	
	INR	USD	INR	USD
Advances to suppliers	6	0	53	1
Trade payables	(170)	(2)	(419)	(6)
Net exposure in respect of recognised assets and liabilities	(164)	(2)	(366)	(5)

A reasonably possible strengthening (weakening) of the US Dollar and other currencies against INR at 31 March 2023 would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit or loss by the amounts shown below. The analysis assume that all other variables as remain constant other than change in foreign currency rate to INR.

1 % increase or decrease in foreign currency rate will have following impact on profit before tax:

	Impact on profit before tax*				Impact on equity, net of tax*			
	31 March 2023		31 March 2022		31 March 2023		31 March 2022	
	Strengthening	(Weakening)	Strengthening	(Weakening)	Strengthening	(Weakening)	Strengthening	(Weakening)
EUR	(2)	2	(2)	2	(1)	1	(1)	1
USD	(2)	2	(4)	4	(1)	1	(3)	3
Net exposure in respect of recognised assets	(4)	4	(6)	6	(2)	2	(4)	4

* amount in brackets represent unfavourable position to the Company's profit and loss

b) Interest Rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the overdraft facility provided by the respective bank to the Company carrying variable interest rates. Since, the Company has not availed any long-term credit facilities, therefore there is no need for the Company to enter into hedge contract to mitigate the possible exposure risk.

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Notes to the financial statements (continued)

For the year ended 31 March 2023

(Amount in INR Lacs, unless otherwise stated)

42 Ratio Analysis and its elements

Ratio	Numerator	Denominator	31 March 2023	31-Mar-2022	% change	Reason for variance
Current ratio	Current Assets	Current Liabilities	4.33	3.75	15.31%	
Debt- Equity Ratio	Total Debt	Shareholder's Equity	0.36	0.43	(16.45%)	
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	9.06	2.78	225.42%	Change is mainly due to the repayment of ECB loan of INR 1,250 lacs in the previous year.
Return on Equity ratio	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity	0.23	0.26	(12.65%)	
Inventory Turnover ratio	Cost of goods sold	Average Inventory	2.78	2.75	0.95%	
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	11.65	8.66	34.57%	Change is mainly due to the increase in sales and recovery made during the year.
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	6.02	5.03	19.71%	
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets - Current liabilities	2.11	2.18	(3.10%)	
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	0.11	0.12	(8.48%)	
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	0.22	0.25	(11.94%)	
Return on Investment	Interest (Finance Income)	Investment	0.04	0.04	6.64%	

42A Other Statutory Information

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company do not have any transactions with companies struck off.
- (iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) 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
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) 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
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vii) The Company have not any such transaction which is 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

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Notes to the financial statements (continued)

For the year ended 31 March 2023

(Amount in INR Lacs, unless otherwise stated)

43 Related party disclosures

A. Parent , Ultimate controlling party and Fellow Subsidiary

Sr. No.	Name	Relationship
1	Elica S.p.A., Italy*	Joint Venturer till 28-09-2021
2	Whirlpool of India Limited	Joint Venturer till 28-09-2021
3	Whirlpool Corporation	Holding Company w.e.f. 29-09-2021
4	Whirlpool Management EMEA Srl – Italy	Ultimate Holding Company w.e.f 29.09.2021
5	Mr. Pralhad Bhutada Jointly with Mrs. Pallavi Bhutada	Group Companies / Enterprise where common control exists and with whom transactions have taken place during the year.
6	Zhejiang Elica Putian Electric Co. Ltd., China	Party holding significant influence over the company through voting power ('significant shareholder')
7	Eurolak SV Cucine India Limited	Subsidiaries of Elica Spa Italy
8	Nirmal Enterprises	Enterprises over which key management personnel exercises significant influence
9	Tirupati Appliances	Relative of a Director
10	Yashashree Enterprise	Relative of a Director
11	Shubh Enterprises	Relative of a Director
12	Whirlpool Taiwan Co., Ltd	Relative of a Director
13	Whirlpool Properties INC	Group Companies / Enterprise where common control exists and with whom transactions have taken place during the year.
14	EMC FIME SRL	Group Companies / Enterprise where common control exists and with whom transactions have taken place during the year.
15	Whirlpool Company Polska Sp. z o.o.	EMC FIME is a controlled company of Elica Spa
16	Whirlpool Product Development (Shenzhen) Company Limited – China	Group Companies / Enterprise where common control exists and with whom transactions have taken place during the year.

* Having representation in Board of Directors

B. Key management personnel

Sr. No.	Name	Relationship
1	Vishal Bhola	Director and Chairman (Chairman w.e.f 29.09.2021) (resigned w.e.f. 03.04.2023)
2	Pralhad Bhutada	CEO & Managing Director
3	Dileep Shringarpure	Whole time Director (Resigned w.e.f. 29.09.2021)
4	Shenpo Wu	Director (Resigned w.e.f. 28.09.2022)
5	Guilio Cocci	Director (Appointed w.e.f 29.09.2021)
6	Roopali Singh	Director (Appointed w.e.f 29.09.2021)
7	Girish Narang	Director (Appointed w.e.f 31.03.2023)
8	Aditya Jain	Director (Appointed w.e.f 10.10.2022)
9	Kalpataru Tripathy	Independent Director (Appointed w.e. 19.05.2022)
10	Nishant Hundiwala	Chief Financial Officer
11	Urvi Upadhyay	Company Secretary & Compliance Officer (Appointed w.e.f 01.11.2021)
12	Preeti Yadav	Company Secretary & Compliance Officer (Resigned w.e.f. 13-11-2021)
13	Pallavi Bhutada	Relatives of Director
14	Tanmay Shringarpure	Relatives of Director (Dileep Shringarpure)
15	Mauro Sacchetto	Director (Resigned w.e.f 16.04.2021)

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Notes to the financial statements (continued)

For the year ended 31 March 2023

(Amount in INR Lacs, unless otherwise stated)

Key management personnel compensations	Pralhad Bhutada		Nishant Hundiwala	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Short term employee benefits	1,088	1,106	40	37
Employee stock option (refer note 44)	53	22	-	-
Post-employment defined contribution plan	13	13	1	1
	<u>1,154</u>	<u>1,141</u>	<u>41</u>	<u>38</u>

The amount disclosed above are the amounts recognised during the reporting period related to key management personnel. As the liabilities for the gratuity and compensated absence is provided on an actuarial basis for the Company as a whole, the amount pertaining to the key management personnel is not ascertainable and therefore not included above.

C. Remuneration to non executive directors/ relatives of director/ company secretary

Name	Relationship	31 March 2023	31 March 2022
Mr. Dileep Shringarpure (Resigned w.e.f. 29-09-2021)	Director	-	30
Mrs. Pallavi Bhutada	Relatives of Director	45	41
Mr. Tanmay Shringarpure	Relatives of Director	-	7
Ms. Preeti Yadav (Resigned w.e.f. 13-11-2021)	Company Secretary	-	4
Ms. Urvi Upadhyay	Company Secretary	7	3
		<u>52</u>	<u>85</u>

D. Related party transactions other than those with key management personnel

Transaction / Balance	Enterprise	31 March 2023	31 March 2022
Sale of traded Goods	Whirlpool of India Limited	17	866
	Nirmal Enterprises	1,013	739
	Tirupati Appliances	-	-
	Yashashree Enterprise	3	42
	Shubh Enterprises	80	77
Sale of Services	Whirlpool of India Limited	1	1
Purchase of raw material	Elica S.p.A., Italy	64	418
	EMC FIME SRL	216	92
Purchase of stock in trade	Elica S.p.A., Italy	7	11
	Whirlpool of India Limited	144	1,790
	Europlak SV Cucine India Limited	12	12
	Nirmal Enterprises	8	3
	Whirlpool Management EMEA Srl – Italy	6	33
	Shubh Enterprises	-	1
	Yashashree Enterprise	1	-
Whirlpool Company Polska Sp. z o.o.	40	-	
Purchases of Display Stands	Europlak SV Cucine India Limited	595	446
Royalty	Elica S.p.A., Italy	-	58
	Whirlpool Properties INC	42	8
Interest on ECB	Elica S.p.A., Italy	-	26
Others	Nirmal Enterprises	89	35
	Yashashree Enterprise	67	58
	Shubh Enterprises	7	0
External commercial borrowings repaid	Elica S.p.A., Italy	-	1,250
Trademark License Fee	Elica S.p.A., Italy	1,608	710
Technical License Fee	Elica S.p.A., Italy	49	25
Balance outstanding			
	A. Trade receivables		
	Whirlpool of India Limited	0	-
	Nirmal Enterprises	110	106
	Yashashree Enterprise	0	-
	Shubh Enterprises	15	11
B. Payables	Elica S.p.A., Italy	389	485
	Europlak SV Cucine India Limited	19	23
	Whirlpool of India Limited	57	74
	Whirlpool Management EMEA Srl – Italy	-	33
	Whirlpool Properties INC	8	8
	Yashashree Enterprise	-	4
	EMC FIME SRL	87	92

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Notes to the financial statements (continued)

For the year ended 31 March 2023

(Amount in INR Lacs, unless otherwise stated)

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the period ended 31 March 2023, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2022: INR Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

44 Share-based payments

The Company does not provide any share-based compensation to its employees. However, the ultimate holding company, Whirlpool Corporation, USA has provided various share-based payment schemes to employees.

Details of these plans are given below:

II. Restricted Stock Units (RSU) & Performance Stock Units (PSU)

Performance - These are the units of stock granted to employee at nil exercise price. It converts one for one shares of Whirlpool Corporation at the end of the vesting period of three years.

Restricted Stock and Performance Share Units

	31 March 2023	31 March 2022
	Number of Options	
Outstanding at the beginning of the year	1,000	-
Granted during the year	-	1,000
Transfer/ Expired/ Forfeited during the year	-	-
Exercised during the year	-	-
Outstanding at the end of the year	1,000	1,000

45 The Code on Social Security, 2020 ("Code") relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it come into effect and will record any related impact in the period the Code becomes effective. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.

46 The figures for the corresponding previous period have been regrouped / reclassified wherever necessary, to make them comparable .

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm registration number : 301003E/E300005

For and on behalf of the Board of Directors of
Elica PB Whirlpool Kitchen Appliances Private Limited
CIN : U29300PN2010PTC136095

Sd/-
per Sanjay Vij
Partner
Membership Number : 095169

Sd/-
Pralhad Bhutada
Managing Director and CEO
DIN : 00272306

Sd/-
Narasimhan Eswar
Director
DIN : 08065594

Sd/-
Nishant Hundiwala
Chief Financial Officer

Place : Gurugram
Date : 15-05-2023

Sd/-
Urvi Upadhyay
Company Secretary

Place : Pune
Date : 15-05-2023