INDEPENDENT AUDITOR'S REPORT

To the Members of Elica PB Whirlpool Kitchen Appliances 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 ("the Company"), which comprise the Balance sheet as at March 31 2024, 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 material 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, 2024, 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, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except, for the matter stated in the paragraph (i) (vi) below on reporting under Rule 11(g);

(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, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i) (vi) below on reporting under Rule 11(g).

(i) 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.

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

(vi) The Company has updated the accounting software to an upgraded version from an earlier existing version with effect from April 26, 2023. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except in respect of an earlier version of accounting software where we are unable to assess whether audit trail feature was enabled, as described in note 45 to the financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of upgraded version of the accounting software.

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

per Sanjay Vij
Partner
Membership Number: 095169
UDIN: 24095169BKFNDA9178
Place of Signature: Gurugram
Date: May 15, 2024

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

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, 2024.

(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.

(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 willful 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) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(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 is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(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.

(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

per Sanjay Vij
Partner
Membership Number: 095169
UDIN: 24095169BKFNDA9178
Place of Signature: Gurugram
Date: May15, 2024

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ELICA PB WHIRLPOOL KITCHEN APPLIANCES 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 ("the Company") as of March 31, 2024 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.

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, 2024, 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

Per Sanjay Vij
Partner
Membership Number: 095169
UDIN: 24095169BKFNDA9178
Place of Signature: Gurugram
Date: May 15, 2024

Elica PB Whirlpool Kitchen Appliances Private Limited
CIN:U29300PN2010PTC136095
Balance Sheet as at 31 March 2024

(Amount in INR Lacs, unless otherwise stated)

Particulars	Note	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	5A	1,386	1,512
Capital work-in-progress	5B	-	12
Right-of-use assets	7	712	910
Other Intangible assets	6	13	15
Financial assets			
(i) Loans	8	-	11
(ii) Other financial assets	8	115	117
Non-current Tax assets (net)	12	225	272
Deferred tax assets (net)	32	1,246	955
Other non-current assets	8A	-	13
Total non - current assets (i)		3,697	3,817
Current assets			
Inventories	9	8,739	8,598
Financial assets			
(i) Trade receivables	10	4,821	3,548
(ii) Cash and cash equivalents	11	23,335	15,766
(iii) Loans	13	16	26
(iv) Other financial assets	14	212	152
Other current assets	15	183	206
Total current assets (ii)		37,306	28,296
Total assets (i+ii)		41,003	32,113
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	16	483	483
(b) Other Equity	17	29,761	23,074
Total equity (i)		30,244	23,557
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Lease liabilities	35	347	536
Provisions	18	1,810	1,480
Total non - current liabilities (ii)		2,157	2,016
Current liabilities			
Financial liabilities			
(i) Lease Liabilities	35	455	458
(ii) Trade payables	19		
(a) total outstanding dues of micro enterprises and small enterprises		764	409
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		4,298	3,453
(iii) Other financial liabilities	20	19	21
Other current liabilities	21A	2,209	1,609
Provisions	22	626	545
Current tax liabilities (net)	32A	195	-
Deferred Revenue	21B	36	45
Total current liabilities (iii)		8,602	6,540
Total equity and liabilities (i+ii+iii)		41,003	32,113

Summary of material accounting policies — 2-4

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

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

per Sanjay Vij
Partner
Membership Number : 095169

Place : Gurugram
Date - 15th May, 2024

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

PRALHAD BADRINARAYAN BHUTADA
Digitally signed by PRALHAD BADRINARAYAN BHUTADA
Date: 2024.05.15 21:47:51 +05'30'

Pralhad Bhutada	Narasimhan Eswar	Nishant Hundiwala
Managing Director and CEO	Director	Chief Financial Officer
DIN : 00272306	DIN : 08065594	
Place : Pune	Place : Gurugram	Place : Pune
Date - 15th May, 2024	Date - 15th May, 2024	Date - 15th May, 2024

Urvi Upadhyay
Company Secretary

Place : Gurugram
Date - 15th May, 2024

Elica PB Whirlpool Kitchen Appliances Private Limited
CIN:U29300PN2010PTC136095
Statement of Profit and Loss
For the year ended 31 March 2024
(Amount in INR Lacs, unless otherwise stated)

Particulars	Note	31 March 2024	31 March 2023
Income			
Revenue from operations	23	49,815	45,893
Other income	24	1,176	529
Total Income		50,991	46,422
Expenses			
Cost of raw material and components consumed	25	11,676	12,520
Purchases of traded goods	26	14,817	12,576
Changes in inventories of finished goods, work-in-progress and traded goods	27	(235)	211
Employee benefits expense	28	4,769	4,176
Finance costs	29	247	251
Depreciation and amortization expense	30	1,130	1,142
Other expenses	31	9,716	9,221
Total expenses		42,120	40,097
Profit before tax		8,871	6,325
Tax expenses			
(1) Current tax	32	2,562	1,796
(2) Adjustment of tax relating to earlier years	32	(33)	(165)
(3) Deferred tax (credit)	32	(289)	(165)
Income tax expense		2,240	1,466
Profit for the year		6,631	4,859
Other comprehensive income	17		
Other comprehensive income not be reclassified to profit or loss in subsequent periods			
- Remeasurement (losses)/gains on defined benefit plans		6	20
- Income tax effect		(2)	(5)
Net other comprehensive income not be reclassified to profit or loss in subsequent periods		4	15
Other comprehensive income for the year, net of tax		4	15
Total Comprehensive Income for the year, net of tax		6,635	4,874
Earnings per share [Par value of INR 10 (31 March 2023 - INR 10) per equity share]	33		
Basic, computed on the basis of profit for the year (in INR)		137.15	100.51
Diluted, computed on the basis of profit for the year (in INR)		137.15	100.51

Summary of material accounting policies 2-4
The accompanying notes form an integral part of the financial statements

As per our report of even date attached

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

PRALHAD BADRINARAYAN BHUTADA
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Date: 2024.05.15 21:48:14 +05'30'

per Sanjay Vij
Partner
Membership Number : 095169

Place : Gurugram
Date - 15th May, 2024

Pralhad Bhutada
Managing Director and CEO
DIN : 00272306

Place : Pune
Date - 15th May, 2024

Narasimhan Eswar
Director
DIN : 08065594

Place : Gurugram
Date - 15th May, 2024

Nishant Hundiwala
Chief Financial Officer

Place : Pune
Date - 15th May, 2024

Urvi Upadhyay
Company Secretary

Place : Gurugram
Date - 15th May, 2024

Elica PB Whirlpool Kitchen Appliances Private Limited
CIN:U29300PN2010PTC136095
Statement of Cash flows
(Amount in INR Lacs, unless otherwise stated)
For the year ended 31 March 2024

Particulars	31 March 2024	31 March 2023
A. Cash flow from operating activities		
Profit before tax	8,871	6,325
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation of Property, plant and equipment	683	706
Amortisation of intangible assets	6	6
Depreciation of Right-of-use assets	441	430
Finance costs	247	241
Interest income	(1,157)	(509)
Loss on sale/disposal of property, plant and equipment	6	6
Unrealised foreign exchange loss	5	116
Share based payment to employee	53	53
Bad Debts	-	4
Allowances for bad and doubtful debts	33	-
Operating profit before working capital adjustments	9,188	7,377
Working capital adjustments :		
Decrease/ (increase) in loans	22	(12)
Decrease/(Increase) in other financial assets	15	350
Decrease/(Increase) in inventories	(141)	689
Decrease/(Increase) in trade receivables	(1,305)	783
Decrease/(Increase) in other current assets	23	441
(Decrease)/Increase in provisions	247	363
(Decrease)/Increase in trade payables	1,193	(567)
(Decrease)/Increase in other current liabilities & deferred revenue	590	515
	644	2,563
	9,832	9,940
Income tax paid (net of refund)	(2,289)	(1,878)
Net cash flows from operating activities (A)	7,543	8,062
B. Cash flow from investing activities		
Purchase of property, plant and equipment including intangible assets, Capital work in progress and capital advances	(544)	(843)
Proceeds from sale of property, plant and equipment	2	3
Investment in Bank deposits having original maturity of more than 3 months	-	320
Interest received	1,084	436
Net cash flow from / (used) in investing activities (B)	542	(84)
C. Cash flow from Financing activities		
Interest paid others	-	(151)
Interest paid on lease liabilities	(82)	(91)
Repayment of principal portion lease liabilities	(434)	(411)
Net cash flow used in financing activities (C)	(516)	(653)
Net increase in cash and cash equivalents (A+B+C)	7,569	7,325
Cash and cash equivalents at the beginning of the year	15,766	8,441
Cash and cash equivalents at the end of the year (Refer note-11)	23,335	15,766
Component of Cash and cash equivalents considered for cash flow statement		
Cash on hand	0	0
Balance with bank		
- In current accounts	215	460
- Deposit with original maturity for less than 3 months	23,120	15,306
	23,335	15,766
Non-cash investing activities		
Acquisition of Right-of-use assets	258	533

The cash flow statement has been prepared in accordance with "indirect method" as set out in Indian Accounting Standards (Ind AS) 7 on "Statement of cash flows",notified under companies (Indian Accounting Standards) Rules, 2015.

Refer Note 35 B for change in liabilities arising from financing activities and for non-cash financing and investing activities.

Summary of material accounting policies 2-4
The accompanying notes form an integral part of the financial statements

As per our report of even date attached

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

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Place : Gurugram
Date - 15th May, 2024

Elica PB Whirlpool Kitchen Appliances Private Limited
CIN:U29300PN2010PTC136095
Statement of Changes in Equity
For the year ended 31 March 2024
(Amount in INR Lacs, unless otherwise stated)

Particulars	No. in lacs	INR in lacs
a. Equity Share Capital (refer note16):		
Equity Share of INR 10 each issued, subscribed and fully paid (Refer note 16):		
At 01 April 2023	48	483
Changes in Equity Share Capital	-	-
At 31 March 2024	48	483

For the year ended 31 March 2023

Particulars	No. in lacs	INR in lacs
a. Equity Share Capital (refer note16):		
Equity Share of INR 10 each issued, subscribed and fully paid (Refer note 16):		
At 01 April 2022	48	483
Changes in Equity Share Capital	-	-
At 31 March 2023	48	483

b. Other Equity
For the year ended 31 March 2024

Particulars	Reserves and surplus (refer note 17)				Total
	Securities Premium	Retained Earnings	Share based payments reserves (Deemed capital contribution)	Remeasurement of defined benefit liability / asset	
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) (Refer note 17)	-	-	-	15	15
Total comprehensive income	3,453	19,517	22	28	23,020
Share Based payment (Refer Note 17)	-	-	53	-	53
Balance as at 31 March 2023	3,453	19,517	75	28	23,074
Balance as at 01 April 2023	3,453	19,517	75	28	23,074
Add: Profit for the year	-	6,631	-	-	6,631
Add: Other comprehensive income (net of tax) (Refer note 17)	-	-	-	4	4
Total comprehensive income	3,453	26,148	75	32	29,708
Add: Share Based payment (Refer Note 17)	-	-	53	-	53
Balance as at 31 March 2024	3,453	26,148	128	32	29,761

Summary of material accounting policies 2-4
The accompanying notes form an integral part of the financial statements

As per our report of even date attached

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

per Sanjay Vij
Partner
Membership Number : 095169

Place : Gurugram
Date - 15th May, 2024

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

Pralhad Bhutada
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Company Secretary

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Date - 15th May, 2024

1. Corporate Information

The financial statements comprise financial statements of Elica PB Whirlpool Kitchen Appliances Private Limited ('the Company') (CIN: U29300PN2010PTC136095) for the year ended 31 March 2024. The company is a private company domiciled in India with its registered office situated at 37/1/1 Kondhwa Pisoli Road, Taluka Haveli, Pune, Maharashtra, India, 411060. 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, 2024.

2. Material Accounting Policies

I) Statement of compliance and 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 defined benefit plans which has been 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 Material accounting policies

a) Current versus Non-Current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

a) Expected to be realised, or intended to be sold or consumed in, normal operating cycle ; or
b) Held primarily for the purpose of trading; or
c) Expected to be realized within twelve months after the reporting period; or
d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets have been classified as non-current.

A liability is current when:

a) It is expected to be settled in the normal operating cycle; or
b) It is held primarily for the purpose of trading; or
c) It is due to be settled within twelve months after the reporting period ; or
d) There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

The company classifies all other liabilities as non-current.

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

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

b) Foreign currencies

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.

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 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) 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 3.

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. 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 products sold is net of variable consideration on account of various discounts, schemes offered and allowances for product returns which are based on historical return rates.

Sale of Services

The Company provides extended warranty services that are sold separately. The Company recognizes revenue from sales of services over time in which the service is provided based on the time elapsed and as per the agreed terms of the contract.

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 kitchen products provide customers with a right of return the goods within a specified period.

(a) Rights of return

The Company uses the expected value method to estimate the variable consideration in respect of right of return. 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 recognised 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).

The disclosures of significant estimates and assumptions relating to the estimation of variable consideration for returns and volume rebates are provided in Note 3.

Other Revenue Streams

Interest Income

Interest income on fixed deposits is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head “other income” in the Statement of Profit and Loss.

Contract balances

Contract assets

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 2 II (I) 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.

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. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

e) 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. 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 recognised 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 recognised in the Statement of Profit and Loss as incurred.

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
Display Stand (*)	5
Furniture and Fixture	10
Office equipment**	5
Vehicle	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.

** includes computer and electric equipment’s having useful life of 3 years and 10 years respectively

*** Plant and equipment include dies and tools having useful life of 15 years

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 Written down value.

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, industry, or country in which the company operates, or for the market in which the asset is used.

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

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

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 (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) 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

- Building- 3 to 5 years

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (g) Impairment of non-financial assets.

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.

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.

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 warehouses (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.

(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 (d) Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost, 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.

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 valued at amortised cost.

Financial Assets at amortised cost

A 'financial assets' 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. 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.

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.

Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all financial instrument 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

All financial liabilities are recognised initially at amortised cost.

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

Subsequent measurement

All financial liabilities are recognised subsequently at amortised cost

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
Amortized cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in profit or loss.
FVTPL	Amortized Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortized 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	Amortized 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 from equity to profit or loss 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, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

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

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: 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. 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.
d) Stores 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 basis

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) Retirement and other employee benefits

Short term obligation

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

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.

n) 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. Further details are given in Note 44.

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.

o) Taxes

Current Income Tax and Deferred Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the country where the Company operates and generate taxable income. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (in other comprehensive income). Current tax items are recognised in correlation to the underlying transaction in OCI.

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

Deferred Tax

Deferred 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.

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.

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.

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 (in other comprehensive income). Deferred tax items are recognised in correlation to the underlying transaction in OCI.

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

p) Goods and Services Tax (GST) paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of Goods and services (GST) tax paid, except:

- When the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the GST paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable;;
- When receivables and payables are stated with the amount of GST included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

q) 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.

r) Provisions and contingent liabilities

A provision is recognised 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

The Company provides warranties for general repairs of defects that existed at the time of sale. The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims, Management estimates for possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claims arise being typically up to ten years.

Contingencies

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

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

3. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, 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 recognised 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.

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) Revenue recognition - Estimating variable consideration for returns and volume rebates

The Company estimates variable considerations to be included in the transaction price for the sale of electronic equipment with rights of return and volume rebates.

The Company developed a statistical model for forecasting sales returns. The model used the historical return data of each product to come up with expected return percentages. These percentages are applied to determine the expected value of the variable consideration. Any significant changes in experience as compared to historical return pattern will impact the expected return percentages estimated by the Company.

The Company expected volume rebates are analysed on a per customer basis for contracts that are subject to a single volume threshold. Determining whether a customer will be likely entitled to rebate will depend on the customer's historical rebates entitlement and accumulated purchases to date.

The Company applied a statistical model for estimating expected volume rebates for contracts with more than one volume threshold. The model uses the historical purchasing patterns and rebates entitlement of customers to determine the expected rebate percentages and the expected value of the variable consideration. Any significant changes in experience as compared to historical purchasing patterns and rebate entitlements of customers will impact the expected rebate percentages estimated by the Company.

The Company updates its assessment of expected returns and volume rebates quarterly and the refund liabilities are adjusted accordingly. Estimates of expected returns and volume rebates are sensitive to changes in circumstances and the Company's past experience regarding returns and rebate entitlements may not be representative of customers' actual returns and rebate entitlements in the future.

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 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.

h) 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 18 and 22.

4. Changes in accounting policies and disclosures

New and amended standards

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 for annual periods beginning on or after 1 April 2023. The Company applied for the first-time these amendments.

(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 had no 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 have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

(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 such as leases.

The Company previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Company has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12,there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at 1 April 2022.

Apart from these, consequential amendments and editorials have been made to other Ind AS like Ind AS 101, Ind AS 102, Ind AS 103, Ind AS 107, Ind AS 109, Ind AS 115 and Ind AS 34.

(Amount in INR Lacs, unless otherwise stated)

5A Property, plant and equipment (PPE)

	Plant and Equipment**	Office equipment *	Furniture and fixtures	Display stands	Vehicles	Total	Capital work in progress
Gross carrying value							
As at 01 April 2022	483	140	407	2,263	260	3,553	27
Additions	107	28	117	596	-	848	126
Disposals	(4)	(2)	(15)	(7)	-	(28)	(141)
As at 31 March 2023	586	166	509	2,852	260	4,373	12
As at 01 April 2023	586	166	509	2,852	260	4,373	12
Additions	41	24	48	450	-	563	66
Disposals	-	(9)	(23)	-	-	(32)	(78)
As at 31 March 2024	627	181	534	3,302	260	4,904	0
Accumulated Depreciation							
As at 01 April 2022	246	105	223	1,533	67	2,174	-
Depreciation charged for the year	54	25	61	506	60	706	-
Disposals	(4)	(2)	(9)	(6)	-	(21)	-
As at 31 March 2023	296	128	275	2,033	127	2,859	-
As at 01 April 2023	296	128	275	2,033	127	2,859	-
Depreciation charged for the year	56	23	67	496	41	683	-
Disposals	-	(7)	(17)	-	-	(24)	-
As at 31 March 2024	352	144	325	2,529	168	3,518	-
Net Book Values							
As at 31 March 2024	275	37	209	773	92	1,386	-
As at 31 March 2023	290	38	234	819	133	1,512	12

* includes computer and electric equipments having useful life of 3 years and 10 years respectively

** Plant and equipment includes dies and tools having useful life of 15 years.

(a) Display stands lying with the third parties amounting to INR 3,302 lacs (31 March 2023: INR 2,852 lacs) with a net book value of INR 773 lacs (31 March 2023: INR 819 lacs)

(b) There is no Capital work in progress (CWIP) balance as at 31 March 2024 (31 March 2023: INR 12 lacs).

(c) On transition to IND AS (i.e 01 April 2017), 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.

(Amount in INR Lacs, unless otherwise stated)

5B Capital work in progress (CWIP) Ageing Schedule

As at 31 March 2024

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

As at 31 March 2023

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

Note:- There are no projects that are temporarily suspended. Further, there are no projects whose completion is overdue or has exceeded its cost compared to its original plan.

(Amount in INR Lacs, unless otherwise stated)

6 Other Intangible Assets

Particulars	Computer Software	Total
Gross carrying value		
As at 01 April 2022	52	52
Additions	-	-
As at 31 March 2023	52	52
As at 01 April 2023	52	52
Additions	4	4
As at 31 March 2024	56	56
Accumulated Amortisation		
As at 01 April 2022	31	31
Charge for the year	6	6
As at 31 March 2023	37	37
As at 01 April 2023	37	37
Charge for the year	6	6
As at 31 March 2024	43	43
Net Book Value		
As at 31 March 2024	13	13
As at 31 March 2023	15	15

Note:- On transition to IND AS (i.e 01 April 2017), the company has elected to continue with the carrying value of all intangible assets measured as per the previous GAAP and use that carrying value as deemed cost of intangible assets.

7 Right-of-use assets

Particulars	Buildings	Total
Gross carrying value		
As at 01 April 2022	1,379	1,379
Additions	533	533
Disposals	(223)	(223)
As at 31 March 2023	1,689	1,689
As at 01 April 2023	1,689	1,689
Additions	258	258
Disposals	(370)	(370)
As at 31 March 2024	1,577	1,577
Accumulated Depreciation		
As at 01 April 2022	572	572
Depreciation charged for the year	430	430
Disposals	(223)	(223)
As at 31 March 2023	779	779
As at 01 April 2023	779	779
Depreciation charged for the year	441	441
Disposals	(355)	(355)
As at 31 March 2024	865	865
Net Book Value		
As at 31 March 2024	712	712
As at 31 March 2023	910	910

The company's leases comprise buildings. The company has lease of buildings for manufacturing and trading purposes. Right-of-use assets are depreciated on Straight line basis over a shorter of lease term and estimated useful lives of the assets the lease terms for leasehold building ranges between 3-5 years.

(Amount in INR Lacs, unless otherwise stated)

		As at 31 March 2024	As at 31 March 2023
8	Financial assets		
	(unsecured considered good unless otherwise stated)		
	(i) Loans		
	- Advance to employees*	-	11
	(ii) Other financial assets		
	- Security deposits	115	117
		115	128

* Note :- The company has not given any Loans and advances to its director, promoters and related party during the year.

		As at 31 March 2024	As at 31 March 2023
8A	Other non-current assets		
	(unsecured considered good unless otherwise stated)		
	Capital advances	-	13
		-	13

		As at 31 March 2024	As at 31 March 2023
9	Inventories (valued at lower of cost and Net realisable value)		
	Raw materials and components (at cost)	3,612	3,706
	Includes goods -in- transit INR 317 lacs (31 March 2023: INR 114 lacs)		
	Work-in-progress (at cost)	61	59
	Finished goods (at cost or net realisable value)	691	555
	Traded goods (at cost or net realisable value)*	4,375	4,278
	[Includes goods -in- transit INR 260 lacs (31 March 2023: INR 63 lacs)]		
	Total Inventories	8,739	8,598

Note : The cost of inventories recognized as an expense / (Income) includes INR 695 lacs (31 Mar 2023 INR 780 lacs) in respect of written down of inventory to net reliasable value (excluding provision for obsolete inventory).
* Including spares for finished goods

		As at 31 March 2024	As at 31 March 2023
	Financial Assets		
10	Trade Receivables		
	Trade receivables	5,689	4,327
	Receivables from related parties (refer note 43)	97	125
	Trade receivables -credit impaired	52	19
		5,838	4,471
	Less: Provision for trade discounts	(965)	(904)
		4,873	3,567
	Impairment Allowance (allowance for bad and doubtful debts)		
	Trade Receivables - credit impaired	(52)	(19)
	Total Trade receivables	4,821	3,548
	Break-up for security details:		
	Considered good-Secured	22	14
	Considered good-Unsecured	5,764	4,438
	Receivables - credit impaired	52	19
		5,838	4,471

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 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Undisputed Trade Receivable				
Current but not due	-	-	4,580	3,651
Less than 6 months	22	14	1,186	793
6 months -1 year	-	-	41	-
1-2 years	-	-	2	5
2-3 years	-	-	1	7
More than 3 years	-	-	6	2
Total	22	14	5,816	4,458
Undisputed Trade Receivable- Credit Impaired			Credit impaired	
Current but not due	-	-	-	-
Less than 6 months	-	-	2	5
6 months -1 year	-	-	41	-
1-2 years	-	-	2	5
2-3 years	-	-	1	7
More than 3 years	-	-	6	2
Total	-	-	52	19

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.

(Amount in INR Lacs, unless otherwise stated)

		As at 31 March 2024	As at 31 March 2023
11	Cash and cash equivalents		
	(i) Balances with banks		
	- On current accounts	215	460
	- Deposit with original maturity for less than 3 months	23,120	15,306
	(ii) Cash on hand	0	0
		23,335	15,766

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 2024, the company had available INR nil (31 March 2023: INR NIL) of undrawn committed borrowing facilities.

		As at 31 March 2024	As at 31 March 2023
12	Non current Tax Assets (net)		
	Advance tax, tax deducted and collected at source (net)	225	272
		225	272

		As at 31 March 2024	As at 31 March 2023
13	Loans		
	(unsecured considered good unless otherwise stated)		
	Advance to employees	16	26
		16	26

		As at 31 March 2024	As at 31 March 2023
14	Other financial assets		
	(unsecured considered good unless otherwise stated)		
	Security deposits	39	39
	Interest accrued on bank deposits	173	113
		212	152

		As at 31 March 2024	As at 31 March 2023
15	Other current assets		
	(unsecured considered good unless otherwise stated)		
	Advances recoverable in cash or kind		
	- Considered good	16	15
	- Credit impaired	-	-
	Less : impairement allowance (allowance for bad and doubtful advances)	-	-
		16	15
	Receivables fo right of return assets	83	66
	Balance with government authorities	20	60
	Prepaid expenses	64	63
	Custom duty receivable	-	2
		183	206

Break up of financial assets carried at amortised cost

Particulars	As at 31 March 2024	As at 31 March 2023
Security deposits	154	156
Trade receivables	4,821	3,548
Cash and cash equivalents	23,335	15,766
Current loans	16	26
Interest accrued on bank deposits	173	113
	28,499	19,609

(Amount in INR Lacs, unless otherwise stated)

16 Equity Share capital

Authorised Share Capital

	Equity Shares	
	No. in Lacs	INR. in Lacs
As at 01 April 2022	93	930
Increase/(decreased) during the year	-	-
As at 31 March 2023	93	930
Increase/(decreased) during the year	-	-
As at 31 March 2024	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 2022	48	483
Increase/(decreased) during the year	-	-
As at 31 March 2023	48	483
Increase/(decreased) during the year	-	-
As at 31 March 2024	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 2024		As at 31 March 2023	
Equity shares	Number	Amount	Number	Amount
At the commencement of the year	48,34,687	483	48,34,687	483
Shares issued / bought back 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 is set out below:

	As at 31 March 2024		As at 31 March 2023	
Name of Shareholder	Number of shares	Amount	Number of shares	Amount
Whirlpool of India Limited (Holding Company)	42,18,260	422	42,18,260	422
	42,18,260	422	42,18,260	422

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

	As at 31 March 2024		As at 31 March 2023	
Name of Shareholder	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%

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

	As at 31 March 2024				
Promoter Name	No. of shares at the beginning of the year	Change during the year No. of shares	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				
Promoter Name	No. of shares at the beginning of the year	Change during the year	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%

16.7 No Equity shares has been issued as bonus for consideration other than cash and bought back during the period of five years immediately preceding the reporting date.

	As at 31 March 2024	As at 31 March 2023
17 Other equity		
Other reserves		
Securities premium	3,453	3,453
Retained earnings	26,148	19,517
Other comprehensive income	32	28
Share based payments reserves (Deemed capital contribution)	128	75
Total other reserves	29,761	23,074
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	19,517	14,658
Add: Profit for the year	6,631	4,859
Add: Share Based payment reserve	-	-
Closing balance	26,148	19,517
Components of other comprehensive income		
Remeasurement of defined benefit liability/(asset), net of tax		
Balance at the beginning of the year	28	13
Addition during the year	4	15
Closing balance	32	28

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 (Deemed capital contribution)		
Balance at the beginning of the year	75	22
Add: Addition during the year	53	53
Closing Balance	128	75

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.

(Amount in INR Lacs, unless otherwise stated)

			As at 31 March 2024	As at 31 March 2023
18	Non current provisions			
	Provision for Employee benefits			
	Gratuity (refer note 39)		109	99
	Compensated absences		96	88
		(A)	205	187
	Other provisions			
	Provision for warranties *		1,605	1,293
		(B)	1,605	1,293
	Total Non current provisions	(A) + (B)	1,810	1,480

* Movement in provision for warranties

Particulars	As at 31 March 2024	As at 31 March 2023
As at the beginning of the year	1,808	1,455
- arising during the year	820	718
- unused amount reversed	-	-
- unwinding of discount due to passage of time	163	150
- utilised during the year	(593)	(515)
As at the end of the year	2,198	1,808
Non- current provision	1,605	1,293
Current provision	593	515

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.

(Amount in INR Lacs, unless otherwise stated)

		As at 31 March 2024	As at 31 March 2023
19	Trade payables		
	Trade payables		
	(a) Total outstanding dues of micro enterprises and small enterprises (Refer note 40)	764	409
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	3,863	2,911
	(c) Trade payable to related parties (Refer Note 43)	435	542
		5,062	3,862

Trade Payables Ageing

	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
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	3	-	2,705	1,705
Not due	655	385	430	1,133
Less than 1 year	106	24	1,154	606
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
Total	764	409	4,289	3,444
Disputed Trade Payables dues				
Less than 1 year	-	-	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	5
More than 3 years	-	-	9	4
Total disputed dues	-	-	9	9
Total	764	409	4,298	3,453

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 2024	As at 31 March 2023
20	Other financial liabilities		
	Payable for capital goods		-
	- Related Parties (Refer note 43)	17	19
	- Other Parties	2	2
		19	21

Break up of Financial liabilities carried at amortised cost	As at 31 March 2024	As at 31 March 2023
(i) Lease Liabilities	802	994
(ii) Payable for capital goods	19	21
(ii) trade Payable	5,062	3,862
	5,883	4,877

(Amount in INR Lacs, unless otherwise stated)

		As at 31 March 2024	As at 31 March 2023
21A	Other current liabilities		
	Statutory dues payable	780	484
	Contract liabilities (Advance from customers)	222	193
	Refund liabilities	151	118
	Custom duty payable	1,056	814
		2,209	1,609

		As at 31 March 2024	As at 31 March 2023
21B	Deferred revenue (annual maintenance service contracts)		
	Deferred revenue (annual maintenance service contracts)*	36	45
		36	45

* 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 servics under the contract.

	31 March 2024	31 March 2023
Opening Balance	45	18
Add: Deferred during the year	362	225
Less: Released to the statement of profit & loss during the year	(371)	(198)
Closing Balance	36	45

			As at 31 March 2024	As at 31 March 2023
22	Current provisions			
	Provision for Employee benefits			
	Compensated absences		33	31
		(A)	33	31
	Other provisions			
	Provision for warranty (also refer note 18)		593	514
		(B)	593	514
	Total Current provisions	(A) + (B)	626	545

(Amount in INR Lacs, unless otherwise stated)

		31 March 2024	31 March 2023
23	Revenue from contract with customers		
	Sale of products (transferred at point of time)		
	- Manufactured goods	23,874	21,809
	- Traded goods	25,516	23,787
		49,390	45,596
	Sale of services (transferred over time)	362	225
	Other operating revenue		
	- Scrap Sales	63	72
	Total	49,815	45,893

Disclosure for revenue from contracts with customers

Particulars	31 March 2024	31 March 2023
Revenue recognised from contracts with customers		
Disaggregation of revenue		
Based on type of goods		
- Sale of traded goods	25,516	23,787
- Sale of manufactured goods	23,874	21,809
- Sale of scrap	63	72
- Sale of services	362	225
Based on market/type of customer		
- India	49,648	45,718
- Outside India	167	175

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 21B 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 2024	31 March 2023
Revenue as per contracted price	53,957	50,315
Less: Adjustments	-	-
Sales return	(643)	(488)
Discount	(3,499)	(3,934)
Revenue from contract with customers	49,815	45,893

Contract balances	31 March 2024	31 March 2023	01 April 2022
Trade receivables	4,821	3,548	4,331
Contract liabilities	222	193	137

Contract liabilities		
At 01 April	193	137
Arised during the year	222	193
released to the statement of profit & loss	(193)	(137)
At 31 March	222	193

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.

Right of return assets and refund liabilties

	31 March 2024	31 March 2023
Right of return assets	83	66
Refund liabilities		
-Arising from rights of return	151	118

		31 March 2024	31 March 2023
24	Other Income		
	Interest income from bank deposits and others	1,144	497
	Interest income on fair value of security deposits	13	12
	Miscellaneous income	19	20
		1,176	529

		31 March 2024	31 March 2023
25	Cost of materials and components consumed		
	Inventory at the beginning of the year	3,706	4,183
	Add: Purchases	11,582	12,043
	Less: Inventory at the end of the year	3,612	3,706
	Cost of Raw materials and components consumed	11,676	12,520

		31 March 2024	31 March 2023
26	Purchase of Traded goods		
	Purchases of kitchen appliances and others	14,817	12,576
		14,817	12,576

(Amount in INR Lacs, unless otherwise stated)

		31 March 2024	31 March 2023
27	Changes in inventory of finished goods, work-in-progress and Traded goods		
	Inventory at the beginning of the year		
	- Work in progress	59	71
	- Finished goods	555	404
	- Traded goods (Including spares for finished goods)	4,278	4,628
		4,892	5,103
	Inventory at the end of the year		
	- Work in progress	61	59
	- Finished goods	691	555
	- Traded goods (Including spares for finished goods)	4,375	4,278
		5,127	4,892
	Changes in inventory		
	- Work in progress	(2)	12
	- Finished goods	(136)	(151)
	- Traded goods (Including spares for finished goods)	(97)	350
	(Increase) / decrease in inventory	(235)	211

		31 March 2024	31 March 2023
28	Employee benefits expense		
	Salaries, wages and bonus	4,357	3,814
	Contribution to provident and other funds	157	146
	Share based payment to employee(refer note 17)	53	53
	Compensated absences	29	20
	Gratuity expenses (refer note 39)	32	33
	Staff welfare expenses	141	110
		4,769	4,176

		31 March 2024	31 March 2023
29	Finance costs		
	Interest on MSME payables	2	10
	Unwinding of discount due to passage of time on warranty (refer note 18)	163	150
	Interest expense on lease liabilities (refer note 35)	82	91
		247	251

		31 March 2024	31 March 2023
30	Depreciation and amortisation expenses		
	Depreciation of property, plant and equipment (refer note 5A)	683	706
	Depreciation of right-of-use Asset (refer note 7)	441	430
	Amortisation of intangible assets (refer note 6)	6	6
		1,130	1,142

(Amount in INR Lacs, unless otherwise stated)

		31 March 2024	31 March 2023
31	Other expenses		
	Power and fuel	55	46
	Contractual charges	1,285	1,145
	Rent	127	112
	Rates and taxes	246	231
	Repairs and maintenance	86	57
	Legal and professional fees	397	373
	Payments to auditors (refer note (i) below)	24	23
	Travelling and conveyance expenses	285	270
	Foreign exchange variation (net)	57	116
	Corporate social responsibility expenses (refer note (ii) below)	122	114
	Insurance	89	96
	Freight and forwarding	1,433	1,364
	E-Waste	102	-
	Technical license fee	53	49
	Trademark license fee	1,759	1,608
	Whirlpool royalties	44	42
	Warranties (refer note 18)	820	718
	Carrying, forwarding and distribution expenses	1,135	1,109
	Allowances for bad and doubtful debts	33	-
	Bad debts	-	4
	Sales promotion, marketing and advertisement	1,280	1,584
	Loss on sale / disposal of property, plant and equipment	6	6
	Miscellaneous expenses	278	153
		9,716	9,221

Note:

(i) Payments to statutory auditors*	31 March 2024	31 March 2023
As auditor:		
- Statutory audit fee	14	14
- Tax audit fee	2	2
- Limited review	6	6
In other capacity:		
- Reimbursement of expenses	2	1
Total	24	23

* Excludes applicable taxes

(ii) Details of corporate social responsibility expenditure	31 March 2024	31 March 2023
a) Gross amount required to be spent by the Company during the year	122	112
b) Amount approved by board to be spent during the year:	122	114
c) Amount spent during the year:		
(i) Construction / acquisition of any asset	-	-
(ii) On purpose other than (i) above	122	114
(d) Details of spent on other than ongoing projects:		
1. Skill Develoment Programme	38	78
2. Community Development Programme	22	30
3. Transfer to PM CARE Fund	56	2
4. Administrative overhead	6	4
(e) Details of related party transactions	-	-
	122	114
Total	122	114
c) Excess Spent amount	-	2

Note:-

1. There are no unspent amount that are required to be transferred to the funds specified in Schedule VII of Companies Act.
2. There are no ongoing projects for CSR as at 31 March 2024.

(Amount in INR Lacs, unless otherwise stated)

32 Income tax expense

A. Amounts recognised in profit or loss	31 March 2024	31 March 2023
Current year	2,562	1,796
Adjustment of tax realting to earlier years	(33)	(165)
Current tax (a)	2,529	1,631
Attributable to -		
Origination and reversal of temporary differences	(289)	(165)
Deferred tax income relating to changes in tax rates/ Reduction in tax rates	-	-
Deferred tax (b)	(289)	(165)
Tax expense (a) + (b)	2,240	1,466

B. Income tax recognised in other comprehensive income	31 March 2024			31 March 2023		
	Before tax	Tax(expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Remeasurements of defined benefit obligations	6	(2)	4	20	(5)	15
	6	(2)	4	20	(5)	15

C. Reconciliation of effective tax rate	31 March 2024		31 March 2023	
	%	Amount	%	Amount
Accounting Profit before tax		8,871		6,325
At Statutory tax rate (A)	25.17%	2,233	25.17%	1,592
Non deductible expenses/additional allowances for tax purpose				
Share based payment	0.09%	8	0.21%	13
Interest and penalty charges	0.01%	1	0.04%	3
CSR expenditure	0.35%	31	0.38%	24
Tax expense/(refund) of previous year	-0.37%	(33)	-2.61%	(165)
Total (B)				
Effective tax rate / tax expense (A+B)	25.24%	2,240	23.18%	1,466

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 2024 and 31 March 2023 are recognised at 25.168%.

D. Recognised deferred tax assets and liabilities	Net deferred tax (assets) liabilities	
	31 March 2024	31 March 2023
Deferred tax assets		
Provision - employee benefits	(60)	(55)
Provision for Incentives	(366)	(282)
Provision for custom duty payable	(266)	(205)
Provision for warranty	(553)	(455)
Lease Liabilities	(202)	(250)
Provision - others	(82)	(67)
	(1,529)	(1,314)
Deferred tax liabilities		
Property, plant and equipment and intangible assets	100	122
Right of use assets	179	229
Other	4	8
	283	359
Net deferred tax (assets) / liabilities	(1,246)	(955)

(Amount in INR Lacs, unless otherwise stated)

Movement in temporary differences:	As at 1 April 2022	Recognised in profit or loss during 2022-23	Recognised in OCI during 2022-23	As at 31 March 2023	Recognised in profit or loss during 2023-24	Recognised in OCI during 2023-24	As at 31 March 2024
Property, plant and equipment and intangible assets	112	10	-	122	(23)	-	99
Right of use assets	170	59	-	229	(50)	-	179
Other	4	4	(5)	3	(3)	(2)	(1)
Provision for employee benefits	(57)	3	-	(54)	(5)	-	(59)
Provision for Incentives	(232)	(50)		(282)	(84)		(366)
Provision for custom duty payable	(147)	(58)		(205)	(61)		(266)
Provision for warranty	(366)	(89)		(455)	(98)		(553)
Lease Liabilities	(219)	(31)		(250)	48		(202)
Provision - others	(50)	(13)	-	(63)	(13)	-	(76)
	(785)	(165)	(5)	(955)	(289)	(2)	(1,246)

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.

E. Reconciliation of deferred tax liabilities (net):

	31 March 2024	31 March 2023
Opening balance as of 1 April	(955)	(785)
Tax expense/(income) during the period recognised in profit or loss	(289)	(165)
Tax expense/(income) during the period recognised in OCI	(2)	(5)
Closing balance as at 31 March	(1,246)	(955)

32A Current tax liabilities (net)

	31 March 2024	31 March 2023
Provision for current tax (net of advance tax)	195	-
	195	-

(Amount in INR Lacs, unless otherwise stated)

33 Earnings per share (EPS)

A. Basic earnings per share

Basic EPS amount are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

i. Profit attributable to equity shareholders (basic)		31 March 2024	31 March 2023
Profit for the year, attributable to the equity holders (a)		6,631	4,859

ii. Weighted average number of equity shares (basic)	Note	31 March 2024	31 March 2023
Opening balance	16	48,34,687	48,34,687
Effect of changes during the year		-	-
Weighted average number of equity shares for the year (b)		48,34,687	48,34,687
Total basic earnings per share attributable to equity share holder of the Company (a/b)		137.15	100.50

B. Diluted earnings per share

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

i. Profit attributable to equity shareholders (diluted)		31 March 2024	31 March 2023
Profit for the year, attributable to the equity holders		6,631	4,859
Profit for the year, attributable to the equity holders (diluted) (a)		6,631	4,859

ii. Weighted average number of equity shares (diluted)	Note	31 March 2024	31 March 2023
Opening balance	16	48,34,687	48,34,687
Effect of dilutive potential equity shares		-	-
Weighted average number of equity shares for the year (b)		48,34,687	48,34,687
Total diluted earnings per share attributable to equity share holder of the Company (a/b)		137.15	100.50

34 Contingent liability and commitments (to the extent not provided for)	31 March 2024	31 March 2023
(i) Contingent liabilities-		
a. Claims against the Company not acknowledged as debt	-	-
(ii) Capital commitments-		
(a) Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided.	-	-

(b) Other commitments -

(i) The Company does not have any long term commitments or material non cancellable contractual commitments/contracts, including derivative contracts for which there were any material foreseeable losses.

(ii) there were no amount which were required to be transferred to the investor education and protection fund by the company.

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 2024	31 March 2023
As at 1 April 2023	910	807
Add: Additions	258	533
Less: Deletion during the year	15	-
Less: Depreciation expense	441	430
As at 31 March 2024	712	910

B. Lease liabilities

	31 March 2024	31 March 2023
As at 1 April 2023	994	871
Add: Addition during the year	258	533
Add: Accretion of interest	82	91
Less: Deletion during the year	(16)	-
Less: Cash outflows for leases	(516)	(501)
As at 31 March 2024	802	994

(Amount in INR Lacs, unless otherwise stated)

Bifurcation of Lease Liabilities

	31 March 2024	31 March 2023
Current	455	458
Non Current	347	536
Total	802	994

The effective interest rate for lease liabilities is 9.5%(31 March 2023: ranges from 7.9% to 9.5%), with maturity between 2022-2027 (31 March 2023: 2022-2027)

	31 March 2024	31 March 2023
The following are the amounts recognised in profit or loss:		
Depreciation expense of right-of-use assets	441	430
Interest expense on lease liabilities	82	91
Expense relating to short-term leases (included in other expenses)	127	112
Total amount recognised in profit or loss	650	633

The Company had total cash outflows for leases of INR 516 Lacs IN 31 March 2024 (INR 501 lacs in 31 March 2023).

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 perid ended 31 March 2024 and 31 March 2023.

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 2023-24.
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

Based on market/type of customer	31 March 2024	31 March 2023
- India	49,648	45,718
- Outside India	167	175
	49,815	45,893

39 Assets and liabilities relating to employee benefits

	31 March 2024	31 March 2023
Net defined benefit liability - Gratuity plan	109	99
Liability for compensated absences	129	118
Total employee benefit liabilities	238	217
Non-current	205	187
Current	33	30

(Amount in INR Lacs, unless otherwise stated)

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 104.70 lacs in contributions to its defined benefit plans in the financial year 2024.25.

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:

Reconciliation of present value of defined benefit obligation (A)	31 March 2024	31 March 2023
Balance at the beginning of the year	269	252
Current service cost	27	27
Interest cost	18	15
Actuarial (gain)/ loss on obligations recognised in other comprehensive income in other comprehensive income	-	-
- changes in demographic assumptions	-	-
- changes in financial assumptions	5	(11)
- experience variance	(12)	(9)
Benefits paid	(4)	(5)
Balance at the end of the year	303	269

Reconciliation of present value of plan assets (B)	31 March 2024	31 March 2023
Balance at the beginning of the year	169	144
Interest income	13	9
Employers contributions	16	21
Benefits paid	(4)	(5)
Return on plan assets	(1)	0
Balance as the end of the year	193	169
Net defined benefit liability (A) - (B)	109	99

(i) Expense recognised in profit or loss (C)	31 March 2024	31 March 2023
Current service cost	27	27
Interest expense (net)	5	6
Total	32	33

(ii) Remeasurements recognised in other comprehensive income (D)	31 March 2024	31 March 2023
Opening amount recognised in OCI	(32)	(12)
Actuarial (gain)/loss on defined benefit obligation	(7)	(20)
Return on plan assets excluding interest income	1	(0)
Total	(38)	(32)

Plan assets (E)	31 March 2024	31 March 2023
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	-	-
	100%	100%

(Amount in INR Lacs, unless otherwise stated)

E. Defined benefit obligation			31 March 2024	31 March 2023
i. Actuarial assumptions				
Principal actuarial assumptions at the reporting date:				
Discount rate			7.20%	7.40%
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 2024, the weighted average duration of the defined benefit obligation is 5.21 years (31 March 2023: 4.86 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 2024		31 March 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(297)	(310)	(263)	(274)
Future salary growth (0.5% movement)	310	297	274	263

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 2024	31 March 2023
Within the next 12 months (next annual reporting period)	56	49
Between 2 and 5 years	215	199
Between 5 and 10 years	182	173
Total expected payments	453	421

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 at the year end. The disclosure pursuant to the said Act, to the extent of information received and available with the Company is as under

	31 March 2024	31 March 2023
a) The principal amount and the interest due thereon remaining unpaid to supplier at the end of each accounting year;		
-Principal amount due to micro enterprise and small enterprise	764	409
-Interest due on above	6	13
b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 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	900	1,623
(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	6	38
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year	24	38
(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.	161	137

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.

(Amount in INR Lacs, unless otherwise stated)

41 i Categories of financial instruments

Particulars	Note	As at 31 March 2024	Fair value		
		Total	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		-	-	-	-
(ii) Financial assets measured at amortised cost					
Security deposits	8 & 14	154	-	-	-
Trade receivables	10	4,821	-	-	-
Cash and cash equivalents	11	23,335	-	-	-
Other Bank balances	12	-	-	-	-
Current loans	13	16	-	-	-
Interest accrued on bank deposits	14	173	-	-	-
Bank Deposits	14	-	-	-	-
Total financial assets		28,499	-	-	-

Particulars	Note	As at 31 March 2023	Fair value		
		Total	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		-	-	-	-
(ii) Financial assets measured at amortised cost					
Security deposits	8 & 14	156	-	-	-
Trade receivables	10	3,548	-	-	-
Cash and cash equivalents	11	15,766	-	-	-
Other Bank balances	12	-	-	-	-
Current loans	13	26	-	-	-
Interest accrued on bank deposits	14	113	-	-	-
Bank Deposits	14	-	-	-	-
Total financial assets		19,609	-	-	-

Particulars	Note	As at 31 March 2024	Fair value		
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
(i) Financial liabilities measured at fair value through profit & loss		-	-	-	-
(ii) Financial liabilities measured at amortised cost					
Lease Liabilities	35	802	-	-	-
Trade payables	19	5,062	-	-	-
Other financial liabilities	20	19	-	-	-
Total financial liabilities		5,883	-	-	-

Particulars	Note	As at 31 March 2023	Fair value		
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
(i) Financial liabilities measured at fair value through profit & loss		-	-	-	-
(ii) Financial liabilities measured at amortised cost					
Lease Liabilities	35	994	-	-	-
Trade payables	19	3,862	-	-	-
Other financial liabilities	20	21	-	-	-
Total financial liabilities		4,877	-	-	-

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.

(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 which are summarised as below:-

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	2%	100%	100%	100%	
31 March 2024	Estimated total gross carrying amount at	5,807	2	1	6	5,816
	ECL - Simplified approach	43	2	1	6	52
	Net carrying amount	5,764	-	-	-	5,764
31 March 2023	ECL Rate	2%	100%	100%	100%	
	Estimated total gross carrying amount at	4,443	5	7	2	4,458
	ECL - Simplified approach	5	5	7	2	19
	Net carrying amount	4,452	-	-	-	4,438

*The above table excludes secured debtors.

Particulars	Trade Receivable
Provision as at 1 April 2022:	111
Add: Provision made during the year	-
Less: Provision utilized/reversed during the year	92
Provision as at 31 March 2023:	19
Add: Provision made during the year	33
Less: Provision utilized/reversed during the year	-
Provision as at 31 March 2024	52

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.

Credit rIsk from balances with banks is managed by the Company's treasury deparment in accordance with the Company's policy. Investment of surplus funds are made only with approved banks.

The Company's maximum exposure to credit risk for the components of the Balance Sheets as at 31 March 2024, 31 March 2023 is the carrying amount as illustrated in note 11.

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	1 to 5 years	More than 5 years	Total
	INR in lacs	INR in lacs	INR in lacs	INR in lacs
As at 31 March 2024				
(i) Lease Liabilities	464	434	-	898
(ii) Trade payables	5,062	-	-	5,062
(iii) Other financial liabilities	19	-	-	19
Total	5,545	434	-	5,979

	Less than 1 year	1 to 5 years	More than 5 years	Total
	INR in lacs	INR in lacs	INR in lacs	INR in lacs
As at 31 March 2023				
(i) Lease Liabilities	433	685	-	1,118
(ii) Trade payables	3,862	-	-	3,862
(iii) Other financial liabilities	21	-	-	21
Total	4,316	685	-	5,001

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.

The sensitivity analysis in the following sections relate to the position as at 31 March 2024 and 31 March 2023.

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 2024 and 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 and purchases 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 2024		31 March 2023	
	INR	EUR	INR	EUR
Advances to suppliers	-	-	-	-
Trade payables	(69)	(1)	(161)	(2)
Net exposure in respect of recognised assets and liabilities	(69)	(1)	(161)	(2)

	31 March 2024		31 March 2023	
	INR	USD	INR	USD
Advances to suppliers	5	0	6	0
Trade payables	(630)	(8)	(170)	(2)
Net exposure in respect of recognised assets and liabilities	(626)	(8)	(164)	(2)

A reasonably possible strengthening (weakening) of the US Dollar and other currencies against INR at 31 March 2024 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 2024		31 March 2023		31 March 2024		31 March 2023	
	Strengthening	(Weakening)	Strengthening	(Weakening)	Strengthening	(Weakening)	Strengthening	(Weakening)
EUR	(1)	1	(2)	2	(1)	1	(1)	1
USD	(6)	6	(2)	2	(5)	5	(1)	1
Net exposure in respect of recognised assets	(7)	7	(4)	4	(6)	6	(2)	2

* 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.

(Amount in INR Lacs, unless otherwise stated)

42 Ratio Analysis and its elements

Ratio	Numerator	Denominator	31 March 2024	31 March 2023	% change	Reason for variance
Current ratio	Current Assets	Current Liabilities	4.34	4.33	0.23%	
Debt- Equity Ratio	Total Debt	Shareholder's Equity	0.36	0.36	(2.05%)	
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses+Interest+Other adjustments	Debt service = Interest & Lease Payments + Principal Repayments	13.34	9.06	47.35%	In current year, this has been increased on account of closure of certain leased premises due to which the rental outflow has been reduced.
Return on Equity ratio	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity	0.25	0.23	7.00%	
Inventory Turnover ratio	Cost of goods sold	Average Inventory	3.03	2.78	9.09%	
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	11.91	11.65	2.19%	
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	5.92	6.02	(1.79%)	
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets - Current liabilities	1.74	2.11	(17.72%)	
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	0.13	0.11	25.71%	This has been increased, on account of increase in other income and GP margin
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	0.30	0.22	38.97%	This has been increased, on account of increase in other income and GP margin
Return on Investment	Interest (Finance Income)	Investment	0.05	0.04	23.72%	

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
(viii) The Company have not been declared wilfull defaulter by any bank or financial institution or government.

(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*	Enterprises over which key management personnel exercises significant influence
2	Whirlpool of India Limited	Holding Company w.e.f. 29-09-2021
3	Whirlpool Corporation	Ultimate Holding Company w.e.f. 29.09.2021
4	Whirlpool Management EMEA Srl – Italy	Group Companies / Enterprise where common control exists and with whom transactions have taken place during the year.
5	Mr. Pralhad Bhutada Jointly with Mrs. Pallavi Bhutada	Party holding significant influence over the company through voting power ('significant shareholder')
6	Europlak SV Cucine India Limited	Enterprises over which key management personnel exercises significant influence
7	Nirmal Enterprises	Relative of a Director
8	Yashashree Enterprise	Relative of a Director
9	Shubh Enterprises	Relative of a Director
10	Whirlpool Taiwan Co., Ltd	Group Companies / Enterprise where common control exists and with whom transactions have taken place during the year.
11	Whirlpool Properties INC	Group Companies / Enterprise where common control exists and with whom transactions have taken place during the year.
12	EMC FIME SRL	EMC FIME is a controlled company of Elica Spa
13	Whirlpool Company Polska Sp. z o.o.	Group Companies / Enterprise where common control exists and with whom transactions have taken place during the year.
14	Whirlpool Product Development (Shenzhen) Company Limited – China	Group Companies / Enterprise where common control exists and with whom transactions have taken place during the year.
15	Cosie Restaurant (A unit of Trillium Securities Private Limited)	Enterprises over which key management personnel exercises significant influence

* Having reprsentation 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
4	Shenpo Wu	Director (Resigned w.e.f. 28.09.2022)
5	Guilio Cocci	Director
6	Roopali Singh	Director
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	Narasimhan Eswar	Director (Appointed w.e.f. 04.04.2023)
13	Pallavi Bhutada	Relatives of Director

(Amount in INR Lacs, unless otherwise stated)

Key management personnel compensations	Pralhad Bhutada		Nishant Hundiwala	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Short term employee benefits	1,569	1,088	45	40
Share based payment to employee (refer note 44)	53	53	-	-
Post-employment defined contribution plan	13	13	1	1
	1,635	1,154	46	41

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 relatives of director/ company secretary

Name	Relationship	31 March 2024	31 March 2023
Mrs. Pallavi Bhutada	Relatives of Director	40	45
Ms. Urvi Upadhyay	Company Secretary	8	7
		48	52

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

Transaction / Balance	Enterprise	31 March 2024	31 March 2023
Sale of traded Goods	Whirlpool of India Limited	63	17
	Nirmal Enterprises	915	1,013
	Yashashree Enterprise	60	3
	Shubh Enterprises	48	80
Sale of Services	Whirlpool of India Limited	0	1
Purchase of raw material	Elica S.p.A., Italy	24	64
	EMC FIME SRL	33	216
Purchase of stock in trade	Elica S.p.A., Italy	2	7
	Whirlpool of India Limited	43	144
	Europlak SV Cucine India Limited	24	12
	Nirmal Enterprises	5	8
	Whirlpool Management EMEA Srl – Italy	134	6
	Shubh Enterprises	0	-
	Yashashree Enterprise	-	1
	Whirlpool Company Polska Sp. z o.o.	-	40
Purchases of Display Stands and furniture & fixtures	Europlak SV Cucine India Limited	452	595
Royalty	Whirlpool Properties INC	44	42
Others	Nirmal Enterprises	117	89
	Yashashree Enterprise	79	67
	Shubh Enterprises	8	7
	Cosie Restaurant (Trillium Securities Pvt Ltd)	5	-
Trademark License Fee	Elica S.p.A., Italy	1,759	1,608
Technical License Fee	Elica S.p.A., Italy	53	49
A. Balance outstanding			
a. Trade receivables	Whirlpool of India Limited	24	0
	Nirmal Enterprises	69	110
	Yashashree Enterprise	-	0
	Shubh Enterprises	3	15
B. Payables	Elica S.p.A., Italy	364	389
	Europlak SV Cucine India Limited	17	19
	Whirlpool of India Limited	24	57
	Whirlpool Management EMEA Srl – Italy	2	-
	Whirlpool Properties INC	8	8
	Yashashree Enterprise	5	-
	EMC FIME SRL	33	87

(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 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2023: 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 2024	31 March 2023
	Number of Options	
Outstanding at the beginning of the year	1,000	1,000
Granted during the year	-	-
Transfer/ Expired/ Forfeited during the year	-	-
Exercised during the year	-	-
Outstanding at the end of the year	1,000	1,000

45 The Company has updated the accounting software to an upgraded version from an earlier existing version with effect from April 26, 2023. The audit trail feature in respect of earlier version was enabled, however, the Company has not retained evidence of configuration of audit trail feature in earlier version as the upgraded version overwrites the earlier version. The upgraded version of accounting software used for maintaining its books of account has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, there are no instance of audit trail feature being tampered with in respect of upgraded accounting software.

46 Ministry of Environment, Forest and Climate Change has issued E-Waste (Management) Rules, 2022 ("E-waste Rules") which requires the producers to obtain and implement extended producer responsibility targets as per Schedule III and Schedule IV of the said Rules. Basis management internal assessment, management believes that the Company has an obligation to complete the Extended Producer Responsibility targets, only if it is a participant in the market during a financial year. The obligation for a financial year is measured based on sales made in the relevant preceding year. Basis management's assessment and in accordance with Appendix B of Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets', the Company will have an e-waste obligation for future years, only if it participates in the market in those years.

During the Current year, the direction given by Central Pollution Control Board (CPCB), the Company was required to channelise 1,134 MT of e-waste and the Company has channelised e-waste through recyclers as defined under the provision of the E-waste rules till date.

47 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 ome sinto 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.

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

per Sanjay Vij
Partner
Membership Number : 095169

Place : Gurugram
Date - 15th May, 2024

Pralhad Bhutada
Managing Director and CEO
DIN : 00272306

Place : Pune
Date - 15th May, 2024

Narasimhan Eswar
Director
DIN : 08065594

Place : Gurugram
Date - 15th May, 2024

Nishant Hundiwala
Chief Financial Officer

Place : Pune
Date - 15th May, 2024

Urvi Upadhyay
Company Secretary

Place : Gurugram
Date - 15th May, 2024