

**INDEPENDENT AUDITOR'S REPORT**

To the Members of Nirlep Appliances Private Limited

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

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its loss 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 Annual report, but does not include the financial statements and our auditor's report thereon.

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

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



**Responsibility of Management for the Financial Statements**

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

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

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

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

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

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

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- ▶ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2023.
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer note 32 to the financial statements;
    - 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 or entity, 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 or entity, 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. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003



per Anant Acharya  
Partner

Membership Number: 124790  
UDIN: 23124790BGVIK09984



Place of Signature: Mumbai  
Date: May 22, 2023

**Annexure 1 referred to in Paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date**

- (i) (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (a)(B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) All Property, Plant and Equipment were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of all the immovable properties are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2023.
- (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 inventory has been physically verified by the management during the year except for inventories lying with third parties. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Inventories lying with third parties have been confirmed by them as at March 31, 2023 and discrepancies were not noticed in respect of such confirmations. No discrepancies of 10% or more in aggregate for each class of inventory were noticed in respect of such physical verification.
- (b) As disclosed in note 15 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks are in agreement with the books of accounts of 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.
- (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)(c)(d) and (e) of the Order is not applicable to the Company.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is 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 ("the Act") 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 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) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.



- (vii) (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of custom, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. According to the information and explanations given to us and based on audit procedures performed by us, undisputed dues in respect of goods and services tax, provident fund, employees' state insurance, income-tax, duty of custom, duty of excise, value added tax, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable, are as follows:

(Amount in Rs. in lakhs)

| Name of the Statute | Nature of the Dues | Amount (Rs.) | Period to which the amount relates | Due Date    | Date of Payment | Remarks, if any   |
|---------------------|--------------------|--------------|------------------------------------|-------------|-----------------|---|
| Customs Act, 1962   | Custom duty        | 482.64       | May 06, 2018                       | Immediately | Not Paid        | The amount is payable on account of non-fulfilment of export obligation under EPCG scheme |

- (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, 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 has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) Term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) and (f) of the Order is 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.
- (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 by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Act has been filed in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.



- (xii) The Company is not a nidhi Company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is 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) The Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013. Therefore, the requirement to report under clause 3(xiv)(a) and (b) of the Order is not applicable to the Company.
- (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.
- (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.
- (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.
- (d) In our opinion, and according to the information and explanation given to us, in the group (in accordance with Core Investment Companies (Reserve Bank) Directions, 2016) there are 16 companies forming part of the promoter/promoter group of the Company which are CICs (These are unregistered CICs as per Para 9.1 of Notification No. RBI/2020- 21/24 dated 13th August 2020 of the Reserve Bank of India).
- (xvii) The Company has incurred cash losses in the current year amounting to Rs. 786.53 lakhs. In the immediately preceding financial year, the Company had incurred cash losses amounting to Rs. 505.84 lakhs.
- (xviii) 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 38 to the financial statements, the 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 and considering the Company's current liabilities exceeds the current assets by Rs. 3,772 lakhs, the Company has obtained the letter of financial support from the Holding Company, nothing has come to our attention, which causes us to believe that Company is not capable of meeting its liabilities, existing at the date of balance sheet, as and when they fall due within a period of one year from the balance sheet date.

We, further state that this is not an assurance as to the future viability of the Company and 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) The provisions of Section 135 to the Act in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(a) and (b) of the Order is not applicable to the Company.

For SRBC & CO LLP  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003



per Anant Acharya  
Partner

Membership Number: 124790  
UDIN: 23124790BGVIKO9984



Place of Signature: Mumbai  
Date: May 22, 2023



**Annexure 2 to the Independent Auditor's Report of even date on the financial statements of Nirlep 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 financial statements of Nirlep Appliances Private Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("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 Act.

**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 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 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 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 Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial control with reference to 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 financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003



per Anant Acharya  
Partner

Membership Number: 124790  
UDIN: 23124790BGVIK09984



Place of Signature: Mumbai  
Date: May 22, 2023

Nirlep Appliances Private Limited  
Balance Sheet as at March 31, 2023

(Rs. in Lakhs)

|  | Notes | As at             |                   |
|--|-------|-------------------|-------------------|
|  |       | March 31, 2023    | March 31, 2022    |
| <b>ASSETS</b>  |       |                   |                   |
| <b>Non -Current Assets</b>   |       |                   |                   |
| Property, plant and equipment  | 2     | 2,711.21          | 2,835.56          |
| Intangible assets  | 2     | -                 | -                 |
| Capital work in progress   | 3     | 50.14             | 31.38             |
| <b>Financial Assets</b>  |       |                   |                   |
| i) Other financial assets  |       |                   |                   |
| Loans  | 5     | 47.69             | 48.31             |
| Deferred tax assets (net)  | 6     | -                 | -                 |
| Income tax assets (net)  |       | 52.27             | 19.63             |
| Other non-current assets   | 7     | 97.70             | 107.78            |
| <b>Total Non-Current Assets</b>  |       | <b>2,959.01</b>   | <b>3,042.66</b>   |
| <b>Current Assets</b>  |       |                   |                   |
| Inventories  | 8     | 2,517.73          | 2,414.74          |
| <b>Financial Assets</b>  |       |                   |                   |
| i) Trade receivables   | 4     | 464.87            | 655.64            |
| ii) Cash and cash equivalents  | 9     | 88.53             | 1.99              |
| iii) Other Bank balances   | 10    | -                 | 19.62             |
| iv) Other current financial assets   | 11    | -                 | 0.04              |
| Other current assets   | 12    | 1,113.95          | 1,087.30          |
| <b>Total Current Assets</b>  |       | <b>4,185.08</b>   | <b>4,179.33</b>   |
| <b>Total Assets</b>  |       | <b>7,144.09</b>   | <b>7,221.99</b>   |
| <b>EQUITY &amp; LIABILITIES</b>  |       |                   |                   |
| <b>Equity</b>  |       |                   |                   |
| Equity share capital   | 13    | 743.56            | 743.56            |
| Other Equity   | 14    | (5,155.42)        | (4,152.03)        |
| <b>Total Equity</b>  |       | <b>(4,411.86)</b> | <b>(3,408.47)</b> |
| <b>LIABILITIES</b>   |       |                   |                   |
| <b>Non-Current Liabilities</b>   |       |                   |                   |
| <b>Financial Liabilities</b>   |       |                   |                   |
| i) Borrowings  | 15    | 3,460.50          | 3,767.00          |
| ii) Other non-current financial liabilities                                | 18    | 10.83             | 18.12             |
| Employee benefit obligations   | 16    | 127.58            | 138.88            |
| <b>Total Non-Current Liabilities</b>                                       |       | <b>3,598.91</b>   | <b>3,924.00</b>   |
| <b>Current Liabilities</b>   |       |                   |                   |
| <b>Financial Liabilities</b>   |       |                   |                   |
| i) Borrowings  | 15    | 2,862.50          | 1,909.10          |
| ii) Trade payables   |       |                   |                   |
| Total Outstanding dues of micro enterprises & small enterprises            |       | 230.88            | 766.29            |
| Total Outstanding dues of other than micro enterprises & small enterprises | 17    | 1,195.40          | 696.90            |
| iii) Other current financial liabilities                                   | 18    | 122.35            | 161.07            |
| Provisions   | 19    | 2.82              | 1.04              |
| Employee benefit obligations   | 16    | 42.70             | 4.98              |
| Contract liabilities   | 20a   | 3,000.00          | 2,610.00          |
| Other current liabilities  | 20    | 500.39            | 557.09            |
| <b>Total Current Liabilities</b>   |       | <b>7,957.04</b>   | <b>6,706.47</b>   |
| <b>Total Liabilities</b>   |       | <b>11,555.95</b>  | <b>10,630.47</b>  |
| <b>Total Equity &amp; Liabilities</b>                                      |       | <b>7,144.09</b>   | <b>7,221.99</b>   |

Summary of significant accounting policies

1C

The accompanying notes are an integral part of Financial Statements

As per our report of even date

For S R B C & CO LLP

Firm Registration No. 324982E/E300003  
Chartered Accountants

  
per Anant Acharya  
Partner  
Membership No.124790



Place : Mumbai  
Date : May 22, 2023



Sanjay Murarka  
Director  
DIN: 02802918

Place : Mumbai  
Date : May 22, 2023

For and on behalf of the Board of directors  
Nirlep Appliances Private Limited  
CIN : U27200MH1979PTC021470



Samir Shrimankar  
Director  
DIN: 02729100

Place : Mumbai  
Date : May 22, 2023



**Nirlep Appliances Private Limited**  
**Statement of Profit and Loss for the year ended March 31, 2023**

(Rs. in Lakhs)

|  | Notes     | Year ended        |                 |
|--|-----------|-------------------|-----------------|
|  |           | March 31, 2023    | March 31, 2022  |
| <b>Income:</b>   |           |                   |                 |
| Revenue from operations  | 21        | 7,082.91          | 6,929.81        |
| Other income   | 22        | 9.58              | 186.86          |
| <b>Total Income</b>  |           | <b>7,092.49</b>   | <b>7,116.67</b> |
| <b>Expenses:</b>   |           |                   |                 |
| Cost of raw materials and services consumed                                  | 23        | 5,654.19          | 5,523.11        |
| Changes in inventories of work-in-progress, finished goods & traded goods    | 24        | (81.95)           | (65.99)         |
| Employee benefit expenses  | 25        | 720.29            | 594.61          |
| Depreciation and amortisation expense  | 26        | 212.46            | 200.71          |
| Other expenses   | 27        | 761.15            | 863.99          |
| Finance cost   | 28        | 825.34            | 701.99          |
| <b>Total Expenses</b>  |           | <b>8,091.48</b>   | <b>7,818.42</b> |
| <b>Loss before tax</b>   |           | <b>(998.99)</b>   | <b>(701.75)</b> |
| Income tax expense:  |           |                   |                 |
| Current Tax  |           | -                 | -               |
| Deferred tax   | 6         | 1.11              | 4.80            |
| <b>Total tax expense</b>   |           | <b>1.11</b>       | <b>4.80</b>     |
| <b>Loss for the year</b>   |           | <b>(1,000.10)</b> | <b>(706.55)</b> |
| <b>Other comprehensive (Income)/Loss</b>                                     |           |                   |                 |
| Items that will not be reclassified to profit and loss in subsequent periods |           |                   |                 |
| Remeasurement (gains)/losses on defined benefit plans                        |           | 4.40              | 19.08           |
| Tax impacts on above   |           | (1.11)            | (4.80)          |
| <b>Other comprehensive (Income)/loss, net of tax</b>                         |           | <b>3.29</b>       | <b>14.28</b>    |
| <b>Total Comprehensive Loss, net of tax</b>                                  |           | <b>(1,003.39)</b> | <b>(720.83)</b> |
| <b>Earnings per equity share of Rs.100 each</b>                              |           |                   |                 |
| Basic (in Rs.)   | 30        | (134.50)          | (95.02)         |
| Diluted(in Rs)   | 30        | (134.50)          | (95.02)         |
| <b>Summary of significant accounting policies</b>                            | <b>1C</b> |                   |                 |

The accompanying notes are an integral part of Financial Statements

As per our report of even date

**For S R B C & CO LLP**

Firm Registration No. 324982E/E300003  
Chartered Accountants



**per Anant Atharya**  
Partner  
Membership No.124790




**Sanjay Murarka**  
Director  
DIN: 02802918

Place : Mumbai  
Date : May 22, 2023

**For and on behalf of the Board of directors**

Nirlep Appliances Private Limited  
CIN : U27200MH1979PTC021470



**Samir Shrimankar**  
Director  
DIN: 02729100

Place : Mumbai  
Date : May 22, 2023



Nirlep Appliances Private Limited  
Cash Flow Statement for the period ended March 31, 2023

(Rs in Lakhs)

| Particulars   | Year ended      |                 |
|---|-----------------|-----------------|
|   | March 31, 2023  | March 31, 2022  |
| <b>Cash flow from operating activities</b>  |                 |                 |
| <b>Loss before tax</b>  | <b>(998.99)</b> | <b>(701.75)</b> |
| <b>Adjustments for:</b>   |                 |                 |
| Depreciation and amortisation expense   | 212.46          | 200.71          |
| Finance costs   | 825.34          | 701.99          |
| Loss on investment  | -               | 0.40            |
| Impairment allowance for doubtful debts and advances  | -               | (501.05)        |
| Bad debts and other irrecoverable debit balances written off                                      | -               | 498.19          |
| Interest income on bank deposits and others   | (2.49)          | (2.74)          |
|   | <b>36.32</b>    | <b>195.75</b>   |
| <b>Change in operating assets and liabilities:</b>  |                 |                 |
| (Increase)/decrease in trade receivables  | 190.77          | (854.00)        |
| (Increase)/decrease in financial and other assets   | (8.03)          | (10.22)         |
| (Increase)/decrease in inventories  | (102.99)        | (787.43)        |
| Increase/(decrease) in Trade Payables   | (36.91)         | (278.03)        |
| Increase/(decrease) in Provisions   | 1.77            | (16.33)         |
| Increase/(decrease) in Employee Benefit Obligations   | (95.67)         | (73.41)         |
| Increase/(decrease) in financial, contract and other liabilities (current & non-current)          | 363.96          | 2,027.59        |
| <b>Net cash used in operations</b>  | <b>349.22</b>   | <b>203.93</b>   |
| Income taxes paid (net of refund received)  | (32.64)         | (5.43)          |
| <b>Net cash inflow from operating activities ( A )</b>  | <b>316.58</b>   | <b>198.49</b>   |
| <b>Cash flows from investing activities</b>   |                 |                 |
| Purchase of property, plant and equipment including capital work in progress and capital advances | (103.00)        | (601.85)        |
| Investment in bank deposits   | 20.12           | (13.45)         |
| Interest received   | 2.53            | 2.76            |
| Proceeds from sale of investment  | -               | 1.31            |
| <b>Net cash outflow from investing activities ( B )</b>   | <b>(80.35)</b>  | <b>(611.23)</b> |
| <b>Cash flows from financing activities</b>   |                 |                 |
| Proceeds from borrowings  | 2,556.00        | 1,183.87        |
| Repayment of borrowings   | (1,909.10)      | (97.50)         |
| Interest paid   | (796.59)        | (672.32)        |
| <b>Net cash inflow/(outflow) from financing activities ( C )</b>                                  | <b>(149.69)</b> | <b>414.05</b>   |
| <b>Net increase in cash and cash equivalents ( A+ B + C )</b>                                     | <b>86.54</b>    | <b>1.31</b>     |
| Cash and cash equivalents at the beginning of the year  | 1.99            | 0.68            |
| <b>Cash and cash equivalents at end of the year</b>   | <b>88.53</b>    | <b>1.99</b>     |



Nirlep Appliances Private Limited  
Cash Flow Statement for the period ended March 31, 2023

(Rs in Lakhs)

Components of cash and cash equivalents (refer note 9)

|   | As at          |                |
|---|----------------|----------------|
|   | March 31, 2023 | March 31, 2022 |
| Balances with banks in current accounts | 88.43          | 1.86           |
| Cash on hand                            | 0.10           | 0.13           |
| <b>Total cash and cash equivalents</b>  | <b>88.53</b>   | <b>1.99</b>    |

Change in liability arising from financing activities

|                           | As at           |                 |
|---------------------------|-----------------|-----------------|
|                           | March 31, 2023  | March 31, 2022  |
| <b>Opening Borrowings</b> | <b>5,676.10</b> | 4,589.73        |
| Proceeds from borrowings  | 2,556.00        | 1,183.87        |
| Repayment of borrowings   | (1,909.10)      | (97.50)         |
| <b>Closing Borrowings</b> | <b>6,323.00</b> | <b>5,676.10</b> |

Note:

The cash flow statement is prepared using the 'indirect method' set out in Ind AS 7 – Statement of Cash Flows.

Summary of significant accounting policies

1C

The accompanying notes are an integral part of Financial Statements

As per our report of even date

For S R B C & CO LLP

Firm Registration No. 324982E/E300003  
Chartered Accountants



per Anant Acharya  
Partner  
Membership No.124790



Sanjay Murarka  
Director  
DIN: 02802918

Place : Mumbai

Date : May 22, 2023

Place : Mumbai

Date : May 22, 2023

For and on behalf of the Board of directors

Nirlep Appliances Private Limited  
CIN : U27200MH1979PTC021470



Samir Shrimankar  
Director  
DIN: 02729100

Place : Mumbai

Date : May 22, 2023



Nirlep Appliances Private Limited  
Statement of Changes in Equity for the year ended March 31, 2023

A. Equity Share Capital (Refer Note 13)

(Rs in Lakhs)

| Particulars                                   | As at          |                |
|---|----------------|----------------|
|   | March 31, 2023 | March 31, 2022 |
| As at the beginning of the year               | 743.56         | 743.56         |
| Issue of equity share capital during the year | -              | -              |
| As at the end of the year                     | 743.56         | 743.56         |

| Particulars                                  | Reserves and surplus |                   |                 | Total             |
|--|----------------------|-------------------|-----------------|-------------------|
|  | Securities premium   | Retained earnings | Capital Reserve |                   |
| Balance as at March 31, 2021                 | 677.46               | (4,132.91)        | 24.25           | (3,431.20)        |
| Loss for the year                            | -                    | (706.55)          | -               | (706.55)          |
| Other comprehensive loss                     | -                    | (14.28)           | -               | (14.28)           |
| <b>Total comprehensive loss for the year</b> | -                    | <b>(720.83)</b>   | -               | <b>(720.83)</b>   |
| Received on issue of equity shares           | -                    | -                 | -               | -                 |
| Balance as at March 31, 2022                 | 677.46               | (4,853.74)        | 24.25           | (4,152.03)        |
| Loss for the year                            | -                    | (1,000.10)        | -               | (1,000.10)        |
| Other comprehensive income                   | -                    | (3.29)            | -               | (3.29)            |
| <b>Total comprehensive loss for the year</b> | -                    | <b>(1,003.39)</b> | -               | <b>(1,003.39)</b> |
| Received on issue of equity shares           | -                    | -                 | -               | -                 |
| Balance as at Mar 31, 2023                   | 677.46               | (5,857.14)        | 24.25           | (5,155.42)        |

Summary of significant accounting policies

1C

The accompanying notes are an integral part of Financial Statements

As per our report of even date

For S R B C & CO LLP

Firm Registration No. 324982E/E300003

Chartered Accountants



per Anant Acharya  
Partner  
Membership No.124790




Sanjay Murarka  
Director  
DIN: 02802918

Place : Mumbai  
Date : May 22, 2023

For and on behalf of the Board of directors

Nirlep Appliances Private Limited

CIN : U27200MH1979PTC021470



Samir Shrimankar  
Director  
DIN: 02729100

Place : Mumbai  
Date : May 22, 2023



## 1A GENERAL INFORMATION.

Nirlep Appliances Private Limited ('the Company') is an existing private limited company incorporated in 1979 under the provisions of the Indian Companies Act, 1956 and deemed to exist within the purview of the Companies Act, 2013 (as amended), having its registered office at GUT No. 16, Naigavahan, Khandewadi Taluk Paithan, Paithan Road, District Aurangabad, Maharashtra - 431105.

The Company became a subsidiary of Bajaj Electricals Limited during the year ended March 31, 2019 and deals in non-stick cookware, including products like, snack makers, enamelware, gas tops, hard anodised cookware, induction cook tops, pressure cookers, etc. The financial statements are presented in Indian Rupees (INR).

The financial statements are approved for issue by the Company's Board of Directors on May 22, 2023.

## 1B BASIS OF PREPARATION

The financial statements 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).

The financial statements have been prepared on an accrual basis and under the historical cost convention except for defined benefit plans where plan assets are measured at fair value (refer accounting policy for details).

The accounting policies adopted for preparation and presentation of financial statement have been consistently applied

Estimates, judgements and assumptions used in the preparation of the financial statements and disclosures are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements, which may differ from the actual results at a subsequent date. The critical estimates, judgements and assumptions are presented in Note 1D.

## 1C SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented.

### 1 Current v/s Non-current classification

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

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

All other assets are classified as non-current.

A liability is treated as current when:

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





The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

## 2 Revenue from contract with customers:

Revenue from contracts with customers is recognized 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 recognition criteria for sale of products is described below

### Sale of products:

Revenue from sale of products (domestic sales) is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the product. In case of export sales, the revenue from the customer is recognized at the point in time when control of the asset is transferred to the customer based on the delivery terms agreed. In determining the transaction price for the sale of product, the Company considers the effects of variable consideration, if any.

## 3 Contract balances:

### Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

The amount recognised as contract assets is reclassified to trade receivables once the amounts are billed to the customer as per the conditions of the contract. Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section Impairment.

### Trade receivables

A receivable represents the Company's right to 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 Financial instruments – initial recognition and subsequent measurement.

### Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

## 4 Other income:

- (1) Interest income on financial asset is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instruments. Interest income is included in finance income in the statement of profit and loss



(2) Others:

The Company recognises other income (including rent, income from scrap sales, income from claims received, etc.) on accrual basis. However, where the ultimate collection of the same is uncertain, revenue recognition is postponed to the extent of uncertainty.

**5 Property, plant and equipment:**

**A) Asset class:**

- i) Freehold land is carried at historical cost less impairment loss, if any, including expenditure that is directly attributable to the acquisition of the land.
- ii) All other items of property, plant and equipment (including capital work in progress) are stated at historical cost less accumulated depreciation and impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.
- iii) Capital goods manufactured by the Company for its own use are carried at their cost of production (including non refundable duties and other levies, if any) less accumulated depreciation and impairment losses, if any.
- iv) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the statement of profit or loss during the year in which they are incurred.
- v) Losses/ Gains arising from the retirement/ disposal (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) of property, plant and equipments which are carried at cost are recognised in the statement of profit and loss.

**B) Depreciation:**

- i) Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. Premium of Leasehold land and leasehold improvements cost are amortised over the primary period of lease.
- ii) Where a significant component (in terms of cost) of an asset has an economic useful life different than that of its corresponding asset, the component is depreciated over its estimated useful life.
- iii) The useful life of asset is as given below:

| Asset block               | Useful Lives (in years) |
|---------------------------|-------------------------|
| Freehold Land             | Not applicable          |
| Building - Office/Factory | 30 years                |
| Plant & Machinery         | 15 to 24 years          |
| Furniture & Fixtures      | 5 to 10 years           |
| Electric Installations    | 10 years                |
| Office Equipment          | 5 years                 |
| Dies & Jigs               | 9 to 15 years           |
| Laboratory Equipments     | 20 to 23 years          |
| Computer Hardware         | 3 to 6 years            |
| Computer Software         | 5 years                 |

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013 (as



amended). The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

- iv) 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.
- v) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year and adjusted prospectively, if appropriate.

## 6 Intangible assets:

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses if any. Intangible assets comprise of software and is amortized over a period of 5 years on a straight-line basis, from the date that they are available for use.

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

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.

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

## 7 Impairment of non-financial assets:

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

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

Impairment loss is charged to the Statement of Profit & Loss Account in the year in which an asset is identified as impaired. An impairment loss recognized in the prior accounting periods is reversed if there has been change in the estimate of the recoverable amount. 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.

## 8 Financial instruments:

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



Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

### I. Financial Assets

#### A) 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 section 2 Revenue from contracts with customers and 3 Contract Balances of accounting policies above.

#### B) Subsequent measurement

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

- Debt instruments at amortised cost

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

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

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

- Debt instruments at fair value through other comprehensive income (FVTOCI)

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

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

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

- Debt instruments at fair value through profit or loss (FVTPL)

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



In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

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

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

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

#### C) Derecognition

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

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

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

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

#### D) Impairment Financial assets and contract assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For all financial assets other than trade receivables and contract assets, expected credit losses are measured at an amount equal to the 12-month expected credit loss (ECL) unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. For trade receivables and contract assets, the Company has applied the simplified approach for recognition of impairment allowance as provided in Ind AS 109 which requires the expected lifetime losses from initial recognition of the receivables and contract assets.



The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

## II. Financial Liabilities

### A) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

### B) Subsequent measurement

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

- Financial liabilities at fair value through profit or loss

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

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

There are no financial liabilities designated as at FVTPL.

- Loans and Borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

### C) De-recognition

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 or loss.



### III. Reclassification of financial assets / liabilities

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.

### IV. Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of Company or the counterparty.

#### 9. Fair value measurements:

The Company measures financial instruments 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, maximising the use of relevant observable inputs and minimising 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. External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets.



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.

**10. Cash and cash equivalents:**

Cash and cash equivalents in the balance sheet and for the purpose of the statement of cash flows, include cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**11. Inventories:**

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

**12. Foreign currency transactions:**

Items included in the financial statements 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.

a) On initial recognition, all foreign currency transactions are recorded at the functional currency spot rate at the date the transaction first qualifies for recognition.

b) Monetary assets and liabilities in foreign currency outstanding at the close of reporting date are translated at the functional currency spot rates of exchange at the reporting date.

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

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

**13. Income tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for the jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and unabsorbed depreciation.

Current and deferred tax is recognized in the Statement of Profit and Loss except to the extent it relates to items recognized directly in equity or other comprehensive income, in which case it is recognized in equity or other comprehensive income.





#### A. Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The Company establishes provisions, wherever appropriate, on the basis of amounts expected to be paid to the tax authorities.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities.

#### B. Deferred tax

Deferred tax is provided using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

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 utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered. 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 is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

### 14. Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also include exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to interest costs. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

### 15. Provisions, contingent liabilities and contingent assets

#### A. Provisions

A provision is recognised if

- the Company has present legal or constructive obligation as a result of an event in the past;
- it is probable that an outflow of resources will be required to settle the obligation; and
- the amount of the obligation has been reliably estimated.

Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. If the effect of the time value of money is material, provisions



are discounted to reflect its present value using a current pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

#### **B. Contingent liabilities**

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

#### **C. Contingent assets**

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

A contingent asset is not recognised but disclosed where an inflow of economic benefit is probable.

### **16. Employee benefits**

#### **A. Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in the same period in which the employees renders the related service and are measured at the amounts expected to be paid when the liabilities are settled.

#### **B. Other long-term employee benefit obligations**

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the statement of profit or loss.

#### **C. Post-employment obligations**

The company operates the following post-employment schemes

- (a) defined benefit plans - Gratuity
- (b) defined contribution plans - Provident fund

#### **Defined benefit plans:**

The liability or asset recognised in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets excluding non-qualifying asset (reimbursement right). The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Remeasurement gains and losses arising from experience



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

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

**Defined contribution plans:**

In respect of certain employees, the Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. Such contributions are accounted for as employee benefit expense when they are due.

**17. Segment reporting**

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

The Company is in the business in non-stick cookware, which is also its only business. Hence the Balance Sheet and the Profit and Loss account of the Company are also the Segment Balance Sheet and Segment profit and loss accounts.

**18. Dividends**

Provision is made for the amount of any final dividend declared, being appropriately authorised in Annual General Meeting and no longer at the discretion of the Company.

**19. Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period. The weighted average number equity shares outstanding during the period and all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed using the weighted average number of common and dilutive shares outstanding during the year including share-based payments, except where the result would be anti-dilutive.

**1D SUMMARY OF CRITICAL ESTIMATES, JUDGEMENTS AND ASSUMPTIONS**

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be



different than those originally assessed. Detailed information about each of these estimates and judgments is included below.

**1 Impairment allowance for trade and other receivables**

The Company makes allowances for doubtful accounts receivable using a simplified approach which is a dual policy of an ageing based provision and historical / anticipated customer experience. Management believes that this simplified model closely represents the expected credit loss model to be applied on financial assets as per Ind AS 109. Refer note 35 for details.

**2 Employee benefits**

The cost of the defined benefit gratuity plan and other post-employment leave benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount-rate, future salary increases 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 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 expected future inflation rates. Refer note 32 for details.

**3 Taxes**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company has incurred a tax loss in current year that can be carried forward for a period of 8 years and shall be available to offset taxable income in subsequent years. Considering, the change in management, revival of business operations of the Company, management cannot reasonably expect the availability of future taxable profits against which these losses can be utilised. Accordingly, the recognition of deferred tax is restricted only to the extent of deferred tax liabilities. Refer Note 6 for details.

**4 Useful lives of property, plant and equipment and intangible assets**

The Company has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the useful life of property, plant and equipment and intangible assets as at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods.

**5 Going concern**

These financial statements have been prepared on the basis that the Company will continue as a going concern in a foreseeable future (refer note 40).

**1E STANDARDS ISSUES BUT NOT YET EFFECTIVE**

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

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

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



beginning on or after 1 April 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

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

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

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments to Ind AS 1 are applicable for annual periods beginning on or after 1 April 2023. Consequential amendments have been made in Ind AS 107.

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

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

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

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

The amendments are not expected to have a material impact on the financial statements



Nirlep Appliances Private Limited  
Notes to the Ind AS financial statement for the period ended March 31, 2023

Note 2 : Property, Plant and Equipment

| Particulars  | Tangible Assets  |                     |                      |                         |                             |                     |             |                         |                      |  | Total<br>Tangible<br>Assets | Intangible<br>Assets<br>(Computer<br>Software) |      |
|--|------------------|---------------------|----------------------|-------------------------|-----------------------------|---------------------|-------------|-------------------------|----------------------|--|-----------------------------|--|------|
|  | Freehold<br>Land | Factory<br>Building | Plant &<br>Machinery | Furniture &<br>Fixtures | Electrical<br>Installations | Office<br>Equipment | Dies & Jigs | Laboratory<br>Equipment | Computer<br>Hardware |  |                             |  |      |
| Gross block as at March 31, 2021                           | 159.90           | 953.00              | 1,588.21             | 44.65                   | 104.02                      | 12.52               | 162.97      | 19.27                   | 24.37                |  |                             | 3,068.91                                       | 6.57 |
| Additions  | -                | 54.98               | 104.44               | 7.02                    | 246.30                      | 3.03                | 97.94       | 0.54                    | -                    |  |                             | 514.25   | -    |
| Disposals/Adjustments                                      | -                | -                   | -                    | -                       | -                           | -                   | -           | -                       | -                    |  |                             | -  | -    |
| Gross block as at March 31 2022                            | 159.90           | 1,007.98            | 1,692.65             | 51.67                   | 350.32                      | 15.55               | 260.91      | 19.81                   | 24.37                |  |                             | 3,583.16                                       | 6.57 |
| Additions  | -                | 2.42                | 28.38                | 0.25                    | -                           | 0.91                | 19.77       | 0.18                    | 36.20                |  |                             | 88.11  | -    |
| Disposals/Adjustments                                      | -                | -                   | -                    | -                       | -                           | -                   | -           | -                       | -                    |  |                             | -  | -    |
| Gross block as at March 31 2023                            | 159.90           | 1,010.40            | 1,721.03             | 51.92                   | 350.32                      | 16.46               | 280.68      | 19.99                   | 60.57                |  |                             | 3,671.27                                       | 6.57 |
| Accumulated depreciation/amortisation as at March 31, 2021 | -                | 63.41               | 373.52               | 12.21                   | 21.90                       | 5.95                | 46.01       | 6.36                    | 18.17                |  |                             | 547.53   | 5.94 |
| Depreciation/amortisation charged during the year          | -                | 33.82               | 121.70               | 7.12                    | 9.27                        | 2.68                | 18.60       | 1.81                    | 5.07                 |  |                             | 200.07   | 0.63 |
| Disposals/Adjustments                                      | -                | -                   | -                    | -                       | -                           | -                   | -           | -                       | -                    |  |                             | -  | -    |
| Accumulated depreciation/amortisation as at March 31 2022  | -                | 97.23               | 495.22               | 19.33                   | 31.17                       | 8.63                | 64.61       | 8.17                    | 23.24                |  |                             | 747.60   | 6.57 |
| Depreciation/amortisation charged during the year          | -                | 34.63               | 105.12               | 7.71                    | 33.50                       | 2.62                | 20.13       | 1.85                    | 6.89                 |  |                             | 212.46   | -    |
| Disposals/Adjustments                                      | -                | -                   | -                    | -                       | -                           | -                   | -           | -                       | -                    |  |                             | -  | -    |
| Accumulated depreciation/amortisation as at March 31 2023  | -                | 131.86              | 600.34               | 27.04                   | 64.67                       | 11.25               | 84.74       | 10.02                   | 30.13                |  |                             | 960.06   | 6.57 |
| Net carrying amount as at March 31, 2022                   | 159.90           | 910.75              | 1,197.43             | 32.34                   | 319.15                      | 6.92                | 196.30      | 11.64                   | 1.13                 |  |                             | 2,835.56                                       | -    |
| Net carrying amount as at March 31, 2023                   | 159.90           | 878.54              | 1,120.69             | 24.88                   | 285.65                      | 5.21                | 195.93      | 9.97                    | 30.44                |  |                             | 2,711.21                                       | -    |

Note a

The above assets are hypothecated and mortgaged against the secured borrowings taken from Bank of Maharashtra as per the following details (Refer Note 15) :

- 1) First and exclusive charge by way of mortgage land & building at Gut No. 16 Naigavhan, Khandewadi, Tq. Paithan, Paithan Road, Aurangabad.
- 2) First and exclusive charge by way of mortgage of open land at Gut No 09, situated at Naighavan Khandewadi, Paithan District, Aurangabad.
- 3) First and exclusive charge by way of hypothecation of plant and machinery at Gut No 16, Naighavan Khandewadi, Paithan, Aurangabad.



Note 3 : Capital work in progress

(Rs in Lakhs)

| Particulars                      | As at 31st March, 2023 | As at 31st March, 2022 |
|----------------------------------|------------------------|------------------------|
| Opening Capital work in progress | 31.38                  | 0.48                   |
| Addition during the year         | 50.14                  | 31.38                  |
| Capitalised during the year      | 31.38                  | 0.48                   |
| Closing Capital work in progress | 50.14                  | 31.38                  |

CWIP ageing schedule as at March 31, 2023

| Particulars                    | Amount in CWIP for a period of |          |          |                   | As at March 31, 2023 |
|--------------------------------|--------------------------------|----------|----------|-------------------|----------------------|
|                                | Less than 1 Year               | 1-2 Year | 2-3 year | More than 3 years |                      |
| Project in progress            | 50.14                          | -        | -        | -                 | 50.14                |
| Projects temporarily suspended | -                              | -        | -        | -                 | -                    |
| <b>Total</b>                   | <b>50.14</b>                   | <b>-</b> | <b>-</b> | <b>-</b>          | <b>50.14</b>         |

CWIP ageing schedule as at March 31, 2022

| Particulars                    | Amount in CWIP for a period of |          |          |                   | As at March 31, 2022 |
|--------------------------------|--------------------------------|----------|----------|-------------------|----------------------|
|                                | Less than 1 Year               | 1-2 Year | 2-3 year | More than 3 years |                      |
| Project in progress            | 31.38                          | -        | -        | -                 | 31.38                |
| Projects temporarily suspended | -                              | -        | -        | -                 | -                    |
| <b>Total</b>                   | <b>31.38</b>                   | <b>-</b> | <b>-</b> | <b>-</b>          | <b>31.38</b>         |

Note 4 : Trade receivables

|  | As at          |                |
|--|----------------|----------------|
|  | March 31, 2023 | March 31, 2022 |
| Trade receivables                        |                |                |
| Current                                  | 464.87         | 655.64         |
|  | <b>464.87</b>  | <b>655.64</b>  |
| Unsecured, considered good               | 464.87         | 655.64         |
| Unsecured, considered credit impaired    | -              | 9.67           |
| <b>Total</b>                             | <b>464.87</b>  | <b>665.31</b>  |
| Impairment Allowance for credit impaired | -              | (9.67)         |
| <b>Total Trade receivables</b>           | <b>464.87</b>  | <b>655.64</b>  |

Trade receivables ageing schedule

As at March 31, 2023

| Particulars                                    | Current But Not due | Outstanding for Following periods from Due Date of Payment |                    |                   |              |                   | Total         |
|--|---------------------|--|--------------------|-------------------|--------------|-------------------|---------------|
|  |                     | < 6 Months   | 6 months to 1 year | 1 year to 2 years | 2 to 3 years | More than 3 Years |               |
| Unsecured, considered good                     | -                   | 464.65   | 0.22               | -                 | -            | -                 | 464.87        |
| Unsecured, considered credit impaired          | -                   | -  | -                  | -                 | -            | -                 | -             |
| <b>Total</b>                                   | <b>-</b>            | <b>464.65</b>  | <b>0.22</b>        | <b>-</b>          | <b>-</b>     | <b>-</b>          | <b>464.87</b> |
| Less: Impairment Allowance for credit impaired | -                   | -  | -                  | -                 | -            | -                 | -             |
| <b>Total</b>                                   | <b>-</b>            | <b>464.65</b>  | <b>0.22</b>        | <b>-</b>          | <b>-</b>     | <b>-</b>          | <b>464.87</b> |

As at March 31, 2022

| Particulars                                    | Current But Not due | Outstanding for Following periods from Due Date of Payment |                    |                   |              |                   | Total         |
|--|---------------------|--|--------------------|-------------------|--------------|-------------------|---------------|
|  |                     | < 6 Months   | 6 months to 1 year | 1 year to 2 years | 2 to 3 years | More than 3 Years |               |
| Unsecured, considered good                     | -                   | 655.64   | -                  | -                 | -            | -                 | 655.64        |
| Unsecured, considered credit impaired          | -                   | 9.67   | -                  | -                 | -            | -                 | 9.67          |
| <b>Total</b>                                   | <b>-</b>            | <b>665.31</b>  | <b>-</b>           | <b>-</b>          | <b>-</b>     | <b>-</b>          | <b>665.31</b> |
| Less: Impairment Allowance for credit impaired | -                   | (9.67)   | -                  | -                 | -            | -                 | (9.67)        |
| <b>Total</b>                                   | <b>-</b>            | <b>655.64</b>  | <b>-</b>           | <b>-</b>          | <b>-</b>     | <b>-</b>          | <b>655.64</b> |

Notes

i) 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.

ii) Trade Receivables includes balance from related parties (parent company) of Rs. 449.57 lakhs (PY : Rs. 424.34 lakhs).

iii) Trade Receivables have been pledged as security against bank borrowings, the details relating to which have been described in Note 15.

iv) Trade Receivables are non interest bearing and are generally on term of 30 to 45 days.

v) There are no unbilled receivables hence not shown in ageing schedule.

Note 5 : Other financial assets

(Unsecured, considered good unless otherwise stated) (Measured at amortised cost)

|   | As at          |                |
|---|----------------|----------------|
|   | March 31, 2023 | March 31, 2022 |
| Loans   |                |                |
| Security deposits, considered good *            | 47.19          | 48.31          |
| Fixed deposit under lien                        | 0.50           | -              |
| <b>Total Non-Current Other Financial assets</b> | <b>47.69</b>   | <b>48.31</b>   |

\* Security deposits are utility deposits kept with various government authorities like, telephone department, MSEB, MIDC, Post Office, Mumbai Municipal Corporation, etc.



Note 6 : Deferred tax liabilities/assets (net)

(Rs in Lakhs)

Deferred tax assets comprise of the following:

|  | As at          |                |
|--|----------------|----------------|
|  | March 31, 2023 | March 31, 2022 |
| Employee benefit obligations (Gratuity)  | 42.27          | 35.57          |
| Employee benefit obligations (Leave obligations)                                   | 5.69           | 5.19           |
| Provision for sales tax forms  | 0.71           | 3.79           |
| Impairment Allowance for doubtful debts and advances                               | 182.80         | 141.03         |
| Losses available for offsetting against future taxable income (Refer note i below) | -              | -              |
| <b>Total deferred tax assets</b>   | <b>231.47</b>  | <b>185.58</b>  |

Deferred tax liabilities comprise of the following:

|                                       | As at          |                |
|---------------------------------------|----------------|----------------|
|                                       | March 31, 2023 | March 31, 2022 |
| Property, Plant and Equipment         | 231.47         | 185.58         |
| <b>Total deferred tax liabilities</b> | <b>231.47</b>  | <b>185.58</b>  |

Deferred tax reflected in balance sheet is as follows

|  | As at          |                |
|--|----------------|----------------|
|  | March 31, 2023 | March 31, 2022 |
| Deferred tax assets                        | 231.47         | 185.58         |
| Deferred tax liabilities                   | 231.47         | 185.58         |
| <b>Net deferred tax assets/liabilities</b> | <b>-</b>       | <b>-</b>       |

Movement in deferred tax assets

|   | Gratuity     | Leave obligation | Provision for sales tax forms | Impairment allowance for doubtful debts | Carry forward business losses | Total         |
|---|--------------|------------------|-------------------------------|---|-------------------------------|---------------|
| <b>As at March 31, 2021</b>   | <b>46.17</b> | <b>6.44</b>      | <b>4.37</b>                   | <b>87.35</b>                            | <b>-</b>                      | <b>144.33</b> |
| Tax income/(expense) during the year recognised to statement of profit and loss | (15.40)      | (1.24)           | (0.59)                        | 53.68                                   | -                             | 36.45         |
| Tax income/(expense) during the year recognised in OCI                          | 4.80         | -                | -                             | -                                       | -                             | 4.80          |
| <b>As at March 31, 2022</b>   | <b>35.57</b> | <b>5.19</b>      | <b>3.79</b>                   | <b>141.03</b>                           | <b>-</b>                      | <b>185.58</b> |
| Tax income/(expense) during the year recognised to statement of profit and loss | 5.59         | 0.50             | (3.08)                        | 41.77                                   | -                             | 44.78         |
| Tax income/(expense) during the year recognised in OCI                          | 1.11         | -                | -                             | -                                       | -                             | 1.11          |
| <b>As at March 31, 2023</b>   | <b>42.27</b> | <b>5.69</b>      | <b>0.71</b>                   | <b>182.80</b>                           | <b>-</b>                      | <b>231.47</b> |





(Rs in Lakhs)

**Movement in deferred tax liabilities**

|   | Property, plant and equipment | Total         |
|---|-------------------------------|---------------|
| <b>As at March 31, 2021</b>   | <b>144.33</b>                 | <b>144.33</b> |
| Tax (income)/expense during the year recognised to statement of profit and loss | 41.25                         | 41.25         |
| Tax (income)/expense during the year recognised in OCI                          | -                             | -             |
| <b>As at March 31, 2022</b>   | <b>185.58</b>                 | <b>185.58</b> |
| Tax (income)/expense during the year recognised to statement of profit and loss | 45.89                         | 45.89         |
| Tax (income)/expense during the year recognised in OCI                          | -                             | -             |
| <b>As at March 31, 2023</b>   | <b>231.47</b>                 | <b>231.47</b> |

| Summary of tax expense recognised                                       | Statement of P&L | OCI         |
|---|------------------|-------------|
| <b>For the year ended March 2022</b>                                    |                  |             |
| Recognition/(reversal) of deferred tax assets ( Refer table above)      | 36.45            | 4.80        |
| Recognition/(reversal) of deferred tax liabilities ( Refer table above) | (41.25)          | -           |
| <b>Total (charge)/credit</b>  | <b>(4.80)</b>    | <b>4.80</b> |
| <b>For the year ended March 2023</b>                                    |                  |             |
| Recognition/(reversal) of deferred tax assets ( Refer table above)      | 44.78            | 1.11        |
| Recognition/(reversal) of deferred tax liabilities ( Refer table above) | (45.89)          | -           |
| <b>Total (charge)/credit</b>  | <b>(1.11)</b>    | <b>1.11</b> |

The Company has the following carry forward of business loss, unabsorbed depreciation, total credit entitlement and other deductible differences. However, in the absence of probability of future taxable profit it has not recognised deferred tax asset on the entire carry forward loss amount.

|                          | As at           |                 |
|--------------------------|-----------------|-----------------|
|                          | March 31, 2023  | March 31, 2022  |
| Business Loss            | 3,950.87        | 3,194.08        |
| Unabsorbed Depreciation# | 1,438.45        | 1,130.36        |
| <b>Total</b>             | <b>5,389.32</b> | <b>4,324.44</b> |

**The details of expiry of business loss is as under:**

| Year of Loss | Amount          | Expiry     |
|--------------|-----------------|------------|
| FY 2018-19*  | 1,835.56        | FY 2025-26 |
| FY 2019-20*  | 292.53          | FY 2027-28 |
| FY 2020-21*  | 493.92          | FY 2028-29 |
| FY 2021-22*  | 572.07          | FY 2029-30 |
| FY 2022-23   | 756.79          | FY 2030-31 |
|              | <b>3,950.87</b> |            |

\* As per return of Income filed by the Company, # there is no expiry date for unabsorbed depreciation

**Notes**

i) The carry forward business loss as on March 31, 2023 is Rs. 3,950.87 lakhs (PY: Rs 3194.08 lakhs.). Since there is no reasonable certainty of recovery of such business losses, the deferred tax assets are recognised only to the extent of deferred tax liabilities available. Accordingly, the adjustment is made to impairment allowances on trade receivables and doubtful advances to show deferred tax assets to the extent of deferred tax liabilities.

ii) The Company has incurred a loss and does not have any taxable profit in the current and previous year and is accordingly not liable to tax. A reconciliation of income tax expense applicable to accounting profit before tax at the statutory income tax rate to recognised income tax expense for the year indicated as follows :

| Particulars  | As at March, 2023 | As at March, 2022 |
|--|-------------------|-------------------|
| Profit before tax                                    | (998.99)          | (701.75)          |
| Enacted tax rate in India                            | 25.168%           | 25.168%           |
| Expected income tax expense at statutory tax rate    | -251.43           | -176.62           |
| Expense not deductible in determining taxable profit | 251.43            | 176.62            |
| Tax expense for the year                             | -                 | -                 |
| Effective income tax rate                            | -                 | -                 |

iii) On September 20, 2019, vide the Taxations Laws (Amendment) Act 2019, the Government of India inserted Section 115BAA in the Income Tax Act, 1961 which provides domestic companies a non-reversible option to pay corporate tax at reduced rates effective from April 01, 2019, subject to certain condition. Based on the current assessment performed by management, the Company plans to pay tax under the pre-amendment rate and accordingly no impact has been considered in current financial statements for the new tax rate. The Company will continue to re-evaluate its position at periodic intervals.



**Nirlep Appliances Private Limited**  
**Notes to Ind AS financial statement for the year ended March 31, 2023**

**Note 7 : Other non-current assets**

(Unsecured, considered good unless otherwise stated)

(Rs in Lakhs)

|  | As at          |                |
|--|----------------|----------------|
|  | March 31, 2023 | March 31, 2022 |
| Capital advances                         | -              | 20.01          |
| Balance with government authorities      | 60.77          | 60.77          |
| Other Asset                              |                |                |
| Unsecured, considered good               | 36.93          | 27.00          |
| Unsecured, considered credit impaired    | 1.55           | 34.89          |
|  | <b>99.25</b>   | <b>142.67</b>  |
| Impairment allowance for credit impaired | (1.55)         | (34.89)        |
| <b>Total Other non-current assets</b>    | <b>97.70</b>   | <b>107.78</b>  |

**Note 8 : Inventories (At cost or net realisable value whichever is less)**

|   | As at           |                 |
|---|-----------------|-----------------|
|   | March 31, 2023  | March 31, 2022  |
| Raw material (Including material in transit CY : Rs. 1.39 Lakhs ( PY : NIL) | 2,031.67        | 2,010.63        |
| Work-in-progress  | 310.16          | 151.57          |
| Finished goods  | 175.51          | 252.43          |
| Traded goods  | 0.39            | 0.11            |
| <b>Total Inventories</b>  | <b>2,517.73</b> | <b>2,414.74</b> |

The inventory balance as at March 31, 2023 includes provision made towards slow moving inventories amounting Rs 36.14 lakhs (PY: Rs 54.49 lakhs). During the current year, an amount of Rs. 18.35 lakhs (PY: Rs. 55.27 lakhs) is released in the Statement of Profit and Loss based on utilisation of slow moving inventory.

Inventories have been pledged as security against bank borrowings, the details relating to which have been described in Note 15.

**Note 9 : Cash and cash equivalents**

|   | As at          |                |
|---|----------------|----------------|
|   | March 31, 2023 | March 31, 2022 |
| Balances with banks in current accounts | 88.43          | 1.86           |
| Cash on hand                            | 0.10           | 0.13           |
| <b>Total Cash and cash equivalents</b>  | <b>88.53</b>   | <b>1.99</b>    |

**Note 10 : Other Bank balances**

|  | As at          |                |
|--|----------------|----------------|
|  | March 31, 2023 | March 31, 2022 |
| Deposits with maturity of more than three months & less than twelve months | -              | 19.62          |
| <b>Total Other Bank balances</b>   | <b>-</b>       | <b>19.62</b>   |

Deposits are kept with bank as margin money deposits for Letter of Credit issued

**Note 11 : Other current financial assets**

(Unsecured, considered good unless otherwise stated) (Measured at amortised cost)

|   | As at          |                |
|---|----------------|----------------|
|   | March 31, 2023 | March 31, 2022 |
| Interest accrued on fixed deposits          | -              | 0.04           |
| <b>Total Other current financial assets</b> | <b>-</b>       | <b>0.04</b>    |

Interest accrued on fixed deposits is on the deposits kept with bank as margin money for Letter of Credit issued.

**Note 12 : Other current assets**

|  | As at           |                 |
|--|-----------------|-----------------|
|  | March 31, 2023  | March 31, 2022  |
| Export benefits receivable             | 6.48            | 26.15           |
| Balances with government authorities * | 1,097.96        | 1,052.72        |
| Others                                 | 9.51            | 8.43            |
| <b>Total Other current assets</b>      | <b>1,113.95</b> | <b>1,087.30</b> |

\* Balance with government authorities includes Rs. 1097.96 Lakhs (PY: Rs 1052.72 Lakhs) relating to Goods and Service Tax input credit receivable and Goods and Service tax refund applications filed.



Note 13 : Equity share capital

|  | As at          |                |
|--|----------------|----------------|
|  | March 31, 2023 | March 31, 2022 |
| <b>Authorised share capital</b>  |                |                |
| 850,000 (PY : 850,000) Equity Shares of Rs.100/- each                      | 850.00         | 850.00         |
| <b>Issued, Subscribed &amp; Paid-up:</b>                                   |                |                |
| 743,555 (PY: 743,555) Equity Shares of Rs.100/- each fully paid up in cash | 743.56         | 743.56         |
|  | <b>743.56</b>  | <b>743.56</b>  |

**j) Movement in Issued Equity Share Capital**

|                            | No of Shares | Amount |
|----------------------------|--------------|--------|
| As at March 31, 2021       | 7,43,555     | 743.56 |
| Issue of New Equity Shares | -            | -      |
| As at March 31, 2022       | 7,43,555     | 743.56 |
| Issue of New Equity Shares | -            | -      |
| As at March 31, 2023       | 7,43,555     | 743.56 |

**ii) Terms and rights attached to equity shares**

The Company has only one class of equity shares having a par value of Rs. 100/- per share. Each holder of equity shares is entitled to one vote per share. During the year ended March 31, 2023, the amount of per share dividend recognised as distribution to equity shareholders was Nil (PY: Nil). 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.

**iii) The details of equity shares held by parent Company and equity shareholders holding more than 5% shares are as follows :**

| Name of the Shareholder                     | As at<br>March 31, 2023 |           | As at<br>March 31, 2022 |           |
|---|-------------------------|-----------|-------------------------|-----------|
|   | Nos.                    | % Holding | Nos.                    | % Holding |
| Bajaj Electricals Limited (Holding Company) | 7,43,555                | 100       | 7,43,555                | 100       |

iv) No shares were allotted as fully paid-up pursuant to contracts without payment being received in cash during the year of five years immediately preceding the date of the balance sheet.

v) There are no shares reserved for issue under options.

**vi) Change in promoters shareholding**

As at March 31, 2023

(Equity shares of Rs. 100 each, fully paid)

| Promoters                                   | As at March 31, 2023            |                   | As at March 31, 2022            |                   | % Change during the year |
|---|---------------------------------|-------------------|---------------------------------|-------------------|--------------------------|
|   | No of Shares as at the year end | % of Total Shares | No of Shares as at the year end | % of Total Shares |                          |
| Bajaj Electricals Limited (Holding Company) | 7,43,555                        | 100%              | 7,43,556                        | 100%              | 0.00                     |

As at March 31, 2022

(Equity shares of Rs. 100 each, fully paid)

| Promoters  | As at March 31, 2022            |                   | As at March 31, 2021            |                   | % Change during the year |
|--|---------------------------------|-------------------|---------------------------------|-------------------|--------------------------|
|  | No of Shares as at the year end | % of Total Shares | No of Shares as at the year end | % of Total Shares |                          |
| <b>A. Promoters</b>                                      |                                 |                   |                                 |                   |                          |
| Bajaj Electricals Limited (Holding Company)              | 7,43,555                        | 100%              | 5,93,724                        | 80%               | 20%                      |
| Mukund Bhogale   | -                               | 0%                | 89,804                          | 12%               | -12%                     |
| <b>B. Promoters Group</b>                                |                                 |                   |                                 |                   |                          |
| Nityanan Bhogale   | -                               | 0%                | 11,549                          | 2%                | -2%                      |
| Prasanna Mukund Bhogale                                  | -                               | 0%                | 100                             | 0%                | 0%                       |
| Rajani Bhogale   | -                               | 0%                | 26,422                          | 4%                | -4%                      |
| Ramchandra Bhogale                                       | -                               | 0%                | 19,286                          | 3%                | -3%                      |
| Bajaj Electricals Limited EWF No.1                       | -                               | 0%                | 305                             | 0%                | 0%                       |
| Bajaj Electricals Limited EWF No.2                       | -                               | 0%                | 300                             | 0%                | 0%                       |
| Bajaj Electricals Limited EWF No.3                       | -                               | 0%                | 200                             | 0%                | 0%                       |
| Bajaj Electricals Limited EWF No.4                       | -                               | 0%                | 200                             | 0%                | 0%                       |
| Bajaj Electricals Limited Employees Housing Welfare Fund | -                               | 0%                | 1,665                           | 0%                | 0%                       |



**Note 14 : Other Equity Reserves and Surplus**

|                                   | As at             |                   |
|-----------------------------------|-------------------|-------------------|
|                                   | March 31, 2023    | March 31, 2022    |
| i) Securities premium             | 677.46            | 677.46            |
| ii) Retained earnings             | (5,857.14)        | (4,853.74)        |
| iii) Capital Reserve              | 24.25             | 24.25             |
| <b>Total Reserves and Surplus</b> | <b>(5,155.42)</b> | <b>(4,152.03)</b> |

| i) Securities premium  | As at          |                |
|------------------------|----------------|----------------|
|                        | March 31, 2023 | March 31, 2022 |
| Opening Balance        | 677.46         | 677.46         |
| <b>Closing Balance</b> | <b>677.46</b>  | <b>677.46</b>  |

| ii) Retained earnings                 | As at             |                   |
|---------------------------------------|-------------------|-------------------|
|                                       | March 31, 2023    | March 31, 2022    |
| Opening Balance                       | (4,853.74)        | (4,132.91)        |
| Loss for the year                     | (1,000.10)        | (706.55)          |
| Other comprehensive loss for the year | (3.29)            | (14.28)           |
| <b>Closing Balance</b>                | <b>(5,857.13)</b> | <b>(4,853.74)</b> |

| iii) Capital reserve   | As at          |                |
|------------------------|----------------|----------------|
|                        | March 31, 2023 | March 31, 2022 |
| Opening Balance        | 24.25          | 24.25          |
| <b>Closing Balance</b> | <b>24.25</b>   | <b>24.25</b>   |

**Nature and Purpose of reserves**

(a) Capital reserve :Reserve is relating to capital subsidy received in earlier years. The utilisation of the reserve shall be done as per the requirements and restrictions under the Companies Act, 2013 (as amended).

(b) Securities premium: Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

(c) Retained earnings : The amount of profit\loss of company has left over after paying all its direct costs, indirect costs, income taxes

**Note 15 : Borrowings (At amortised cost)**

| Non-Current                                     | As at           |                 |
|---|-----------------|-----------------|
|   | March 31, 2023  | March 31, 2022  |
| <b>Unsecured</b>                                |                 |                 |
| Loans from parent entity (Refer Note (a) below) | 3,460.50        | 3,767.00        |
| <b>Total unsecured non-current borrowings</b>   | <b>3,460.50</b> | <b>3,767.00</b> |
| <b>Total Non-current Borrowings</b>             | <b>3,460.50</b> | <b>3,767.00</b> |

**Notes**

(a) Loan from parent entity of Rs. 6323 Lakhs ( PY: Rs. 4767 Lakhs ) includes : (Rs. 2862.50 Lakhs Reclassification from Non current to current )

| Repayment schedule   | Loan Amount (Rs. in Lakhs) | Interest Rate | Tenure  | Loan Amount (Rs. in Lakhs) PY |
|--|----------------------------|---------------|---------|-------------------------------|
| Repayable in 8 equal instalments of Rs 250 lakhs from June 30, 2022 till Mar 31, 2024. | 1,000                      | 11.00%        | 5 Years | 2,000.00                      |
| Payable within a maximum period of 5 years from Nov 28, 2019.                          | 600                        | 11.00%        | 5 Years | 600.00                        |
| Repayable at the end of 5 years from Nov 25, 2020, Dec 04, 2020 and Dec 24, 2020.      | 1,300                      | 10.30%        | 5 Years | 1,300.00                      |
| Repayable at the end of 5 years from Apr 09, 2021.                                     | 132                        | 9.30%         | 5 Years | 132.00                        |
| Repayable at the end of 2 years from Apr 09, 2021.                                     | 500                        | 10.30%        | 2 Years | 500.00                        |
| repayable at the end of 5 years from Dec 10, 2021.                                     | 235                        | 10.30%        | 5 Years | 235.00                        |
| Repayable at the end of 1 year from Jan 09, 2023, Jan 10, 2023.                        | 700                        | 11.30%        | 1 Years | -                             |
| Repayable at the end of 1 year Mar 29, 2023, Mar 31, 2023.                             | 1,000                      | 11.50%        | 1 Years | -                             |
| Repayable at the end of 3 years from Dec 08, 2022.                                     | 500                        | 11.35%        | 3 Years | -                             |
| Repayable at the end of 5 years from Feb 27, 2023.                                     | 30                         | 11.70%        | 5 Years | -                             |
| Repayable at the end of 3 years from Mar 31, 2023.                                     | 300                        | 11.70%        | 3 Years | -                             |
| Repayable at the end of 5 years from June 22, 2022.                                    | 26                         | 10.70%        | 5 Years | -                             |
|  | <b>6,323</b>               |               |         | <b>4,767</b>                  |



Nirlep Appliances Private Limited  
Notes to Ind AS financial statement for the year ended March 31, 2023

(Rs in Lakhs)

Note 15 : Borrowings

| Current  | Note No   | As at           |                 |
|--|-----------|-----------------|-----------------|
|  |           | March 31, 2023  | March 31, 2022  |
| <b>Current Secured (At amortised cost)</b>                       |           |                 |                 |
| Cash credits   | Note 15.1 | -               | 909.10          |
| <b>Total Secured Current Borrowings</b>                          |           | -               | <b>909.10</b>   |
| <b>Unsecured (At amortised cost)</b>                             |           |                 |                 |
| Loans from parent entity (Current maturities of long term loans) |           | 2,862.50        | 1,000.00        |
| <b>Total Current Borrowings</b>                                  |           | <b>2,862.50</b> | <b>1,909.10</b> |

Note 15.1 : The secured loans taken by the Company are from Bank of Maharashtra

| Type of Facility | ROI                           | Terms of repayment  |
|------------------|-------------------------------|---------------------|
| Cash Credit      | MCLR+ Spread currently 10.00% | Repayable on demand |

The above secured borrowings have the following charge on the assets :

- 1) First and exclusive charge by way of mortgage of land & building at Gut No. 16 Naigavhan, Khandewadi, Tq. Paithan, Paithan Road, Aurangabad.
- 2) First and exclusive charge by way of mortgage of land at Gut No 09, situated at Naighavan Khandewadi, Tq. Paithan, Paithan Road, Aurangabad.
- 3) First and exclusive charge by way of hypothecation of plant and machinery at Gut No 16, Naigavhan, Khandewadi, Tq. Paithan, Paithan Road, Aurangabad.
- 4) First and exclusive charge by way of hypothecation of inventory and receivables of the company.
- 5) All the above loans are also secured by the Corporate guarantee of M/s Bajaj Electricals Limited.

Note 16 : Employee Benefit Obligations

| Particulars                               | As at         |               | As at          |                |
|---|---------------|---------------|----------------|----------------|
|   | March-23      | March-22      | March 31, 2023 | March 31, 2022 |
|   | Non Current   | Non Current   | Current        | Current        |
| Leave obligations                         | 19.16         | 18.81         | 3.45           | 1.82           |
| Gratuity (Refer note 31)                  | 108.42        | 120.07        | 39.26          | 3.16           |
| <b>Total Employee Benefit Obligations</b> | <b>127.58</b> | <b>138.88</b> | <b>42.70</b>   | <b>4.98</b>    |

Note 17 : Trade Payables

| Current  | As at           |                 |
|--|-----------------|-----------------|
|  | March 31, 2023  | March 31, 2022  |
| Dues to micro, small and medium enterprises (refer note below) | 230.88          | 766.29          |
| Dues of other than micro enterprises & small enterprises       | 1,195.40        | 696.90          |
| <b>Total Current Trade Payables</b>                            | <b>1,426.28</b> | <b>1,463.19</b> |

Note

The Company has requested mandatory documents from all its vendors to report them under the MSMED Act if they are covered under the MSMED Act. The information disclosed in the financial statements is based on the confirmations received till the date of the approval of the financial statements.



(Rs in Lakhs)

Disclosures under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 :

|   | As at          |                |
|---|----------------|----------------|
|   | March 31, 2023 | March 31, 2022 |
| (i) (a) Principal amount remaining unpaid to any supplier (Refer Note 17)   | 230.88         | 766.29         |
| (b) Interest on (i)(a) above  | -              | -              |
| (ii) The amount of interest paid along with the principal payment made to the supplier beyond the appointed date during the year. | -              | -              |
| (iii) Amount of interest due and payable on delayed payments  | -              | -              |
| (iv) Amount of further interest remaining due and payable for the earlier years   | -              | -              |
| (v) Total outstanding dues of Micro and Small Enterprises   | -              | -              |
| - Principal   | 230.88         | 766.29         |
| - Interest  | -              | -              |

Ageing of Creditors

As at March 31, 2023

| Particulars  | Current But Not due | Outstanding for Following periods from Due Date of Payment |              |              |                   | Total           |
|--|---------------------|--|--------------|--------------|-------------------|-----------------|
|  |                     | < 1 year   | 1 to 2 Years | 2 to 3 years | More than 3 Years |                 |
| <b>Undisputed trade payables</b>                                       |                     |  |              |              |                   |                 |
| -dues of micro enterprises and small enterprises                       |                     | 230.88   | -            | -            | -                 | 230.88          |
| - dues of creditors other than micro enterprises and small enterprises |                     | 1,176.21   | 19.19        | -            | -                 | 1,195.40        |
| <b>Total</b>   |                     | <b>1,407.09</b>  | <b>19.19</b> |              |                   | <b>1,426.28</b> |

As at March 31, 2022

| Particulars  | Current But Not due | Outstanding for Following periods from Due Date of Payment |              |              |                   | Total           |
|--|---------------------|--|--------------|--------------|-------------------|-----------------|
|  |                     | < 1 year   | 1 to 2 Years | 2 to 3 years | More than 3 Years |                 |
| <b>Undisputed trade payables</b>                                       |                     |  |              |              |                   |                 |
| -dues of micro enterprises and small enterprises                       |                     | 766.29   | -            | -            | -                 | 766.29          |
| - dues of creditors other than micro enterprises and small enterprises |                     | 655.50   | 41.40        | -            | -                 | 696.90          |
| <b>Total</b>   |                     | <b>1,421.79</b>  | <b>41.40</b> |              |                   | <b>1,463.19</b> |



Nirlep Appliances Private Limited  
Notes to Ind AS financial statement for the year ended March 31, 2023

(Rs in Lakhs)

Note 18 : Other Financial Liabilities (At amortised cost)

|  | As at          |                |
|--|----------------|----------------|
|  | March 31, 2023 | March 31, 2022 |
| <b>Non Current</b>   |                |                |
| Employee benefit liabilities   | 10.83          | 18.12          |
| <b>Total Other Non-Current Financial Liabilities</b>                             | <b>10.83</b>   | <b>18.12</b>   |
| <b>Current</b>   |                |                |
| Trade deposits (dealers, vendors etc.)   | 8.47           | 8.47           |
| Capital creditors (Includes MSMED creditors of Rs. 6.38 lakhs, (PY: 95.95 Lakhs) | 7.99           | 95.95          |
| Interest accrued and due on borrowings *   | -              | 0.76           |
| Employee benefit liabilities   | 53.76          | 55.89          |
| Other current Liability  | 52.13          | -              |
| <b>Total Other Current Financial Liabilities</b>                                 | <b>122.35</b>  | <b>161.07</b>  |

The capital creditors include Rs. Nil (PY: Rs. 42.86 lakhs) payable to parent company.

\* Interest accrued and due is towards the unsecured loans.

Note 19 : Provisions

|                               | As at          |                |
|-------------------------------|----------------|----------------|
|                               | March 31, 2023 | March 31, 2022 |
| <b>Current</b>                |                |                |
| Provision for sales tax forms | 2.82           | 1.04           |
| <b>Total Provisions</b>       | <b>2.82</b>    | <b>1.04</b>    |

The movement in the above provision is summarised below. The amounts are expected to be paid within a year.

| Particulars                        | As at          |                |
|------------------------------------|----------------|----------------|
|                                    | March 31, 2023 | March 31, 2022 |
| Opening balance                    | 1.04           | 17.37          |
| Provision created during the year  | 1.78           | 1.77           |
| Provision utilised during the year | -              | (18.10)        |
| <b>Closing balance</b>             | <b>2.82</b>    | <b>1.04</b>    |

Note 20 : Other Current Liabilities

|  | As at          |                |
|--|----------------|----------------|
|  | March 31, 2023 | March 31, 2022 |
| Statutory liabilities payable *        | 500.39         | 557.09         |
| <b>Total Other Current Liabilities</b> | <b>500.39</b>  | <b>557.09</b>  |

\* Statutory liabilities payable includes custom duty payable of Rs 482.64 Lakhs (PY: Rs 537.79 lakhs) under the Export Promotion Capital Goods ("EPCG") Scheme. During the year Company has paid Rs. 56.02 Lakhs towards the outstanding liability of for EPCG. The balance as at March 31, 2023 includes cumulative interest of Rs 482.64 lakhs comprising of interest upto March 31, 2023. The balance as at March 31, 2022 includes cumulative interest of Rs 506.76 lakhs comprising of interest upto March 31, 2022.

The Company had imported a plant & machinery under the EPCG Scheme without payment of custom duty and was required to achieve a quantum of specified export obligations computed as per the requirements of the Scheme. Due to non-fulfilment of related export obligations, the liability for payment of custom duty is crystallized and is disclosed under statutory liabilities payable.

Note 20a : Contract liabilities

|  | As at           |                 |
|--|-----------------|-----------------|
|  | March 31, 2023  | March 31, 2022  |
| Contract liabilities<br>(Refer Note below) | 3,000.00        | 2,610.00        |
| <b>Total Contract Liabilities</b>          | <b>3,000.00</b> | <b>2,610.00</b> |

Note:

The balance of contract liabilities represents trade advance received from following customers and is required to be adjusted against supply of goods within a period of one year:

a) Trade advance of Rs 3000.00 lakhs (PY: Rs 2610.00 lakhs) received from Bajaj Electricals Limited at an interest rate of @ 8.75%, 9.15%, 9.95%, 9.80%, 10.05% & 11.00% per annum (PY: 8.75% per annum).



Nirlep Appliances Private Limited  
Notes to Ind AS financial statement for the year ended March 31, 2023

Note 21 : Revenue from operations

(Rs in Lakhs)

|   | Year ended      |                 |
|---|-----------------|-----------------|
|   | March 31, 2023  | March 31, 2022  |
| Revenue from contract with customers (Sale of products )* | 6,977.09        | 6,821.56        |
| Other operating revenue **                                | 105.82          | 108.25          |
| <b>Total Revenue from operations</b>                      | <b>7,082.91</b> | <b>6,929.81</b> |

Note 21.1 Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

| Particulars                                       | Year ended      |                 |
|---|-----------------|-----------------|
|   | March 31, 2023  | March 31, 2022  |
| <b>Revenue from Operations</b>                    |                 |                 |
| Within India                                      | 5,957.43        | 4,517.58        |
| Outside India                                     | 1,019.66        | 2,303.98        |
| <b>Total Revenue from contract with customers</b> | <b>6,977.09</b> | <b>6,821.56</b> |

Timing of Revenue recognition

| Particulars                                       | Year ended      |                 |
|---|-----------------|-----------------|
|   | March 31, 2023  | March 31, 2022  |
| Goods transferred at a point in time              | 6,977.09        | 6,821.56        |
| <b>Total Revenue from contract with customers</b> | <b>6,977.09</b> | <b>6,821.56</b> |

Note 21.2 Contract balances

| Particulars       | As at          |                |
|-------------------|----------------|----------------|
|                   | March 31, 2023 | March 31, 2022 |
| Trade Receivables | 464.87         | 655.64         |
| <b>Total</b>      | <b>464.87</b>  | <b>655.64</b>  |

Trade Receivables are non interest bearing and are generally on term of 30 to 45 days. (Refer note 4 for details)

| Particulars          | As at           |                 |
|----------------------|-----------------|-----------------|
|                      | March 31, 2023  | March 31, 2022  |
| Contract Liabilities | 3,000.00        | 2,610.00        |
| <b>Total</b>         | <b>3,000.00</b> | <b>2,610.00</b> |

The balance represents trade advances received from customers to be adjusted against supply of goods within a period of one year (Refer Note 20a for details).

Note 21.3 : There are no reconciling items for the amount of revenue recognised in the statement of Profit and Loss as compared with the contracted price.

Note 21.4 : Performance obligations

The performance obligation is satisfied upon delivery of consumer products to the Customer.

Note 21.5 : Implementation of Goods & Service Tax

\* The Company collects GST on behalf of the Government. Hence, GST is not included in revenue from operations.

Note 21.6 : Other operating revenue : The balance includes

\*\* Royalty income from parent company of Rs. 40.86 lakhs (PY: Rs. 37.08 lakhs)

\*\* Export incentive of Rs. 13.44 lakhs (PY: Rs. 28.08 lakhs)

\*\* Sales tax refund of Rs. NIL (PY : Rs. 21.60 lakhs)

Note 22 : Other income

|   | Year ended     |                |
|---|----------------|----------------|
|   | March 31, 2023 | March 31, 2022 |
| Interest income on bank deposits and others | 2.49           | 2.74           |
| Others*                                     | 7.09           | 184.12         |
| <b>Total other income</b>                   | <b>9.58</b>    | <b>186.86</b>  |

\* Balance includes Sundry Credit balance appropriated during the year Rs. 1.60 Lakhs (PY: Rs 146.63 Lakhs)

\* Balances includes excess provision written back of Rs. 5.49 Lakhs (PY : Rs. 37.49 Lakhs)

Note 23 : Cost of raw materials and services consumed

|  | Year ended      |                 |
|--|-----------------|-----------------|
|  | March 31, 2023  | March 31, 2022  |
| Raw materials at the beginning of the year (Refer note 8)  | 2,010.63        | 1,289.19        |
| Add : Purchases during the year                            | 5,675.23        | 6,244.55        |
| Less : Raw materials at the end of the year (Refer note 8) | 2,031.67        | 2,010.63        |
| <b>Total cost of raw materials and services consumed</b>   | <b>5,654.19</b> | <b>5,523.11</b> |





Nirlep Appliances Private Limited  
Notes to Ind AS financial statement for the year ended March 31, 2023

Note 24 : Changes in inventories of work-in-progress, finished goods, traded goods

(Rs in Lakhs)

|  | Year ended     |                |
|--|----------------|----------------|
|  | March 31, 2023 | March 31, 2022 |
| <b>Opening balance</b>   |                |                |
| Work in progress   | 151.57         | 135.67         |
| Finished Goods   | 252.43         | 202.32         |
| Traded goods   | 0.11           | 0.13           |
| <b>Total opening balance</b>   | <b>404.11</b>  | <b>338.12</b>  |
| <b>Closing balance</b>   |                |                |
| Work in progress   | 310.16         | 151.57         |
| Finished Goods   | 175.51         | 252.43         |
| Traded goods   | 0.39           | 0.11           |
| <b>Total Closing balance</b>   | <b>486.06</b>  | <b>404.11</b>  |
| <b>Total Changes in inventories of work in progress, finished goods and traded goods</b> | <b>(81.95)</b> | <b>(65.99)</b> |

Note 25 : Employee benefit expenses

|   | Year ended     |                |
|---|----------------|----------------|
|   | March 31, 2023 | March 31, 2022 |
| Salaries, wages and bonus                 | 621.30         | 516.70         |
| Contribution to provident and other funds | 44.72          | 42.20          |
| Gratuity (refer note 31)                  | 20.05          | 19.79          |
| Staff welfare expenses                    | 34.22          | 15.92          |
| <b>Total Employee benefit expenses</b>    | <b>720.29</b>  | <b>594.61</b>  |

Note 26 : Depreciation and amortisation expense

|  | Year ended     |                |
|--|----------------|----------------|
|  | March 31, 2023 | March 31, 2022 |
| Depreciation of Tangible assets (Refer note 2)     | 212.46         | 200.08         |
| Amortisation of Intangible assets (Refer note 2)   | -              | 0.63           |
| <b>Total Depreciation and amortisation expense</b> | <b>212.46</b>  | <b>200.71</b>  |



Nirlep Appliances Private Limited  
Notes to Ind AS financial statement for the year ended March 31, 2023

(Rs. In Lakhs)

Note 27 : Other expenses

|  | Year ended     |                |
|--|----------------|----------------|
|  | March 31, 2023 | March 31, 2022 |
| Consumption of stores & spares                               | 205.97         | 209.28         |
| Power and fuel   | 229.20         | 314.05         |
| Rent   | 5.90           | 9.30           |
| Repairs and maintenance                                      |                |                |
| Plant and machinery  | 54.06          | 79.42          |
| Others   | 2.79           | 3.84           |
| Telephone and communication charges                          | 2.95           | 2.56           |
| Rates and taxes  | 5.13           | 2.62           |
| Legal and Professional Fees                                  | 53.25          | 48.61          |
| Travel and conveyance  | 19.33          | 17.14          |
| Insurance  | 6.87           | 14.48          |
| Printing and stationery                                      | 0.78           | 2.50           |
| Directors fees & travelling expenses                         | -              | 0.63           |
| Advertisement & publicity                                    | 1.39           | 2.41           |
| Freight & forwarding   | 2.57           | 9.78           |
| Impairment allowance for doubtful debts and advances         | -              | (501.05)       |
| Bad debts and other irrecoverable debit balances written off | -              | 498.19         |
| Payments to auditors (refer note 29 below)                   | 13.00          | 12.00          |
| Consultation charges   | 0.10           | 0.39           |
| Sales tax expenses   | 1.77           | 4.90           |
| Security service charges                                     | 61.07          | 49.18          |
| Miscellaneous expenses                                       | 95.02          | 83.76          |
| <b>Total Other expenses</b>                                  | <b>761.15</b>  | <b>863.99</b>  |

Note 28 : Finance cost

|  | Year ended     |                |
|--|----------------|----------------|
|  | March 31, 2023 | March 31, 2022 |
| Interest expense on borrowings *                         | 816.53         | 652.53         |
| Interest expense on custom duty and interest to supplier | 2.62           | 29.52          |
| Other borrowing costs                                    | 6.19           | 19.94          |
| <b>Total finance cost</b>                                | <b>825.34</b>  | <b>701.99</b>  |

\* Interest on borrowings includes interest of Rs 756.63 lakhs (PY: Rs. 594.79 lakhs) towards long term loans and advances taken from the parent company.

Note 29. Auditor's Remuneration

|  | Year ended     |                |
|--|----------------|----------------|
|  | March 31, 2023 | March 31, 2022 |
| As Statutory Auditors :                  |                |                |
| Statutory audit including tax audit fees | 13.00          | 12.00          |
| <b>Total auditors remuneration</b>       | <b>13.00</b>   | <b>12.00</b>   |

Note 30. Earnings per share based on loss for the year:

| Particulars  | Year ended     |                |
|--|----------------|----------------|
|  | March 31, 2023 | March 31, 2022 |
| Loss for the year (A) (Rs. in lakhs)                         | (1,000.10)     | (706.55)       |
| Weighted average number of equity shares for basic EPS ( B ) | 7,43,555       | 7,43,555       |
| <b>Earnings Per Share in Rs. :-</b>                          |                |                |
| (a) Basic & Diluted (A/B)                                    | (134.50)       | (95.02)        |
| Face value per equity share                                  | 100.00         | 100.00         |



**Note 31. Employee Benefits**

(Rs in Lakhs)

**a) Defined Contribution**

The eligible employees of the Company are entitled to receive benefits under provident fund schemes which are in substance, defined contribution plans, in which both covered employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). The contributions are paid for provident and pension funds. The Company's contributions during the year to Provident Funds are recognised in the Statement of Profit and Loss.

The total expense recognised in the statement of profit and loss for current year is Rs 39.45 lakhs (PY: Rs 35.81 lakhs) represents contributions payable to this plan.

**b) Defined Benefit**

The Company has a gratuity plan that is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age.

The Company's liabilities towards gratuity schemes are determined using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Actuarial gains and losses based on valuation done by the independent actuary are carried out annually and recognised in other comprehensive income. Obligation is measured at the present value of the estimated future cash flows using a discounted rate that is determined by reference to market yields of Government bonds at the Balance Sheet date where the currency and terms of the Government bonds are consistent with the currency and estimated terms of the defined benefit obligation. The Gratuity plan of the Company is unfunded.

**i) Changes in the Present Value of Obligation are as given below :**

| Particulars  | As at          |                |
|--|----------------|----------------|
|  | March 31, 2023 | March 31, 2022 |
| <b>Present Value of defined benefit obligation as at the beginning</b> | <b>123.23</b>  | <b>156.70</b>  |
| Current Service Cost   | 11.18          | 9.22           |
| Interest Cost  | 8.87           | 10.57          |
| Re-measurement (or Actuarial) (gain) / loss arising from:              |                |                |
| - change in demographic assumptions                                    | -              | -              |
| - change in financial assumptions                                      | (2.84)         | (4.64)         |
| - experience adjustments (i.e. Actual experience vs assumptions)       | 7.24           | 23.72          |
| Benefits Paid  | -              | (72.34)        |
| <b>Present Value of defined benefit obligation as at the end</b>       | <b>147.68</b>  | <b>123.23</b>  |

**ii) Amount recognised in balance sheet is as given below:**

| Particulars                                       | As at           |                 |
|---|-----------------|-----------------|
|   | March 31, 2023  | March 31, 2022  |
| Present Value of defined benefit obligation       | 147.68          | 123.23          |
| Fair Value of Plan Assets                         | -               | -               |
| <b>Net Actuarially Valued Asset / (Liability)</b> | <b>(147.68)</b> | <b>(123.23)</b> |
| - Current   | 39.26           | 3.16            |
| - Non Current                                     | 108.42          | 120.07          |

**iii) Amount recognised in the Statement of Profit and Loss is as given below:**

| Particulars   | For the year ended |                |
|---|--------------------|----------------|
|   | March 31, 2023     | March 31, 2022 |
| Current Service Cost  | 11.18              | 9.22           |
| Interest Cost   | 8.87               | 10.57          |
| <b>Expense recognised in the Statement of Profit and Loss (Refer note 25)</b> | <b>20.05</b>       | <b>19.79</b>   |

**iv) Amount recognised in other comprehensive is as given below:**

| Particulars  | For the year ended |                |
|--|--------------------|----------------|
|  | March 31, 2023     | March 31, 2022 |
| <b>Re-measurement (gain) / loss arising from:</b>                  |                    |                |
| Change in demographic assumptions                                  | -                  | -              |
| Change in financial assumptions                                    | (2.84)             | (4.64)         |
| Experience variance (i.e. Actual experience vs assumptions)        | 7.24               | 23.72          |
| <b>(Income) / Expense recognised in Other Comprehensive Income</b> | <b>4.40</b>        | <b>19.08</b>   |



(Rs in Lakhs)

v The significant actuarial assumptions are as follows:

**Financial Assumptions**

| Particulars                    | As at          |                |
|--------------------------------|----------------|----------------|
|                                | March 31, 2023 | March 31, 2022 |
| Discount rate (per annum)      | 7.45%          | 7.20%          |
| Salary growth rate (per annum) | 5.00%          | 5.00%          |

**Demographic Assumptions**

| Particulars  | As at          |                |
|--|----------------|----------------|
|  | March 31, 2023 | March 31, 2022 |
| Mortality Rate (100% of Indian Assured Lives Mortality (IALM)) | IALM (2012-14) | IALM (2012-14) |
| Normal Retirement Age  | 58 Years       | 58 Years       |
| Attrition/ Withdrawal rates (per Annum)                        | 1.60%          | 1.60%          |

vi The expected maturity analysis of defined benefit obligation is as follows:

| Particulars   | As at          |                |
|---|----------------|----------------|
|   | March 31, 2023 | March 31, 2022 |
| Weighted average duration (based on discounted cashflows) | 8 Years        | 8 Years        |

**Expected cash flows over the next (valued on undiscounted basis):**

| Particulars                   | As at          |                |
|-------------------------------|----------------|----------------|
|                               | March 31, 2023 | March 31, 2022 |
| 1 year                        | 39.26          | 3.16           |
| More than 1 and upto 2 years  | 4.26           | 37.98          |
| More than 2 and upto 5 years  | 33.15          | 27.82          |
| More than 5 and upto 10 years | 57.92          | 46.72          |
| More than 10 Years            | 168.29         | 142.75         |

vii Sensitivity Analysis

| Particulars                                      | As at          |                |
|--|----------------|----------------|
|  | March 31, 2023 | March 31, 2022 |
| Delta effect of +1% change in Discount Rate      | 137.27         | 113.87         |
| Delta effect of -1% change in Discount Rate      | 159.67         | 134.16         |
| Delta effect of +1% change in Salary Growth Rate | 159.85         | 134.16         |
| Delta effect of -1% change in Salary Growth Rate | 136.94         | 113.60         |
| Delta effect of +50% change in attrition Rate    | 149.19         | 124.66         |
| Delta effect of -50% change in attrition Rate    | 146.02         | 121.87         |
| Delta effect of +10% change in Mortality Rate    | 147.74         | 123.28         |
| Delta effect of -10% change in Mortality Rate    | 147.61         | 123.17         |

The sensitivity analysis is determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.



Nirlep Appliances Private Limited  
Notes to Ind AS financial statement for the year ended March 31, 2023

Note 32. Commitments and contingencies

(Rs in Lakhs)

Commitments

| Particulars  | As at          |                |
|--|----------------|----------------|
|  | March 31, 2023 | March 31, 2022 |
| Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for | -              | 27.46          |

Contingent liabilities

| Particulars                                      | As at          |                |
|--|----------------|----------------|
|  | March 31, 2023 | March 31, 2022 |
| <b>Contingent Liabilities not provided for :</b> |                |                |
| Sales tax matters under dispute                  | -              | -              |

Note 33 : Fair value measurements

(i) Financial instruments by category

The carrying amounts of financial instruments by class are as follows:

| Particulars   | As at           |                 |
|---|-----------------|-----------------|
|   | March 31, 2023  | March 31, 2022  |
| <b>A. Financial assets</b>                          |                 |                 |
| <b>I. Measured at amortized cost</b>                |                 |                 |
| Trade Receivables                                   | 464.87          | 655.64          |
| Cash and Cash Equivalents                           | 88.53           | 1.99            |
| Bank Balances other than above                      | -               | 19.62           |
| Other Financial Assets (current & non current)      | 47.69           | 48.35           |
|   | <b>601.09</b>   | <b>725.60</b>   |
| <b>B. Financial liabilities</b>                     |                 |                 |
| <b>I. Measured at amortized cost</b>                |                 |                 |
| Borrowings (current & non current)                  | 6,323.00        | 5,676.10        |
| Trade Payables                                      | 1,426.28        | 1,463.19        |
| Other Current and Non Current Financial Liabilities | 133.18          | 179.18          |
|   | <b>7,882.46</b> | <b>7,318.48</b> |

ii) Set out below, is a fair value measurement hierarchy and comparison by class of carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts which are reasonable approximations of their fair values:

All other current financial assets and current financial liabilities have fair values that approximate to their carrying amounts due to their short term nature. Further all other non-current financial assets and non-current financial liabilities have fair values that approximates to their carrying amounts as it is based on the net present value of the anticipated future cash flows.



**Nirlep Appliances Private Limited**  
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**Note 34: Capital Management**

**(Rs in Lakhs)**

For capital management, capital includes issued equity share capital, securities premium and all other equity reserves attributable to the equity shareholders.

The Company aims to manage its capital efficiently to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. Management considers the amount of capital in proportion to risk and manages the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

The Company monitors its capital on the basis of the gearing ratio computed by dividing the total debt to its total equity. The total debt includes current and non current borrowings of the company. The total equity is considered as disclosed in balance sheet excluding capital reserve.

| Particulars                       | As at          |                |
|-----------------------------------|----------------|----------------|
|                                   | March 31, 2023 | March 31, 2022 |
| Total Debt                        | 6,323.00       | 5,676.10       |
| Total Equity                      | (4,436.11)     | (3,432.72)     |
| <b>Total Debt to Equity ratio</b> | <b>(1.43)</b>  | <b>(1.65)</b>  |

| Particulars           | As at             |                   |
|-----------------------|-------------------|-------------------|
|                       | March 31, 2023    | March 31, 2022    |
| Total Equity          | (4,411.86)        | (3,408.47)        |
| Less: Capital Reserve | 24.25             | 24.25             |
| <b>Total</b>          | <b>(4,436.11)</b> | <b>(3,432.72)</b> |

At the reporting date as well as at the end of the comparative period, the Company has negative equity. However, the Company has received commitment from parent Company (Bajaj Electricals Limited) to continue providing funds so that the Company is able to meet its business obligations. Also, its debts includes Rs 6323 lakhs (PY: Rs. 4767 lakhs ) payable to Bajaj Electricals Limited. Considering the parent Company commitment to continue providing support, these obligations are not likely to be called in near future and will facilitate the capital management of the Company.



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**Note 35 : Financial Risk Management**

(Rs in Lakhs)

The Company's principal financial liabilities comprise of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support the entity's operations. The Company's principal financial assets include trade receivables, other assets and cash and cash equivalents that derive directly from its operations. The Company lays down appropriate policies and procedures to ensure that financial risks are identified, measured and managed in accordance with the entity's policies and risk objectives.

The Company is exposed to credit risk and liquidity risk which are explained in detail below:

**(A) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations. Credit risk encompasses the direct risk of default, the risk of deterioration of creditworthiness as well as concentration risks. The Company is exposed to credit risk from its operating activities mainly in relation to trade receivables.

**Trade and other receivables**

Trade and other receivables of the Company are typically unsecured and credit risk is managed through credit approvals and periodical monitoring of the creditworthiness of customers to which the Company grants credit terms. The Company primarily sells the products to the parent company and large institutional clients including e-commerce clients.

**Cash and cash equivalents**

The company maintains its cash and bank balances with credit worthy banks and reviews it on an on-going basis. Moreover, the interest-bearing deposits are with banks of reputation, good past track record and high-quality credit rating. Hence, the credit risk is assessed to be low.

**(B) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligation as they fall due. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or encounters difficulty in raising funds to meet commitments associated with financial liabilities as they fall due.

The management of the Company is responsible for maintaining adequate liquidity in the system to fund business growth, capital expenditures, as also ensure the repayment of financial liabilities. The Company on the basis of its business plans ascertains long term funds and short-term funds. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The Company manages liquidity risk by maintaining sufficient cash and bank balance and availability of funding through adequate amount of committed credit facilities. The limits sanctioned and utilised are then monitored monthly to ensure that mismatches in cash flows are taken care of, all operational and financial commitments are honoured on time. Bank cash credit facilities are sanctioned for a period of one year which are then enhanced / renewed from time to time. Though the Bank cash credits are repayable on demand as per the terms of sanction, these are usually renewed by all banks in normal circumstances. Hence Bank cash credit facilities are available for use throughout the year. The Company also receives a line of credit from its related parties. Also, Bajaj Electricals Limited (parent company) has agreed to provide necessary financial support so that the Company is able to meet its obligations on time.

**(i) Maturities of financial liabilities**

(Rs in Lakhs)

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

**As at March 31, 2023**

| Particulars   | Carrying value  | upto 1 year     | 1-2 years       | 2 -5 years      | >5 years     | Total           |
|---|-----------------|-----------------|-----------------|-----------------|--------------|-----------------|
| Borrowings (current & non current)                  | 6,323.00        | 2,862.50        | 1,000.00        | 2,460.50        | -            | 6,323.00        |
| Trade payables                                      | 1,426.28        | 1,426.28        | -               | -               | -            | 1,426.28        |
| Other current and non current financial liabilities | 133.18          | 122.35          | -               | -               | 10.83        | 133.18          |
| <b>Total</b>  | <b>7,882.46</b> | <b>4,411.13</b> | <b>1,000.00</b> | <b>2,460.50</b> | <b>10.83</b> | <b>7,882.46</b> |

**As at March 31, 2022**

| Particulars   | Carrying value  | upto 1 year     | 1-2 years       | 2 -5 years      | >5 years     | Total           |
|---|-----------------|-----------------|-----------------|-----------------|--------------|-----------------|
| Borrowings (current & non current)                  | 5,676.10        | 1,909.10        | 1,000.00        | 2,767.00        | -            | 5,676.10        |
| Trade payables                                      | 1,463.19        | 1,463.19        | -               | -               | -            | 1,463.19        |
| Other current and non current financial liabilities | 179.18          | 161.07          | -               | -               | 18.12        | 179.18          |
| <b>Total</b>  | <b>7,318.48</b> | <b>3,533.36</b> | <b>1,000.00</b> | <b>2,767.00</b> | <b>18.12</b> | <b>7,318.48</b> |



**Nirlep Appliances Private Limited**  
**Notes to Ind AS financial statement for the year ended March 31, 2023**

**Note 36. Segment Reporting**

The Company deals in non-stick cookware, including products like, snack makers, enamelware, gas tops, hard anodised cookware, induction cook tops, pressure cookers, etc. These products collectively are a part of a single segment, "Consumer Products". The company executes sales of its products in domestic as well as international market. The manufacturing & administrative activity is carried from a single location only. Accordingly, all segment assets, segment liabilities are located in India only.

| Particulars                     | (Rs in Lakhs)   |                 |
|---------------------------------|-----------------|-----------------|
|                                 | Year ended      |                 |
|                                 | March 31, 2023  | March 31, 2022  |
| <b>Revenue from Operations*</b> |                 |                 |
| Within India                    | 5,957.43        | 4,517.58        |
| Outside India                   | 1,019.66        | 2,303.98        |
| <b>Total</b>                    | <b>6,977.09</b> | <b>6,821.56</b> |

(\*excluding other operating income)

**Customers with Sales above 10% (Net of Taxes & discount)**

| Particulars                 | Year ended      |                 |
|-----------------------------|-----------------|-----------------|
|                             | March 31, 2023  | March 31, 2022  |
| Bajaj Electricals Limited   | 5,861.17        | 4,400.01        |
| IKEA Supply AG & IKEA India | 1,099.36        | 2,416.83        |
| Others                      | 16.56           | 4.72            |
| <b>Total</b>                | <b>6,977.09</b> | <b>6,821.56</b> |





Note 37: Related Party Disclosures

(Rs in Lakhs)

I. Transaction with Related Parties which are in Ordinary course of Business and on Arm's Length Basis

| Name of Related Party and Nature of relationship   | Nature of Transaction                    | For the year ended, March 31, 2023 | For the year ended, March 31, 2022 |
|--|--|------------------------------------|------------------------------------|
| <b>(A) Parent Entity</b>   |  |                                    |                                    |
| Bajaj Electricals Limited (BEL)  | Sale of goods                            | 5,861.17                           | 4,400.01                           |
|  | Sale of raw material                     | -                                  | 7.90                               |
|  | Royalty Income                           | 40.86                              | 37.08                              |
|  | Interest Paid on Trade advance & Loan    | 756.63                             | 594.79                             |
|  | Purchase of RM                           | 1,916.34                           | -                                  |
|  | Purchase of Property plant and equipment | -                                  | 42.86                              |
|  | Trade advance received                   | 378.91                             | 5,810.00                           |
| Loan taken   | 1,806.50                                 | 867.00                             |                                    |
| <b>(B) Key Management Personnel</b>  |  |                                    |                                    |
| Mr. Mukund Nilkanth Bhogale  | Directors remunerations                  | -                                  | 75.93                              |
|  | Reimbursement of Expenses                | -                                  | 0.22                               |
| Mr Prasad Passam   | Directors sitting fees                   | -                                  | 0.03                               |
| Mr. Samir Shrimankar   | Directors sitting fees                   | -                                  | 0.13                               |
| Mr Amit Bhalla   | Directors sitting fees                   | -                                  | 0.13                               |
| Mr sanjay Murarka  | Directors sitting fees                   | -                                  | 0.13                               |
| Mr Rakesh Sorout   | Directors sitting fees                   | -                                  | 0.05                               |
| Mr. Chandrahas Charekar  | Directors sitting fees                   | -                                  | 0.08                               |
| <b>(C) Transactions with the Entities / person which are controlled or jointly controlled by a person identified in para 9 (a) of Ind AS</b> |  |                                    |                                    |
| <b>24 - Related Party Disclosures</b>  |  |                                    |                                    |
| Marathwada Auto Cluster  | Jobwork charges                          | -                                  | 0.11                               |
| Bhogale Coatings & Paints Pvt Ltd  | Materials purchases                      | 90.17                              | 129.39                             |
| Umasons Equipment and accessories  | Interest on MSEB deposit                 | -                                  | 0.72                               |

II. Amount due to Related Parties

| Name of Related Party and Nature of relationship   | Outstanding Balances     | March 31, 2023 | March 31, 2022 |
|--|--------------------------|----------------|----------------|
| <b>(A) Parent Entity</b>   |                          |                |                |
| Bajaj Electricals Limited (BEL)  | Trade Receivables        | 449.57         | 413.87         |
|  | Interest Payable         | -              | (66.75)        |
|  | Trade Payables           | (976.05)       | -              |
|  | Capital Creditors        | -              | (42.86)        |
|  | Contract liabilities     | (3,000.00)     | (2,610.00)     |
| Borrowings   | (6,323.00)               | (4,767.00)     |                |
| <b>(B) Transactions with the Entities / person which are controlled or jointly controlled by a person identified in para 9 (a) of Ind AS</b> |                          |                |                |
| <b>24 - Related Party Disclosures</b>  |                          |                |                |
| Bhogale Coatings & Paints Pvt Ltd  | Trade Payables           | (7.58)         | (28.64)        |
| Bhogale Automotive Pvt Ltd.  | Trade Payables           | (2.59)         | (8.51)         |
| Umasons Equipment and accessories  | Interest on MSEB deposit | 3.68           | 3.68           |

Notes

1) The bank facilities obtained by the Company from Bank of Maharashtra are secured by way of Corporate Guarantee of Rs 2000 lakhs (PY Rs 1900 lakhs) given by Bajaj Electricals Limited.



Note 38: Ratios

| Sr.No | Particulars                      | March 31, 2023 | March 31, 2022 | Change | Reason for variance in case % change is greater than 25%                              |
|-------|----------------------------------|----------------|----------------|--------|---|
| 1     | Current ratio                    | 0.5            | 0.6            | -15.6% | m   |
| 2     | Debt equity ratio                | (1.4)          | (1.7)          | -13.8% | m   |
| 3     | Debt service coverage ratio      | 0.0            | 0.2            | -94.5% | Change due to increase in finance cost on account of additional debt taken during the |
| 4     | Return on equity ratio           | -134.9%        | -96.9%         | 39.2%  | Change in ratio due to increase in losses in current year                             |
| 5     | Inventory turnover ratio         | 2.3            | 2.7            | -16.3% | m   |
| 6     | Trade receivables turnover ratio | 12.6           | 16.1           | -21.3% |   |
| 7     | Trade payables turnover ratio    | 4.9            | 4.3            | 13.3%  | m   |
| 8     | Net capital turnover ratio       | (1.9)          | (2.7)          | -31.5% | Change due to losses in current year  |
| 9     | Net profit ratio                 | -14.2%         | -10.4%         | 36.2%  | Change due to losses in current year  |
| 10    | Return on capital employed       | -9.3%          | -0.9%          | 935.2% | Change due to losses in current year  |
| 11    | Return on investment             | NA             | NA             | NA     |   |

| Sl No | Ratio                            | Particulars  | Side                     | March 31, 2023  | March 31, 2022  | Explanation of Ratio Calculation  |
|-------|----------------------------------|--|--------------------------|---|---|---|
| 1     | Current ratio                    | Current Assets<br>Current Liabilities<br>Working capital   | Numerator<br>Denominator | 4,185.08<br>7,957.04<br>(3,771.97)  | 4,179.33<br>6,706.47<br>(2,527.14)  | Current ratio: Total current assets / Total current liabilities   |
| 2     | Debt equity ratio                | Long term borrowings<br>Short term borrowings<br>Total Debt<br>Shareholder's equity<br>(Equity share capital + Retained earnings)  | Numerator<br>Denominator | 3,460.50<br>2,862.50<br>6,323.00<br>(4,436.11)  | 3,767.00<br>1,909.10<br>5,676.10<br>(3,432.72)  | Debt Equity Ratio : Total borrowings (including current maturities of long term borrowings) / Total equity. Total borrowings exclude lease liabilities disclosed separately.  |
| 3     | Debt service coverage ratio      | Net profit after tax (excluding exceptional items)<br>Depreciation and amortization expense<br>Finance cost<br>Gain on sale of property<br>Impairment of inventories<br>Profit Considered<br>Finance cost<br>lease payments<br>Current maturities of long term rupee loans<br>Total Principal Paid | Numerator<br>Denominator | (1,003.39)<br>212.46<br>825.34<br>-<br>-<br>34.41<br>825.34<br>-<br>1,909.10<br>2,734.45                            | (720.83)<br>200.71<br>701.99<br>-<br>-<br>181.87<br>701.99<br>-<br>97.50<br>799.49  | Debt Service Coverage Ratio : (Net Profit / (Loss) for the period + Exceptional Items + Finance Costs + Depreciation and amortisation expense - Lease Instalments) / (Finance Costs - Interest on lease liability + Long term borrowings scheduled principal repayments during the period). |
| 4     | Return on equity ratio           | Profit / (loss) for the year<br>Opening Total equity<br>Closing Total equity<br>Average total equity   | Numerator<br>Denominator | (1,003.39)<br>743.56<br>743.56<br>743.56  | (720.83)<br>743.56<br>743.56<br>743.56  | Return on equity ratio : Profit / (loss) for the year / Average total equity  |
| 5     | Inventory turnover ratio         | Cost of Goods Sold<br>Cost of raw materials consumed<br>Purchases of traded goods<br>Changes in inventories of work-in-progress, finished goods, traded goods<br>Cost of goods sold<br>Opening Inventory<br>Closing Inventory<br>Average Inventory   | Numerator<br>Denominator | 5,654<br>-<br>(82)<br>5,572<br>2,414.74<br>2,517.73<br>2,466.23   | 5,523<br>-<br>(66)<br>5,457<br>1,627.31<br>2,414.74<br>2,021.03   | Inventory turnover ratio : (Cost of raw materials consumed + Purchases of traded goods + Changes in inventories of work-in-progress, finished goods, traded goods + Erection & subcontracting expenses) / Average inventory   |
| 6     | Trade receivables turnover ratio | Revenue from operations<br>Trade Receivables Opening<br>Trade Receivables Closing<br>Average Receivables   | Numerator<br>Denominator | 7,082.91<br>655.64<br>464.87<br>560.26  | 6,929.81<br>207.24<br>655.64<br>431.44  | Trade receivables turnover ratio : Revenue from operations / Average receivables  |
| 7     | Trade payables turnover ratio    | Revenue from operations<br>Opening trade payables<br>Closing trade payables<br>Average Payables  | Numerator<br>Denominator | 7,082.91<br>1,463.19<br>1,426.28<br>1,444.74  | 6,929.81<br>1,741.22<br>1,463.19<br>1,602.20  | Trade payables turnover ratio : Revenue from operations / Average payables  |
| 8     | Net capital turnover ratio       | Revenue from operations<br>Net capital   | Numerator<br>Denominator | 7,082.91<br>(3,771.97)  | 6,929.81<br>(2,527.14)  | Net capital turnover ratio : Revenue from operations / Net capital (current assets - current liabilities)   |
| 9     | Net profit ratio                 | Profit / (loss) for the year<br>Revenue from operations  | Numerator<br>Denominator | (1,003.39)<br>7,082.91  | (720.83)<br>6,929.81  | Profit / (loss) for the year / Revenue from operations  |
| 10    | Return on capital employed       | Profit before tax<br>Finance cost<br>EBIT<br>Net worth<br>Total debt<br>Deferred tax liability<br>Total Capital Employed<br>Closing capital employed<br>Net worth<br>Total borrowings<br>Total CE<br>Average capital employed  | Numerator<br>Denominator | (1,003.39)<br>825.34<br>(178.05)<br>(4,411.86)<br>6,323.00<br>-<br>1,911.14<br>-<br>13.00<br>-<br>13.00<br>2,089.39 | (720.83)<br>701.99<br>(18.84)<br>(3,408.47)<br>5,676.10<br>-<br>2,267.63<br>-<br>(2,688.27)<br>4,589.73<br>1,901.46<br>2,084.54 | Return on capital employed : (Finance cost + Exceptional items + Profit before tax) / (Average capital employed)  |
| 11    | Return on investment             |  |                          | NA  | NA  | NA  |



**Nirlep Appliances Private Limited**  
**Notes to Ind AS financial statement for the year ended March 31, 2023**

**Note 39: Other statutory information**

- a) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- b) The Company does not have any transactions with companies struck off.
- c) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- d) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- e) The provisions of section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility are not applicable to the Company.
- f) Particulars Numerator Denominator Unit % change Reason for variance in case % change is greater than 25%
- g) The Company have not advanced or loaned or invested funds to any other person or entities, 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
- h) The Company have not received any fund from any person or entities, 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 company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- i) The Company does not have 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).

**Note 40. Going Concern assumption**

The Company is experiencing a slowdown and is incurring losses from the last few years. At the reporting date, the Company has negative net worth amounting to Rs. 4,411.89 lakhs (PY Rs. 3,408.47 lakhs), it has incurred a total comprehensive loss of Rs. 1,003.39 lakhs (PY Rs 720.83) lakhs for the year ended March 31, 2023 and has a negative working capital as at March 31, 2022 of Rs. 3,772.00 lakhs (PY Rs. 2,527.14 lakhs). The loss incurred by the Company is primarily on account of its inability to recover the fixed costs due to declining production volumes. The above factors indicate a risk of going concern assumption followed by the Company. However, it may be noted that Bajaj Electricals Limited had acquired a controlling stake in the Company in August 2018. Since acquisition, the Company has restructured its business model which has enabled it to achieve significant reduction in operational costs. The Company in the current year has also expanded its production capabilities by capitalising a new plant for manufacturing of pressure cookers which has enabled it widen its product portfolio. The shareholders of the Company have also agreed to provide continuous financial and operational support to the Company to ensure that it continues to operate as a going concern in the foreseeable future and is able to meet its liabilities as and when they fall due for payment.

Considering the Company's new business model and confirmation from the parent company to provide continuous financial and operations support to the Company to avoid any liquidity issues, management believes that it will be able to meet its commitments/cashflow requirements.

**Note 41**

All amounts disclosed in the Ind AS Financial Statements and notes have been rounded off to the nearest lakh (upto two decimals) as per the requirement of Schedule III, unless otherwise stated.

As per our report of even date

**For S R B C & CO LLP**

Firm Registration No. 324982E/E300003  
Chartered Accountants



**per Anant Acharya**  
Partner  
Membership No.124790

Place : Mumbai  
Date : May 22, 2023



**For and on behalf of the Board of directors**

Nirlep Appliances Private Limited  
CIN : U27200MH1979PTC021470



**Sanjay Murarka**  
Director  
DIN: 02802918

Place : Mumbai  
Date : May 22, 2023



**Samir Shrimankar**  
Director  
DIN: 02729100

Place : Mumbai  
Date : May 22, 2023

