

Price Waterhouse Chartered Accountants LLP

Independent Auditors' Review Report on Statement of Unaudited Financial Results

To
The Board of Directors
Stove Kraft Limited,
81/1, Medamarana Halli Village,
Harohalli Hobli, Kanakapura Taluk,
Ramanagara District,
Karnataka-562 112.

1. We have reviewed the unaudited financial results of Stove Kraft Limited (the "Company") for the quarter ended September 30, 2021 and the year to date results for the period from April 1, 2021 to September 30, 2021 which are included in the accompanying 'Statement of Unaudited financial results for the quarter and half year ended September 30, 2021', 'Unaudited Statement of assets and liabilities as at September 30, 2021' and 'unaudited statement of cash flows for the half year ended on September 30, 2021' together with the notes thereon (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015"), which has been initialled by us for identification purposes.
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.



Price Waterhouse Chartered Accountants LLP, 5th Floor, Tower 'D', The Millenia, 1 & 2 Murphy Road, Ulsoor
Bangalore - 560 008
T: +91 (80) 4079 5000, F: +91 (80) 4079 5222

Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

Price Waterhouse Chartered Accountants LLP

5. We draw your attention to the following:

(a) The financial statements of the Company for the year ended March 31, 2021 was audited by another firm of Chartered Accountants, who issued an unmodified opinion vide their report dated May 25, 2021.

(b) The financial results of the Company for the quarter ended June 30, 2021 prepared in accordance with Companies (Indian Accounting Standards) Rules, 2015, were reviewed by another firm of chartered accountants who, vide their report dated July 29, 2021, expressed an unmodified conclusion on those financial results.

(c) We were neither engaged to review, nor have we reviewed the comparative figures for the quarter and half year ended September 30, 2020 and accordingly, we do not express any conclusion on the results in the Statement for the quarter and half year ended September 30, 2020. As set out in Note 5 to the Statement, these figures have been furnished by the Management.

Our conclusion is not modified in respect of these matters.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Mohan Danivas S A
Partner

Membership Number: 209136
UDIN: 21209136AAAADP6831

Place: Bengaluru
Date: November 02, 2021

Stove Kraft Limited UNAUDITED STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2021 81/1, Medamarana Halli Village Harohalli Hobli, Kanakapura Taluk, Ramanagar Dist, Karnataka 562112 STOVEKRAFT Website: www.stovekraft.com E-mail : cs@stovekraft.com CIN:L29301KA1999PLC025387 (Amount in Rupees Millions, unless otherwise stated)		
Particulars	As at September 30, 2021 (Unaudited)	As at March 31, 2021 (Audited)
Non-current assets		
Property, Plant And Equipment	2,641.51	2,176.91
Intangible Assets	29.37	31.66
Capital Work-In-Progress	117.09	190.97
Financial Assets		
Investments	0.05	-
Other Financial Assets	55.86	55.09
Income Tax Asset (Net)	22.92	3.57
Other Non-Current Assets	174.33	97.84
Total Non - Current Assets	3,041.13	2,556.04
Current Assets		
Inventories	2,094.41	1,546.00
Financial Assets		
Trade Receivables	1,350.24	868.92
Cash And Cash Equivalents	56.64	294.53
Bank Balances Other Than Cash And Cash Equivalents Above	74.70	56.34
Loans	5.15	5.20
Other Financial Assets	42.30	50.09
Other Current Assets	526.21	354.28
Total Current Assets	4,149.65	3,175.36
Total Assets	7,190.78	5,731.40
Equity and Liabilities		
Equity		
Equity Share Capital	325.91	325.90
Other Equity	3,050.56	2,700.92
Total Equity	3,376.47	3,026.82
Liabilities		
Non-Current Liabilities		
Financial Liabilities		
Borrowings	198.98	206.63
Suppliers Credit	110.54	-
Deferred Tax Liabilities (Net)	24.59	-
Provisions	76.41	71.76
Total Non - Current Liabilities	410.52	278.39
Current Liabilities		
Financial Liabilities		
Borrowings	335.09	318.76
Suppliers Credit	36.99	-
Trade Payables		
(i) Total Outstanding Dues Of Micro Enterprises And Small Enterprises	119.35	59.46
(ii) Total Outstanding Dues Of Creditors Other Than Micro Enterprises And Small Enterprises	2,597.27	1,706.75
Other Financial Liabilities	181.53	240.12
Provisions	29.29	21.55
Other Current Liabilities	104.27	79.55
Total Current Liabilities	3,403.79	2,426.19
Total Liabilities	3,814.31	2,704.58
Total Equity And Liabilities	7,190.78	5,731.40
See accompanying notes to these financial results		


Initialed for identification
purpose.



<div>Stove Kraft Limited</div> <div>Regd Office: 81/1, Medamarana Halli Village Harohalli Hobli, Kanakapura Taluk, Ramanagar Dist, Karnataka 562112. Website: www.stovekraft.com E-mail : cs@stovekraft.com CIN:L29301KA1999PLC025387</div> <div>STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2021</div> <div>(Amount in Rupees Millions, except for earnings per share, unless otherwise stated)</div>							
S. No.	Particulars	Quarter ended September 30, 2021 (Unaudited)	Quarter ended June 30, 2021 (Unaudited)	Quarter ended September 30, 2020 (Refer Note 5) (Unaudited)	Half year ended September 30, 2021 (Unaudited)	Half year ended September 30, 2020 (Refer Note 5) (Unaudited)	Year ended March 31, 2021 (Audited)
1	Income						
	(i) Revenue from operations	3,628.44	2,142.05	2,367.65	5,770.49	3,288.36	8,589.57
	(ii) Other income	1.35	4.36	4.90	5.71	5.79	14.53
	Total income (i+ii)	3,629.79	2,146.41	2,372.55	5,776.20	3,294.15	8,604.10
2	Expenses						
	(a) Cost of materials consumed	2,173.70	1,291.59	984.34	3,465.29	1,600.45	4,424.23
	(b) Purchase of stock in trade	323.81	184.93	505.25	508.74	614.78	1,251.90
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(36.72)	(68.75)	44.49	(105.47)	(70.05)	(93.72)
	(d) Employee benefits expense	302.56	238.42	202.55	540.98	312.50	806.17
	(e) Finance cost	38.85	29.58	54.45	68.43	100.95	188.29
	(f) Depreciation and amortization expense	47.87	41.18	33.87	89.05	68.01	142.35
	(g) Allowance for expected credit loss	24.85	23.46	28.08	48.31	28.08	40.39
	(h) Other expenses	434.21	270.72	250.74	704.93	354.42	1,032.65
	Total expenses (a to h)	3,309.13	2,011.13	2,103.77	5,320.26	3,009.14	7,792.26
3	Profit before tax (1-2)	320.66	135.28	268.78	455.94	285.01	811.84
4	Tax expense:						
	Current tax	66.82	-	-	66.82	-	-
	Deferred tax	24.59	-	-	24.59	-	-
	Net tax expense	91.41	-	-	91.41	-	-
5	Profit for the period/year (3-4)	229.25	135.28	268.78	364.53	285.01	811.84
6	Other Comprehensive Income						
	Items that will not be reclassified to profit or loss						
	Remeasurements of the defined benefit obligations	(2.33)	(1.84)	13.07	(4.17)	13.07	23.29
	Income tax impact relating to above	-	-	-	-	-	-
	Total other comprehensive income for the period/year	(2.33)	(1.84)	13.07	(4.17)	13.07	23.29
7	Total comprehensive income for the period/year	226.92	133.44	281.85	360.36	298.08	835.13
8	Paid-up Equity Share Capital (Face Value of Rs. 10 per Equity share)	3,325.91	3,325.91	2,471.17	3,325.91	2,471.17	3,325.90
9	Earnings per equity share (EPS)						
	Basic (in Rs.) (Face value of Rs. 10 each)*	7.03	4.15	10.87	11.19	11.53	26.61
	Diluted (in Rs.) (Face value of Rs. 10 each)*	6.93	4.09	10.87	11.02	11.53	26.25
See accompanying notes to these financial results *EPS as presented above is not annualized except for the year ended March 31, 2021.							



Initialed for Identification purpose

Stove Kraft Limited UNAUDITED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED ON SEPTEMBER 30, 2021 81/1, Medamarana Halli Village Harohalli Hobli, Kanakapura Taluk, Ramanagar Dist, Karnataka 562112. STOVEKRAFT Website: www.stovekraft.com E-mail : cs@stovekraft.com CIN:L29301KA1999PLC025387 (Amount in Rupees Millions, unless otherwise stated)		
Particulars	For the Half Year ended September 30, 2021	For the Year ended March 31, 2021
	(Unaudited)	(Audited)
Cashflow from operating activities		
Profit before tax	455.94	811.84
Adjustments for:		
Depreciation and amortisation expense	89.05	142.35
Allowance for expected credit loss	48.31	40.39
Liability no longer required written back	(1.42)	(1.84)
Interest Income	-	(4.77)
(Profit)/loss on fair valuation of derivative instruments	-	(0.66)
Loss on sale of property, plant and equipments	(0.65)	(0.51)
Share of Profit from investment in partnership firm	-	(2.82)
Impairment loss on investment in partnership firm	-	2.69
Finance cost	65.92	181.03
Unrealised exchange gain on foreign currency transactions and translation (net)	(4.71)	(0.93)
Employees share option compensation expense	8.04	12.63
Operating cash profit before changes in working capital	660.48	1,179.40
Movement in working capital		
(Increase) / decrease in inventories	(548.41)	(380.06)
(Increase) / decrease in trade receivables	(532.47)	121.66
(Increase) / decrease in other financial assets	5.37	(13.08)
(Increase) / decrease in other assets	(191.84)	(153.59)
Increase / (decrease) in other financial liabilities	(22.52)	19.95
Increase / (decrease) in trade payables	959.32	255.90
Increase / (decrease) in other current liabilities	24.72	31.20
Increase / (decrease) in provisions	8.22	37.02
Cash generated from operations	362.87	1098.40
Net income taxes (paid) / refund received	(86.17)	(1.46)
Net cash generated from operating activities (A)	276.70	1096.94
Cashflow from investing activities		
Payment on property, plant and equipments	(634.56)	(633.64)
Proceeds from sale of property, plant and equipments	37.72	2.91
Interest received	2.42	1.59
Drawings from partnership firm	-	9.42
Investment in margin money deposit with banks (net)	(18.36)	(35.16)
Net cash generated from/ (used in) investing activities (B)	(612.78)	(654.88)
Cash flows from financing activities		
Proceeds from long-term borrowings	-	247.10
Repayment of long-term borrowings	(7.65)	(332.60)
Proceeds from suppliers credit	147.53	-
Proceeds from issue of shares	0.28	918.34
Proceeds (repayment) from short-term borrowings (net)	17.66	(922.35)
Payment of lease liabilities	-	(2.49)
Interest Paid	(59.63)	(199.45)
Net cash generated from/ (used in) financing activities (C)	98.19	(291.45)
Net Increase / (decrease) in cash and cash equivalents (A+B+C)	(237.89)	150.61
Cash and cash equivalents at beginning of the year	294.53	143.92
Cash and cash equivalents at the end of the year	56.64	294.53
Reconciliation of cash and cash equivalents		
* Comprises:		
(a) Cash on hand	0.84	0.59
(b) Balances with banks:		
in current accounts	55.80	293.94
Total	56.64	294.53
See accompanying notes to these financial results		



Initialed for
Identification purpose





Stove Kraft Limited

81/1, Medamarana Halli Village Harohalli Hobli, Kanakapura Taluk, Ramanagar Dist, Karnataka 562112.

Website: www.stovekraft.com E-mail : cs@stovekraft.com CIN:L29301KA1999PLC025387

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2021
(Amount in Rupees Millions, unless otherwise stated)

Notes :

- 1 The Statement has been prepared in accordance with the recognition and measurement principles laid down in the Companies (Indian Accounting Standard) Rules, 2015 (as amended) (Ind AS), prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').
- 2 The Company's operations relate to only one reportable segment viz Kitchen and Home Appliances. Accordingly, no separate disclosure of segment information is required.
- 3 Impact of the COVID-19 pandemic : The Company has considered various internal and external sources consisting of feedback from the customers and the market trends, up to the date of approval of the financial results in determining the impact, if any, arising from the pandemic on various elements of its financial results. The Company has used the principles of prudence in applying judgments, estimates and assumptions and based on its current estimates fully expects to recover the carrying value of its financial and non-financial assets, including tangible assets. The eventual outcome of the possible impact of the pandemic may be different from those estimated as on the date of approval of these financial results.
- 4 The Company has from time to time in the normal course of business entered in to factoring agreements with Banks/Institutions for some of the trade receivables on a non-recourse basis. Under this arrangement, the late payment and credit risk is transferred to Banks/Institutions without recourse to the Company. Therefore the Company derecognises the transferred assets at the point when the amount is received from the Banks/Institutions. As at September 30, 2021 the trade receivables do not include receivables which has been derecognised (though the actual credit period to the customer has not expired) in accordance with Ind AS 109 - Financial Instruments, pursuant to such factoring agreements.
- 5 The Statement includes results for the quarter and half year ended September 30, 2020 presented based on information compiled by the management in accordance with Ind AS, which have not been subjected to a separate audit or review by the statutory auditors. However, the management has exercised necessary due diligence to ensure that the financial results for the quarter and half year ended September 30, 2020 provide a true and fair view of the Company's affairs.
- 6 The company, at various grant dates, has issued employee stock options to its employees at an exercise price of Rs.150/- per equity share, as approved by the Nomination and Remuneration Committee and Board of Directors in accordance with Employee Stock Option Plan 2018. For the quarter ended September 30, 2021, an amount of Rs.3.24 million (September 30, 2020: Rs.1.58 million) has been recognised as employee share expenses, based on requirements in Ind AS 102, 'Share Based Payments'. The stock options granted and outstanding as at September 30, 2021 aggregates to 614,566 (September 30, 2020: 588,272)
- 7 The above Statement of unaudited financial results for the quarter and half year ended September 30, 2021 ("the Statement") has been reviewed and recommended by the Audit Committee on November 02, 2021 and thereafter approved by the Board of Directors at their meeting held on November 02, 2021. The Statement has been subjected to a limited review by the statutory auditors of the company.
- 8 The financials results have been presented in accordance with the amended Division II of Schedule III to the Companies Act, 2013, issued vide notification dated March 24, 2021. Certain assets and liabilities have been regrouped/reclassified, where necessary, to comply with the amendment. The figures of corresponding periods have been regrouped, whenever necessary to make them comparable.
- 9 The Investors can visit the company's website www.stovekraft.com for updated information.

Place : Bengaluru
Date : November 2, 2021


Rajendra Gandhi
Managing Director
DIN No: 01646143



Initialed for Identification
purpose

