

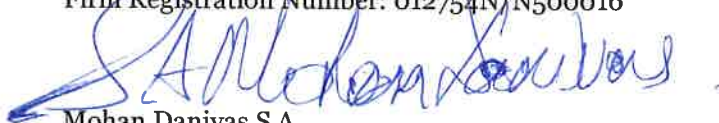
Price Waterhouse Chartered Accountants LLP

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, 2022 which are included in the accompanying 'Statement of Unaudited financial results for the quarter and half year ended September 30, 2022', 'Unaudited Statement of assets and liabilities as at September 30, 2022' and 'unaudited statement of cash flows for the half-year ended on September 30, 2022' 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 Engagement (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.

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



Mohan Danivas S A
Partner
Membership Number: 209136
UDIN: 22209136BCLWWI8059

Place: Bengaluru
Date: November 8, 2022

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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)

Stove Kraft Limited

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2022

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

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

(Amount in Rupees Millions, except for earning per share, unless otherwise stated)



S. No.	Particulars	For the Quarter ended September 30, 2022	For the Quarter ended June 30, 2022	For the Quarter ended September 30, 2021	For the Half Year ended September 30, 2022	For the Half Year ended September 30, 2021	For the Year ended March 31, 2022
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income						
	(a) Revenue from operations	4,062.01	2,750.65	3,628.44	6,812.66	5,770.49	11,363.59
	(b) Other income	2.08	4.00	0.70	6.08	5.06	5.77
	(c) Other gains / (losses) - net	(10.44)	(18.63)	0.65	(29.07)	0.65	(21.43)
	Total income (a+b+c)	4,053.65	2,736.02	3,629.79	6,789.67	5,776.20	11,347.93
2	Expenses						
	(a) Cost of materials consumed	2,151.78	1,698.27	2,173.70	3,850.05	3,465.29	7,026.35
	(b) Purchase of stock in trade	513.80	228.13	323.81	741.93	508.74	1,108.80
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	77.79	(81.06)	(36.72)	(3.27)	(105.47)	(401.02)
	(d) Employee benefits expense	361.76	314.60	302.56	676.36	540.98	1,123.79
	(e) Depreciation and amortization expense	73.05	66.17	47.87	139.22	89.05	197.22
	(f) Allowance for expected credit loss / impairment of financial assets	10.00	7.50	24.85	17.50	48.31	133.23
	(g) Other expenses	486.46	366.99	434.21	853.45	704.93	1,424.05
	(h) Finance cost	34.23	29.54	38.85	63.77	68.43	110.11
	Total expenses (a+b+c+d+e+f+g+h)	3,708.87	2,630.14	3,309.13	6,339.01	5,320.26	10,722.53
3	Profit before tax (1-2)	344.78	105.88	320.66	450.66	455.94	625.40
4	Tax expense:						
	(a) Current tax	80.20	23.72	66.82	103.92	66.82	95.01
	(b) Deferred tax	5.58	1.37	24.59	6.95	24.59	(31.76)
	Net tax expense (a+b)	85.78	25.09	91.41	110.87	91.41	63.25
5	Profit for the period/year (3-4)	259.00	80.79	229.25	339.79	364.53	562.15
6	Other Comprehensive Income						
	Items that will not be reclassified to profit or loss						
	Remeasurements of the defined benefit plans - gains / (losses) (net)	6.76	1.59	(2.33)	8.35	(4.17)	(1.66)
	Income tax impact	-	-	-	-	-	-
	Total other comprehensive income for the period/year	6.76	1.59	(2.33)	8.35	(4.17)	(1.66)
7	Total comprehensive income for the period/year (5+6)	265.76	82.38	226.92	348.14	360.36	560.49
8	Paid-up Equity Share Capital (Face Value of Rs. 10 per Equity share)	328.68	328.68	325.91	328.68	325.91	328.68
9	Earnings per share						
	Basic (in Rs.) (Face value of Rs. 10 each)*	7.88	2.46	7.03	10.34	11.19	17.21
	Diluted (in Rs.) (Face value of Rs. 10 each)*	7.81	2.44	6.93	10.25	11.02	16.96

See accompanying notes to these financial results

*EPS as presented above is not annualised except for the year ended March 31, 2022



FOR IDENTIFICATION PURPOSE ONLY

Stove Kraft Limited
UNAUDITED STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2022
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, 2022	As at March 31, 2022
	(Unaudited)	(Audited)
Non-current assets		
Property, Plant and Equipment	3,376.30	3,093.79
Capital Work-In-Progress	42.61	92.22
Intangible assets	46.15	29.54
Right of use assets	118.75	-
Financial assets		
i. Investments	-	-
ii. Other financial assets	50.19	81.95
Current tax asset (net)	-	2.15
Deferred tax asset	24.80	31.76
Other non-current assets	274.01	206.76
Total non - current assets	3,932.81	3,538.17
Current assets		
Inventories	2,543.87	2,174.12
Financial assets		
i. Trade receivables	1,892.57	966.99
ii. Cash and cash equivalents	103.58	4.05
iii. Bank balances other than cash and cash equivalents above	171.31	116.48
iv. Loans	0.35	0.38
v. Other financial assets	13.20	15.12
Other current assets	543.48	469.28
Total current assets	5,268.36	3,746.42
Total assets	9,201.17	7,284.59
Equity and liabilities		
Equity		
i. Equity share capital	328.68	328.68
ii. Other equity	3,665.68	3,311.42
Total equity	3,994.36	3,640.10
Liabilities		
Non-current liabilities		
Financial liabilities		
i. Borrowings	126.27	152.54
ii. Lease liabilities	106.34	-
iii. Suppliers credit	225.84	189.63
Provisions	50.53	62.49
Total non - current liabilities	508.98	404.66
Current liabilities		
Financial liabilities		
i. Borrowings	679.55	630.99
ii. Lease liabilities	6.69	-
iii. Suppliers credit	596.78	578.61
iv. Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises	48.09	62.88
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	2,428.06	1,210.94
v. Other financial liabilities	289.22	278.61
Provisions	72.32	54.25
Current tax liabilities	11.62	3.51
Other current liabilities	565.50	420.04
Total current liabilities	4,697.83	3,239.83
Total liabilities	5,206.81	3,644.49
Total equity and liabilities	9,201.17	7,284.59

See accompanying notes to these financial results



For IDENTIFICATION PURPOSE ONLY



Stove Kraft Limited
STATEMENT OF CASH FLOWS FOR THE QUARTER AND HALF YEAR ENDED ON SEPTEMBER 30, 2022
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, 2022	For the Half Year ended September 30, 2021
	(Unaudited)	(Unaudited)
Cashflow from operating activities		
Profit before tax	450.66	455.94
Adjustments for :		
Depreciation and amortisation expense	139.22	89.05
Allowance for expected credit loss / impairment of financial assets	17.50	48.31
Liability no longer required written back	-	(1.42)
Interest Income	(2.47)	-
(Profit) / loss on fair valuation of derivative instruments - net	17.87	-
(Profit) / loss on sale of property, plant and equipments - net	(1.89)	(0.65)
Finance cost / interest expense	63.77	65.92
Unrealised exchange (gain)/loss on foreign currency transactions and translation (net)	13.09	(4.71)
Employees share based expense	6.12	8.04
Operating cash profit before changes in working capital	703.87	660.48
Movement in working capital		
(Increase) / decrease in inventories	(369.75)	(548.41)
(Increase) / decrease in trade receivables	(943.08)	(532.47)
(Increase) / decrease in other financial assets	0.57	5.37
(Increase) / decrease in other assets	(64.30)	(191.84)
Increase / (decrease) in other financial liabilities	(48.95)	(22.52)
Increase / (decrease) in trade payables	1,190.21	959.32
Increase / (decrease) in other current liabilities	145.46	24.72
Increase / (decrease) in provisions	13.49	8.22
Cash generated from operations	627.52	362.87
Net income taxes (paid) / refund received	(93.65)	(86.17)
Net cash generated from/ (used in) operating activities (A)	533.87	276.70
Cashflow from investing activities		
Payment for property, plant and equipment	(422.33)	(634.56)
Proceeds from sale of property, plant and equipment	3.11	37.72
Interest received on bank deposits	2.08	2.42
Investment in margin money deposit with banks (net)	(21.30)	(18.36)
Net cash generated from/ (used in) investing activities (B)	(438.44)	(612.78)
Cash flows from financing activities		
Repayment of long-term borrowings	(30.69)	(7.65)
Proceeds received under supplier financing arrangement (net of payments)	54.38	147.53
Proceeds from issues of shares (net of share issue expenses)	-	0.28
Proceeds / (repayment) from short-term borrowings (net)	52.98	17.66
Payment of lease liabilities	(10.66)	-
Interest paid	(61.91)	(59.63)
Net cash generated from/ (used in) financing activities (C)	4.10	98.19
Net Increase / (decrease) in cash and cash equivalents (A+B+C)	99.53	(237.89)
Cash and cash equivalents at beginning of the period	4.05	294.53
Cash and cash equivalents at the end of the period	103.58	56.64
Reconciliation of cash and cash equivalents		
Cash and cash equivalents as at the period end comprises of:		
(a) Cash on hand	0.56	0.84
(b) Balances with banks:		
in current accounts	103.02	55.80
Total	103.58	56.64

See accompanying notes to these financial results



For IDENTIFICATION PURPOSE ONLY



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

STOVEKRAFT

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2022


(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 into 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, 2022, the trade receivables do not include receivables amounting to Rs.219.29 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 Company, at various grant dates, has issued employee stock options to its employees at exercise prices of Rs.150 and Rs.562.10 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, 2022, an amount of Rs.3.39 (September 30, 2021: Rs.3.24) has been recognised as employee share based compensation expenses, based on requirements of Ind AS 102, 'Share Based Payments'. The stock options granted and outstanding as at September 30, 2022 aggregates to 420,908 (September 30, 2021 : 614,566).
- 6 The Company has established a number of company-owned retail stores across Karnataka for which the company has entered into long term rental agreements which have been accounted in accordance with IND AS 116 - "Leases". Accordingly, right-of-use assets to the tune of Rs. 118.75 (Gross: Rs. 121.83 and Accumulated Depreciation: Rs. 3.08) and lease liabilities to the tune of Rs. 113.03 (Non-current: Rs. 106.34 and Current: Rs. 6.69) has been recognized in the Balance Sheet as on September 30, 2022.
- 7 The above Statement of unaudited financial results for the quarter and half-year ended September 30, 2022 has been reviewed and recommended by the Audit Committee on November 7, 2022 and thereafter approved by the Board of Directors at their meeting held on November 8, 2022.
- 8 Previous period's figures have been regrouped/reclassified wherever necessary, to conform with the current period's presentation for the purpose of comparability.
- 9 The Investors can visit the company's website www.stovekraft.com for updated information.

Place : Bengaluru

Date : November 8, 2022


Rajendra Gandhi
Managing Director
DIN No: 01646143



For IDENTIFICATION PURPOSE ONLY.