

10 August 2024

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400 001
Scrip Code: 543260

National Stock Exchange of India Ltd.
Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex
Bandra (E), Mumbai - 400 051
NSE Symbol: STOVEKRAFT

Dear Sir / Madam,

Sub: Unaudited Financial Results for the quarter ended 30 June 2024 and Outcome of the Board Meeting

This is to inform that the Board of Directors of Stove Kraft Limited ('the Company') at its meeting held today, which commenced at 2.30 P.M. and concluded at 3.55 P.M., has inter alia:

1. Approved the Unaudited Financial Results for the quarter ended 30 June 2024. Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached Unaudited Financial Results for the quarter ended 30 June 2024 together with Limited Review Report of the Statutory Auditors thereon.
2. Approved the reappointment of Mr. Rajendra Gandhi (holding DIN 01646143) as Managing Director of the Company for a term of five years from 17 March 2025 to 16 March 2030, subject to the approval of shareholders at the ensuing AGM. Details as required pursuant to Regulation 30 of the SEBI Listing Regulations read with SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13 July 2023 with respect to reappointment of Mr. Rajendra Gandhi as a Managing Director, is being sent in a separate letter.

Stove Kraft Limited

Registered Office : 81/1, Harohalli Industrial Area, Harohalli Hobli,
kanakapura Taluk Ramanagara District, Bengaluru, Karnataka, India - 562112

Corporate Office : No.30, 2nd Cross, CSI Compound, Mission Road, Bengaluru - 560027



3. Approved the commissioning of 4 MWp of Solar Power Plant on roof top of newly built Unit 3 at a cost of Rs. 13.88 cr. It is expected to generate 6 million Units a year which will cater to 20% of current consumption requirements. It is also expected to give saving of Rs. 6 per Unit in electricity expenses. With this Company has in place in 7.06 MWp of Solar & 2MW of Wind.

Opening of Trading Window: In terms of the provisions of the Company's Code of Conduct to Regulate, Monitor and Report Trading by Insiders, the Trading Window was closed from 29 June 2024 and the same will now reopen from 13 August 2024.

Kindly take the above information on record and acknowledge.

Thanking you,

Yours faithfully,
For Stove Kraft Limited

Shrinivas P Harapanahalli
Company Secretary & Compliance Officer

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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 June 30, 2024, which are included in the accompanying 'Statement of Unaudited Financial Results for the quarter ended June 30, 2024' together with 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 stated in paragraph 3 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.
5. We draw attention to Note 8 to the Statement, that describes the search operations carried out by the Income Tax Department at various business premises of the Company in November 2023 and subsequent notice received under the Income Tax Act, 1961, towards which the Company has filed a revised return of income during the quarter ended June 30, 2024. Management has assessed that the search operations and the assessment/ reassessment for various assessment years are not likely to have any adverse material impact on the financial position/ results of the Company.

Our conclusion is not modified in respect of this matter.

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



Mohan Danivas S A

Partner

Membership Number: 209136

UDIN: 242091368KFN EU7220

Place: Bengaluru
Date: August 10, 2024

Stove Kraft Limited

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2024

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, except for earning per share, unless otherwise stated)

S. No.		For the Quarter ended June 30, 2024	For the Quarter ended March 31, 2024	For the Quarter ended June 30, 2023	For the Year ended March 31, 2024
		(Unaudited)	(Unaudited) Refer Note 5	(Unaudited)	(Audited)
1	Income				
	(a) Revenue from operations	3,144.53	3,252.25	2,977.45	13,643.30
	(b) Other income	6.24	15.08	2.70	28.56
	(c) Other gains / (losses) - net	3.99	(19.85)	13.51	(28.00)
	Total income (a+b+c)	3,154.76	3,247.48	2,993.66	13,643.86
2	Expenses				
	(a) Cost of materials consumed	1,756.42	1,887.74	1,826.88	8,129.76
	(b) Purchases of stock in trade	205.19	253.69	266.62	1,017.41
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(18.42)	(96.33)	(215.15)	(543.54)
	(d) Employee benefits expense	419.55	401.03	389.35	1,665.56
	(e) Finance costs	67.15	75.23	42.44	240.32
	(f) Depreciation and amortization expense	150.43	145.65	102.73	492.84
	(g) Allowance for expected credit loss / impairment of financial assets	7.55	46.94	30.00	95.04
	(h) Other expenses	457.62	511.23	440.07	2,090.96
	Total expenses (a+b+c+d+e+f+g+h)	3,045.49	3,225.18	2,882.94	13,188.35
3	Profit before tax (1-2)	109.27	22.30	110.72	455.51
4	Tax expense/ (credit):				
	(i) Current tax expense/ (credit)	31.52	(9.49)	26.78	125.32
	(j) Deferred tax expense/ (credit)	(4.26)	5.22	1.96	(11.16)
	Net tax expense/(loss) (i+j)	27.26	(4.27)	28.74	114.16
5	Profit for the period/year (3-4)	82.01	26.57	81.98	341.35
6	Other Comprehensive Income/(loss)				
	Items that will not be reclassified to profit or loss				
	Remeasurements of the defined benefit plans - gains / (losses) (net)	(1.34)	0.88	(5.51)	1.34
	Income tax impact relating to above	0.34	(0.23)	1.39	(0.34)
	Total other comprehensive income/ (loss) for the period/year	(1.00)	0.65	(4.12)	1.00
7	Total comprehensive income for the period/year (5+6)	81.01	27.22	77.86	342.35
8	Paid-up Equity Share Capital (Face Value of Rs. 10 per Equity share)	330.52	330.52	330.31	330.52
9	Reserves excluding revaluation reserves				4,061.55
10	Earnings per share (Refer Note 7)				
	Basic (in Rs.) (Face value of Rs. 10 each)*	2.48	0.80	2.48	10.30
	Diluted (in Rs.) (Face value of Rs. 10 each)*	2.48	0.80	2.48	10.30

See accompanying notes to these financial results

*EPS is not annualized for the quarter ended June 30, 2024, quarter ended March 31, 2024 and quarter ended June 30, 2023.

Initialed for identification purposes 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

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER JUNE 30, 2024 (Amount in Rupees Millions, unless otherwise stated)

Notes :

- 1 The Statement of Financial Results for the quarter ended June 30, 2024 has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under Section 133 of Companies Act, 2013, and other accounting principles generally accepted in India, 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 The Company has from time to time in the normal course of business entered into factoring agreements with Banks/Financial 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/Financial Institutions without recourse to the Company. Therefore, the Company derecognises the transferred assets at the point when the amount is received from the Banks/Financial Institutions. As at June 30, 2024, the trade receivables do not include receivables amounting to Rs.132.79 (June 30, 2023: Rs.212.70) which has been derecognised (though the actual credit period to the customers' has not expired) in accordance with Ind AS 109 - Financial Instruments, pursuant to such factoring agreements.
- 4 The Company, at various grant dates, has issued employee stock options to its employees at exercise prices of Rs.150, Rs.560, Rs. 650, Rs.479.40 and Rs.526.35 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 June 30, 2024, expense of Rs. 0.04 (June 30, 2023: cost reversal of Rs.0.10) 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 June 30, 2024 aggregates to 177,685 (June 30, 2023: 208,396).
- 5 Figures for the quarter ended March 31, 2024, are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures up to the third quarter of the financial year, as adjusted for certain regroupings/ reclassifications.
- 6 The above Statement of unaudited financial results for the quarter ended June 30, 2024 has been reviewed and recommended by the Audit Committee on August 10, 2024 and thereafter approved by the Board of Directors at their meeting held on August 10, 2024.
- 7 Potentially issuable equity shares, on account of Share Options issued to employees, that could potentially dilute basic earnings per share, are not included in the calculation of diluted earnings per share if they are anti-dilutive for the period presented.
- 8 In November 2023, the Income Tax Department carried out a search operation at the Company's various business premises under Section 132 of the Income-tax Act, 1961. The Company extended full cooperation to the Income-tax officials during the search and provided all the information sought by them. The Company has made the necessary disclosures to the stock exchanges in this regard vide its communication on November 22, 2023 and November 27, 2023, in accordance with Regulation 30 of the SEBI (LODR) Regulations, 2015 (as amended). As of the date of issuance of these financial results, the Company has not received any formal communication from the Income Tax Department regarding the findings of their investigation / examination except for the notice under Section 148 of the Income Tax Act, 1961 dated March 15, 2024, wherein the Deputy Commissioner of Income tax is proposing to assess or reassess the income or recompute the loss or the depreciation allowance or any other allowance or deduction for the Assessment Year 2020-21 and has therefore required the Company to furnish a return in the prescribed form for the Assessment Year 2020-21. In response to the notice, during the quarter ended June 30, 2024, the Company has furnished the prescribed revised return including certain adjustments (disclosure of additional other income) which do not have any material bearing on the financial position / results.

Management after considering all available records and facts known to it, is of the view that the search operations and the assessment/ reassessment for various assessment years are not likely to have any adverse material impact on the financial position of the Company as of June 30, 2024 and no material adjustments required to these financial results for the quarter ended June 30, 2024.
- 9 The Board of Directors of the company in their meeting dated May 24, 2024, have recommended a final dividend of Rs.2.50 per share. The payment of final dividend is subject to approval of the shareholders at the ensuing annual general meeting.
- 10 Previous period's figures have been regrouped/reclassified wherever necessary, to conform with the current period's presentation for the purpose of comparability.
- 11 The Investors can visit the company's website www.stovekraft.com for updated information.

*Installed for identification
purpose only*

Place : Bengaluru
Date : August 10, 2024



For and on behalf of Board of Directors


Rajendra Gandhi
Managing Director
DIN No: 01646143

