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Turning houses **into homes**

Philips Domestic Appliances India Limited
Annual Report 2021-2022

Contents

General Information

Board of Directors	**Mr. Susim Mukul Datta** Chairman & Independent Director **Mr. Gulbahar Taurani** Vice- Chairman & Managing Director **Mr. Anil Chandak** Whole Time Director and Chief Financial Officer **Ms. Anisha Motwani** Independent Director **Mr. Rajiv Mathur** Whole Time Director & Company Secretary (Resigned w.e.f 1st July 2022) **Mr. Sudeep Agrawal** Director (Resigned w.e.f. 2nd September 2021)
Statutory Auditors	**M/s S.R. Batliboi & Co. LLP** **Firm Registration Number (301003E/E300005)**
Bankers	**CITI Bank N.A.,** **Bank of America**
Registered office	**3rd Floor, Tower A, DLF IT Park 08 Bloc AF Major Arterial Road,** **New Town (Rajarhat) Kolkata, West Bengal 700156, India**

Notice is hereby given that the Second Annual General Meeting of Philips Domestic Appliances India Limited (CIN: U29308WB2020PLC238116) will be held on Tuesday, 27th September 2022 at 11:30 a.m. through Video Conferencing ('VC') / Other Audio-Visual Means ('OAVM'). The venue of the meeting shall be deemed to be the registered office of the Company at 3rd Floor, Tower A, DLF IT Park, 08 Block AF, Major Arterial Road, New Town (Rajarhat), Kolkata, West Bengal- 700156, India to transact the following business:

Ordinary Business:

1. **To consider and adopt the Audited Financial Statements of the Company for the Financial year ended 31st March 2022 together with the Auditor's Report and Board's Report thereon.**

   To consider and if thought fit, to pass, with or without modification, the following as an **Ordinary Resolution:**

   "RESOLVED THAT the audited Balance Sheet, statement of Profit and Loss account and Cash Flow Statement for the Financial year ended 31st March 2022 along with schedules and notes appended thereto of the Company be and are hereby approved and adopted by the members of the Company together with the Auditor's report and Board's report and its annexures thereon."

2. **To appoint Mr. Gulbahar Taurani (DIN: 08797127) who retires by rotation and being eligible, offers himself for re-appointment**

   To consider and if thought fit, to pass, with or without modification, the following as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Gulbahar Taurani (DIN: 08797127), who retires by rotation, be and is hereby re-appointed as a Director, liable to retire by rotation.

   RESOLVED FURTHER THAT the Directors be and are hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution."

3. **To declare a dividend on equity shares for the financial year ended March 31, 2022.**

   To consider and if thought fit, to pass, with or without modification, the following as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 123 and other applicable provisions of the Companies Act, 2013, the consent of the members be and are hereby accorded to declare a final dividend at the rate of INR 10/- (Ten rupees only) per equity share of face value of INR 10/- (Ten rupees) each for the year ended on 31st March 2022 aggregating to INR 57,51,72,420 (Fifty Seven Crores Fifty One Lakh Seventy Two Thousand Four Hundred Twenty Rupees) and the same be paid out of the profits of the Company.

   RESOLVED FURTHER THAT the Directors be and are hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution."

Special Business:

4. **To appoint Mr. Susim Mukul Datta (DIN: 00032812) as the Director of the Company**

   To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 149, 150 and 152 read with Schedule IV and Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable provisions, if any of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Susim Mukul Datta (DIN: 00032812) be and is hereby appointed as a Director (Non-Executive and Independent Director) on the Board of Directors of the Company to hold office for a period of five consecutive years from the date of appointment i.e. 2nd September 2021 to 1st September 2026.

   RESOLVED FURTHER THAT the Directors be and are hereby authorised to do all such acts, deeds, matters and things as may be required to give effect to the above resolution including filings with the Registrar of Companies and other statutory authorities, as may be considered necessary."

5. **To appoint Ms. Anisha Motwani (DIN: 06943493) as the Director of the Company**

   To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of the Section 149, 150 and 152 read with Schedule IV and Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable provisions, if any of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) Ms. Anisha Motwani (DIN: 06943493) be and is hereby appointed as a Director (Non-Executive and Independent Director) on the Board of Directors of the Company to hold office for a period of five consecutive years from the date of appointment i.e. 28th October, 2021 to 27th October, 2026 .

   RESOLVED FURTHER THAT the Directors of the Company be and are hereby authorised to do such acts, deeds, matters and things as may be required to give effect to the above resolution including filings with the Registrar of Companies and other statutory authorities, as may be considered necessary."

6. **To appoint Mr. Anil Chandak (DIN: 06896696) as the Director of the Company**

   To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT as per the provisions of Section 152 & 161 of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable provisions, if any of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Articles of Association of the Company, Mr. Anil Chandak (DIN: 06896696) be and is hereby appointed as the Director of the Company.

RESOLVED FURTHER THAT the Directors of the Company be and are hereby authorised to do all such acts, deeds, matters and things as may be required to give effect to the above resolution including filings with the Registrar of Companies and other statutory authorities, as may be considered necessary."

7. **To appoint Mr. Anil Chandak (DIN: 06896696) as the Whole Time Director of the Company**

To consider and if thought fit, to pass, with or without modification, the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the approval of the Board and subject to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, the consent of the Company be and is hereby accorded to the appointment of Mr. Anil Chandak, as a Whole-time Director of the Company with effect from 2nd September 2021 to 1st September 2026 as well as for the payment of salary, commission and perquisites (hereinafter referred to as "remuneration"), upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to by and between the Board of Directors and Mr. Anil Chandak.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in the Company in any financial year during the term of Mr. Anil Chandak holding office as Whole-time director, the remuneration and perquisites set out in explanatory statement annexed hereto, be paid or granted to Mr. Anil Chandak, as minimum remuneration in compliance with the provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT the Directors be and are hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.''

8. **To revise the remuneration of Mr. Anil Chandak (DIN: 06896696), Whole Time Director of the Company**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company and the provisions of Sections 196, 197, Schedule V and other applicable provisions, if any, of the Companies Act, 2013, subject to such consents, approvals or permissions as may be necessary, the approval of the Company be and is hereby accorded for the revision in remuneration payable to Mr. Anil Chandak, having DIN No. 06896696, designated as Whole-Time Director, Chief Financial Officer of the Company to take effect from 1st April 2022 on the terms and conditions as detailed in the Explanatory Statement attached here to.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in the Company in any financial year during the term of Mr. Anil Chandak holding office as Whole-time director, the remuneration and perquisites set out in explanatory statement annexed hereto, be paid or granted to Mr. Anil Chandak, as minimum remuneration in compliance with the provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT the Directors be and are hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution."

9. To appoint Mr. Gulbahar Taurani (DIN: 08797127) as Vice-Chairman and Managing Director of the Company

To consider and if thought fit, to pass, with or without modification, the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to the approval of the Board and subject to the provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Personnel) Rules, 2014, including any statutory modification(s) or reenactment thereof for the time being in force, read with Schedule V to the Companies Act, 2013, the approval of the Company be and is hereby accorded to appoint Mr. Gulbahar Taurani, having DIN No. 08797127, as Managing Director of the Company with effect from 1st August 2021, for a period of 5 years, as well as for the payment of salary, commission and perquisites (hereinafter referred to as "remuneration"), upon the terms and conditions, subject to applicable approvals, as detailed in the Explanatory Statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Gulbahar Taurani.

RESOLVED FURTHER THAT Mr. Gulbahar Taurani, shall also serve as the Vice-Chairman of the Board.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in the Company in any financial year during the term of Mr. Gulbahar Taurani, having DIN No. 08797127 holding office as Vice-Chairman and Managing Director, the remuneration and perquisites as set out in the Explanatory Statement annexed to this notice, be paid or granted to Mr. Gulbahar Taurani as minimum remuneration in compliance with the provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT the Directors be and are hereby authorized to do all such deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.''

10. To revise the remuneration of Mr. Gulbahar Taurani, Vice Chairman & Managing Director

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company and the provisions of Sections 196, 197, Schedule V and other applicable provisions, if any, of the Companies Act, 2013, subject to such consents, approvals or permissions as may be necessary, the approval of the Company be and is hereby accorded for the revision in the remuneration payable to Mr. Gulbahar Taurani, having DIN No. 08797127, designated as Vice Chairman and Managing Director of the Company to take effect from 1st April 2022 on the terms and conditions as detailed in the Explanatory Statement attached hereto which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Gulbahar Taurani.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in the Company in any financial year during the term of Mr. Gulbahar Taurani, having DIN No. 08797127 holding office as Vice-Chairman and Managing Director, the remuneration and perquisites as set out in the Explanatory Statement annexed to this notice, be paid or granted to Mr. Gulbahar Taurani as minimum remuneration in compliance with the provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT the Directors be and are hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution."

11. To approve the payment of remuneration to the Non-Executive/ Independent Directors of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the recommendations of the Nomination and Remuneration committee and approval of the Board and in accordance with the provisions of Section 149, 197, 198 and any other applicable provisions of the Companies Act, 2013, as amended from time to time read with related rules issued thereon, applicable Schedule of the Companies Act, 2013 and the Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded for the payment of remuneration not exceeding one percent (1%) of the net profits of the Company per annum, for a period of 5 years commencing from 1st April of FY 2021-22 till FY 2025 -26, as computed in the manner prescribed under Section 198 of the Companies Act, 2013, to all the Non-executive/ Independent Directors of the Company, subject to such ceiling(s) and in such manner, to some or any of them with such amount, and in all respects as may be decided and directed by the Board of Directors of the Company or any Committee thereof.

RESOLVED FURTHER THAT in the event of any statutory amendments or modifications in the provisions of Section 149, 197 & 198 of the Companies Act, 2013 with respect to the remuneration to the Non-executive & Independent Directors, the Board of Directors be and is hereby authorised to vary or increase the remuneration by way of remuneration on net profits within such prescribed limit or ceiling and as per letter of appointment issued by the Company to the Non-executive Independent Director(s), shall suitably amended to give effect to such modification, relaxation or variation, subject to recommendations of the Committee and such approvals as may be required under law.

RESOLVED FURTHER THAT the Directors be and are hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.''

By the order of the Board

Aruna Arulsingh
Legal Counsel

Date: 1st September, 2022
Place: Gurgaon

NOTES:

1. In view of the present COVID-19 pandemic situation, the Ministry of Corporate Affairs ("MCA") has vide its Circular dated 13th January 2021 read together with Circulars dated 08th December 2021, 14th December 2021, 5th May 2020 and 05th May 2022 (collectively referred to as "MCA Circulars") permitted convening the Annual General Meeting ("AGM" / "Meeting") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") till 31st December 2022, without the physical presence of the members/authorised representatives at a common venue subject to certain additional compliances and safeguards as prescribed by the Ministry of Corporate Affairs. In accordance with, the said circulars, the 2nd AGM of the Company shall be conducted through VC / OAVM. KFin Technologies Limited ('KFintech') will be providing facility for voting through remote e-voting, for participation in the AGM through VC / OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC / OAVM is explained at Note No. 9 below and is also available on the website of the Company domesticappliances.philips.co.in

2. As the AGM shall be conducted through VC / OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.

3. Institutional / Corporate Members are requested to send a scanned copy (PDF / JPEG format) of the certified Board Resolution authorizing its representatives to attend and vote at the AGM, pursuant to Section 113 of the Act, to the RTA at evoting@kfintech.com and read the other instruction given in point no. 9 (II)(A).

4. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Ordinary & Special Businesses from Item no. 4 to 11 of the Notice, is annexed hereto.

5. The Share Transfer Books and the Register of Members of the Company will remain closed from 20th September 2022 (9:00 am) to 27th September 2022 (5:00 pm) (both days inclusive) for the purpose of the 2nd AGM of the Company and for the payment of Final Dividend for the year 2021-22.

6. Subject to provisions of the Companies Act, 2013, dividend as recommended by the Board of Directors, if declared, at the meeting, will be paid within 30 days from the date of declaration to those members whose names appear on the Company's Register of Members as on cut-off date i.e., 19th September 2022.

7. Members are requested to contact the Registrar and Share Transfer Agent, M/s Kfin Technologies Ltd. for all matters connected with Company's shares at:

Kfin Technologies Ltd
(Formerly "Karvy Fintech Pvt. Ltd.")
Selenium, Tower-B, Plot no.31-32, Gachibowli,
Financial District, Nanakramguda, Hyderabad-500032.

Toll Free no. 18 00 3094 001
Telephone: +91 - 40 6716 2222/ 6716 1631
Email id: einward.ris@kfintech.com

Kfin Technologies Ltd
(Formerly "Karvy Fintech Pvt. Ltd.")
Apeejay House, Block "C", 3rd Floor,
15, Park Street, Kolkata 700 016, West Bengal

Tel. +91 033 66285900

8. The Members desirous of appointing their nominees for the shares held by them may apply in the Nomination Form (Form SH-13).

9. **Electronic dispatch of annual report and process for registration of email id for obtaining copy of annual report:**

   I. In accordance with, the General Circular No. 02/2022 dated 5th May, 2022 read with General Circular No. 02/2021 dated 13th January, 2021 and the General Circular No. 20/2020 dated 5th May, 2020 issued by MCA, owing to the difficulties involved in dispatching of physical copies of the financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith), such statements including the Notice of AGM are being sent in electronic mode to Members whose e-mail addresses are registered with the Company or the Depository Participant(s).

   II. Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to KFintech at einward.ris@kfintech.com along with the copy of the signed request letter mentioning the name and address of the Member, self-attested copy of the PAN card, and self-attested copy of any document (e.g.: Driving License, Election Identity Card, Passport) in support of the address of the Member.

   III. Members holding shares in dematerialized mode are requested to register / update their email addresses with the relevant Depository Participants with whom they maintain their Demat accounts.

   IV. The Notice of Second AGM along with Annual Report for the Financial Year 2021-22, is available on the website of the Company at domesticappliances.philips.co.in, and on the website of RTA at https://evoting.kfintech.com;

10. **Procedure for remote e-voting and e-voting at the agm:**

   I. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by KFintech, on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below.

   ii. Individual Demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.

   iii. The remote e-voting period commences at 9.00 a.m. on 24th September 2022 and end at 5.00 p.m. on 26th September 2022. The remote e-voting module will be disabled by KFintech for voting thereafter.

   iv. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

v. Any person holding shares in physical form and non-individual Shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@Kfintech.com. However, if he / she is already registered with KFintech for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.

vi. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under "Login method for remote e-Voting and joining virtual meeting for Individual Shareholders holding securities in demat mode."

vii. The details of the process and manner for remote e-Voting and e-AGM are explained herein below:

1.Step 1: Access to Depositories e-Voting system in case of individual Shareholders holding shares in demat mode.

2. Step 2: Access to KFintech e-Voting system in case of Shareholders holding shares in physical and non-individual Shareholders in demat mode.

3. Step 3: Access to join virtual meetings (e-AGM) of the Company on KFin system to participate e-AGM and vote at the AGM.

I. **Details on Step 1 are mentioned below:**

Login method for remote e-Voting for Individual Shareholders holding securities in demat mode.

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	**Existing Internet-based Demat Account Statement ("IDeAS") facility Users:** 1. Visit the e-services website of NSDL **https://eservices.nsdl.com** either on a personal computer or on a mobile 2. On the e-services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. Thereafter enter the existing user id and password. 3. After successful authentication, Members will be able to see e-voting services under 'Value Added Services'. Please click on "Access to e-voting" under e-voting services, after which the e-voting page will be displayed. 4. Click on Company name i.e. 'Philips Domestic Appliances India Limited' or e-voting service provider i.e. Kfin. 5. Members will be re-directed to KFin's website for casting their vote during the remote e-voting period and voting during the AGM.

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	**Those not registered under IDeAS:** 1. Visit https://eservices.nsdl.com for registering 2. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/ideasDirectReg.jsp 3. Visit the e-voting website of NSDL - https://www.evoting.nsdl.com/ 4. Once the home page under 'Shareholder of e-voting system is launched, click on the icon "Login" which is available Shareholder / Member' section. A new screen will open. 5. Members will have to enter their User ID (i.e. the sixteen-digit demat account number held with NSDL), password / OTP and a Verification Code as shown on the screen. 6. After successful authentication, Members will be redirected to NSDL Depository site wherein they can see e-voting page. 7. Click on Company name i.e Philips Domestic Appliances India Limited or e-voting service provider name i.e KFin after which the Member will be redirected to e-voting service provider website for casting their vote during the remote e-voting period and voting during the AGM. 8. Members can also download the NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience NSDL Mobile App is available on App Store Google Play

Individual Shareholders holding securities in demat mode with CDSL	1	**Existing user who has opted for Electronic Access To Securities Information (“Easi / Easiest”) facility:**
		1. Visit to https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com 2. Click on New System MyEasi. 3. Login to MyEasi option under quick login. 4. Login with the registered user ID and password. 5. Members will be able to view the e-voting Menu. 6. The Menu will have links of KFin e-voting portal and will be redirected to the e-voting page of KFin to cast their vote without any further authentication.
	2	**User not registered for Easi / Easiest**
		1. Visit https://web.cdslindia.com/myeasi/Registration/EasiRegistration for registering. 2. Proceed to complete registration using the DP ID, Client ID (BO ID), etc. 3. After successful registration, please follow the steps given in point no. 1 above to cast your vote.
	3	**Alternatively, by directly accessing the e-voting website of CDSL**
		1. Visit www.cdslindia.com 2. Provide demat Account Number and PAN 3. System will authenticate user by sending OTP on registered mobile and email as recorded in the demat Account. 4. After successful authentication, please enter the e-voting module of CDSL. Click on the e-voting link available against the name of the Company, viz. 'Philips Domestic Appliances India Limited' or select KFin. 5. Members will be re-directed to the e-voting page of KFin to cast their vote without any further authentication
Individual Shareholder login through their demat accounts / Website of Depository Participant		1. Members can also login using the login credentials of their demat account through their DP registered with the Depositories for e-voting facility. 2. Once logged-in, Members will be able to view e-voting option 3. Upon clicking on e-voting option, Members will be redirected to the NSDL / CDSL website after successful authentication, wherein they will be able to view the e-voting feature. 4. Click on options available against Philips Domestic Appliances India Limited or KFin. 5. Members will be redirected to e-voting website of KFin for casting their vote during the remote e-voting period without any further authentication.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Type of Shareholders	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

II. Details on #Step 1 are mentioned below:

Login method for e-Voting for Shareholders other than Individual's Shareholders holding securities in demat mode and Shareholders holding securities in physical mode.

A. Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from KFintech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will h ave to follow the following process:

i. Launch internet browser by typing the URL: https://emeetings.kfintech.com/

ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting the vote.

iii. After entering these details appropriately, click on "LOGIN".

iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the "EVEN" i.e., "Philips Domestic Appliances India Limited - AGM" and click on "Submit"

vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.

ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

x. You may then cast your vote by selecting an appropriate option and click on "Submit".

xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to cast its vote through remote e-voting. together with attested specimen signature(s) of the duly authorised representative(s), to Scrutinizer at asimsecy@gmail.com and the RTA at evoting@kfintech.com. The scanned image of the above-mentioned documents should be in the naming format "Corporate Name Even No."

B. Members whose email IDs are not registered with the Company/Depository Participants(s), and consequently the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, will have to follow the following process:

  I. Members who have not registered their email address and in consequence the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, may temporarily get their email address and mobile number provided with KFintech, by accessing the link:
  https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx.

  Members are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, member may write to einward.ris@kfintech.com.

  ii. Alternatively, member may send an e-mail request at the email id **einward.ris@kfintech.com** along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual Report, Notice of AGM and the e-voting instructions.

  iii. After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.

III. Details on #Step 3 are mentioned below:

Instructions for all the Shareholders, including Individual, other than Individual and Physical, for attending the AGM of the Company through VC/OAVM and e-Voting during the meeting.

i) Member will be provided with a facility to attend the AGM through VC / OAVM platform provided by KFintech. Members may access the same at https://emeetings.kfintech.com/ by using the e-voting login credentials provided in the email received from the Company/KFintech.

ii) After logging in, click on the Video Conference tab and select the EVEN of the Company.

iii) Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned above.

11. Other Instructions

a. **Speaker Registration:** The Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. They can visit https://emeetings.kfintech.com and login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Speaker Registration' which will open from 9.00 a.m. on 22th September 2022 and end at 5.00 p.m. on 25th September 2022.

   Members shall be provided a 'queue number' before the meeting. The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.

b. **Post your Question:** The Members who wish to post their questions prior to the meeting can do the same by visiting https://emeetings.kfintech.com. Please login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Post Your Question' option which will opened from 22th September 2022 (09:00 a.m.) and end on 25th September 2022 (5.00 p.m.)

c. The Company reserves the right to restrict the number of questions and number of speakers.

d. Facility for joining AGM though VC/ OAVM shall open at least thirty (30) minutes before the commencement of the Meeting.

e. Members are encouraged to join the Meeting through Laptops/ Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.

f. Members will be required to grant access to the webcam to enable VC / OAVM. Further, Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

g. The AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views / send their queries in advance mentioning their name, demat account number / folio number, email id, mobile number at aruna.a@philips.com. Questions / queries received by the Company till 5.00 p.m. on Sunday, 25th September 2022 shall only be considered and responded during the AGM

h. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC / OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.

i. A Member can opt for only single mode of voting i.e., through Remote e-voting or voting at the AGM. If a Member casts votes by both modes, then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

j. Facility of joining the AGM through VC / OAVM shall be available for at least 2000 members on first come first served basis.

However, the participation of large Shareholders i.e. members holding 2% or more, promoters, Institutional Investors, Directors, Key Managerial Personnel, Chairpersons of Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and Auditors are not restricted on first come first serve basis.

k. Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM.

l. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of https://evoting.kfintech.com (KFintech Website) or contact at evoting@kfintech.com or call KFintech's toll free No. 1-800-309-4001 for any further clarifications.

m. The Members, whose names appear in the Register of Members as on 19th September 2022 being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

n. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:

i. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399

1.Example for NSDL:
2.MYEPWD <SPACE> IN12345612345678
3.Example for CDSL:
4.MYEPWD <SPACE> 1402345612345678
5.Example for Physical:
6.MYEPWD <SPACE> XXXX1234567890

ii. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of https://evoting.kfintech.com/, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

iii. Members who may require any technical assistance or support before or during the AGM are requested to contact KFintech at toll free number 1-800-309-4001 or write to them at evoting@kfintech.com.

o. The results along with the Scrutinizer's Report, shall also be placed on the website of the Company.

12. KPRISM- Mobile service application by Kfin:
Members are requested to note that, our Registrar and Share Transfer Agents have launched a mobile application - KPRISM and a website https://kprism.kfintech.com/ for our investors. Now you can download the mobile app and see your portfolios serviced by KFINTECH. Check Dividend status, request for annual reports, change of address, change / update Bank mandate and download standard forms. The android mobile application can be downloaded from Play Store by searching for "KPRSIM". Alternatively, you can also scan the QR code given below and download the android application.

Website - https://kprism.kfintech.com/

Play Store - https://play.google.com/store/apps/details?id=com.kfintech.kprismv3 (Android mobile application)

13. In case of any query pertaining to e-voting, members may refer to the "Help" and "FAQs" sections / E-voting user manual available through a dropdown menu in the "Downloads" section of Kfintech's website for e-voting: https://evoting.kfintech.com/ or call Kfintech on 1800 309 4001 (toll free).

14. Members are requested to note the following contact details for addressing e-voting grievances:

Mr. Anil Dalvi | Manager
Kfin Technologies Limited
Selenium Tower B, Plot 31 - 32, Gachibowli, Financial District,
Nanakramguda, Hyderabad - 500032
Telephone: +91-40-6716 2222/ 6716 1631 E-mail: einward.ris@kfintech.com.

15. **Procedure for Inspection of Documents:**

I. All the documents referred to in the accompanying Notice and Explanatory Statements, shall be available for inspection through electronic mode, basis the request being sent on aruna.a@philips.com

II. The Statutory registers of the Company maintained as per the provisions of the Companies Act, 2013 and required to be kept open for inspection during AGM, will be available for inspection by the Members electronically during the AGM.

16. **Dividend Related Information and Procedure for Updates in Shareholders Records:**

I. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on 19th September 2022 being the cut-off date will be paid the Dividend for the Financial Year ended 31st March 2022, as recommended by the Board, if approved at the AGM.

II. Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participants, with whom they maintain their demat accounts, will be used by the Company for the payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participant(s) of the Members. Members holding shares in demat form are requested to intimate any change in their address and / or bank mandate immediately to their Depository Participants

III. Members holding shares in physical form who have not registered/updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Services or any other means ("Electronic Bank Mandate"), can register/update their electronic Bank Mandate to receive dividends directly into their bank account electronically, by sending following details/documents in addition to the documents mentioned in the Note No. 8(II) above by sending email to KFintech at einward.ris@kfintech.com:

a. Name and Branch of Bank in which dividend is to be received and Bank Account type
b. Bank Account Number allotted by your bank after implementation of Core Banking Solutions
c. 11-digit IFSC Code; and
d. Self-attested scanned copy of cancelled cheque bearing the name of the Members or first holder in case shares are held jointly.

In case, the Company is unable to pay the dividend to any shareholder by the electronic mode, due to non-availability of the details of the bank account, the Company shall arrange to dispatch the dividend warrant/bankers' cheque/demand draft to such shareholder by post.

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IV. Members may note that the Income Tax Act, 1961, as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company after 1st April 2020 shall be taxable in the hands of the Shareholders. The Company shall therefore be required to deduct Tax at Source (TDS) at the time of making the dividend. In order to enable us to determine the appropriate TDS rate as applicable, Members are requested to submit the documents in accordance with, the provisions of the Income Tax Act, 1961.

a. For Resident Shareholders, TDS shall be made under Section 194 of the Income Tax Act, 1961 at 10% on the amount of Dividend declared and paid by the Company for Financial Year 2021-22 provided PAN is registered by the Shareholder. If PAN is not registered, TDS would be deducted @ 20% (plus applicable surcharge and cess) as per Section 206AA of the Income Tax Act, 1961.

Separately, in cases where the individual shareholder provides Form 15G (applicable to individual, who is a resident in India) / Form 15H (applicable to an individual above the age of 60 years), provided that the eligibility conditions are being met, no TDS shall be deducted.

b. For Non-resident Shareholders, taxes are required to be withheld in accordance with, the provisions of Section 195 of the Income Tax Act, 1961 at the rates in force. As per the relevant provisions of the Income Tax Act, 1961, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of Dividend payable to them. However, as per Section 90(2) of the Income Tax Act, 1961, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the shareholder, if they are more beneficial to them. For this purpose, i.e., to avail the Tax benefits, the non-resident shareholder will have to provide the following:

- Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the shareholder is resident.
- Self-declaration in Form 10F if all the details required in this form are not mentioned in the TRC.
- Self-attested copy of the Permanent Account Number (PAN Card) allotted by the Indian Income Tax Authorities
- Self-declaration, certifying the following points:

i. Member is and will continue to remain a tax resident of the country of its residence during the relevant Financial Year

ii. Member is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company

iii. Member has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner

iv. Member is the ultimate beneficial owner of its shareholding in the Company and Dividend receivable from the Company; and

v. Member does not have a taxable presence or a permanent establishment in India during the relevant Financial Year

v. Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by Non-Resident shareholder.

vi. Accordingly, in order to enable us to determine the appropriate TDS / withholding tax rate applicable, we request you to provide these details and documents as mentioned above before Saturday, 17th September 2022

vii. Kindly note that the aforementioned documents are required to be submitted to the RTA at einward.ris@kfintech.com on or before 17th September 2022 in order to enable the Company to determine and deduct appropriate TDS / withholding tax rate. No communication on the tax determination / deduction shall be entertained post 17th September 2022. It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details / documents from you, there would still be an option available with you to file the return of income and claim an appropriate refund, if eligible.

viii. We shall arrange to email the soft copy of TDS certificate to you at your registered email ID in due course, post payment of the said Dividend.

ix. Members are requested to contact KFintech / Investor Service Department of the Company for encashing the unclaimed dividends standing to the credit of their account.

x. Pursuant to Section 123, 124 and 125 of the Companies Act 2013, the unpaid dividend that are due for transfer to the Investor Education and Protection Fund (IEPF) are as follows:

Dividend No.	Date of Declaration	For the year ended	Tentative date for transfer to IEPF
NIL			

xi. Pursuant to the provisions of the Companies Act, 2013 and the rules notified thereunder, the Ministry of Corporate Affairs had notified provisions relating to unpaid / unclaimed dividend under Sections 124 and 125 of Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. As per these Rules, dividends which have not been encashed / claimed by the shareholder for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The new IEPF Rules mandate the companies to transfer the shares of Shareholders whose dividends remain unpaid / unclaimed for a period of seven consecutive years to the demat account of IEPF Authority.

17. Scrutinizer for AGM through VC/OAVM:

I. Dr. Asim Kumar Chattopadhyay, Practicing Company Secretary (FCS- 2303 & CoP- 880) has been appointed as the Scrutinizer for providing facility to the Members of the Company to scrutinize the e-voting as well as remote e-voting process in a fair and transparent manner.

II. The Results declared along with the Report of the Scrutinizer shall be placed on the website of the Company and on the website of Kfintech immediately after the declaration of result by the Chairman or a person authorized by him in writing.

18. General Information:

I. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

II. The voting rights shall be as per the number of equity shares held by the Member(s) as on Monday, 19th September 2022, being the cut-off date. Members are eligible to cast vote electronically only if they are holding shares as on that date.

Pursuant to section 102 of the companies act, 2013:

ITEM NO. 4:

In accordance with the provisions of Section 161 of the Companies Act, 2013, read with the Articles of Association of the Company, Mr. Susim Mukul Datta (DIN: 00032812) was appointed as an Additional Director of the Company with effect from 2nd September 2021. Further, as per the provisions of Section 161 of the Companies Act, 2013, Mr. Susim Mukul Datta holds office only up to the date of the ensuing Annual General Meeting of the Company.

The Directors at their meeting held on 5th August 2022 recommended the appointment of Mr. Susim Mukul Datta (DIN: 00032812) as a Non-Executive and Independent Director of the Company to hold office for a period of five consecutive years from the date of appointment i.e. 2nd September 2021 till 1 September 2026 on the Boards of the Company.

Mr. Susim Mukul Datta, born on 01st July 1936 (86 years old as on date), is an Indian national. He completed his graduation from Presidency College. Kolkata in Chemistry (Honors) and he completed his post-graduation from Kolkata University in Science and Technology. He is a Chartered Engineer by profession.

He has a varied experience in the field of science and technology, and he holds Directorships in IL & FS Investment Managers Limited, Atul Limited, Philips India Limited, Bhoruka Power Corporation Limited, Chandra's Chemical Enterprises Private Limited and the Peerless General Finance & Investment Co. Ltd, Peerless Financial Products Distribution Limited, SMD Management Consultants Private Limited, RABO India Finance Limited.

He was first appointed on the Board of Directors of the Company on 2nd September 2021 and the terms and condition of the appointment is provided in the appointment letter.

He has attended 3 (three) Board meeting since his appointment as additional director (non-executive, independent Director) and he does not hold any shareholding in the Company and also do not have any relationship with KMP/ Directors/ Manager.

Further, Mr. Susim Mukul Datta (DIN: 00032812) is not disqualified from being appointed as a director (non-executive, Independent Director) of the Company and as per the requirements of the Companies Act, 2013, the consent of the Director in the prescribed Form DIR-2 has been obtained. Additionally, the declaration in the prescribed Form DIR-8 along with declaration on the independence has been obtained from the Director.

Save and except the above, none of the Directors or Key Managerial Personnel of the Company or their relatives has any interest in the resolutions proposed.

The Board recommends passing of as a Special Resolution by the Members.

ITEM NO. 5:

In accordance with the provisions of Section 161 of the Companies Act, 2013, read with the Articles of Association of the Company, Ms. Anisha Motwani (DIN: 06943493) was appointed as an Additional Director of the Company with effect from 28th October 2021. Further as per the provisions of Section 161 of the Companies Act, 2013, Ms. Anisha Motwani holds office only up to the date of the ensuing Annual General Meeting of the Company.

The Directors at their meeting held on 5th August 2022 recommended the appointment of Ms. Anisha Motwani (DIN: 06943493) as Non-Executive & Independent Director of the Company with effect from 28th October, 2021.

Ms. Anisha Motwani, born on 21st June 1963 (59 years old as on date), is an Indian national. She completed her graduation in Bachelor of Science and Master's in business administration with Marketing as major.

She is a multi-faceted business leader with a rich experience of over 30 years in diverse industries viz. FMCG, Automobiles, Finance & Health services. She is also on the Advisory Board of Atal Incubation Center, India Diversity Forum and a regular speaker at various national and global business platforms. She was voted as one of the '50 Most Powerful Women in Indian Business' by Business Today for three consecutive years since 2009.

She holds Directorships in Snapdeal Limited, Edelweiss Finance & Investments Limited, Edelweiss Securities Limited, Dvara Kshetriya Gramin Financial Services Private Limited and L&T Investment Management Limited, Hindware Home Innovation Limited, Star Health and Allied Insurance Company Limited, Abbott India Limited, Welspun India Limited and Prataap Snacks Limited, She Matters LLP

She was first appointed on the Board of Directors of the company on 28th October, 2021 and the terms and condition of the appointment is provided in the appointment letter.

She has attended 2 (two) Board meeting since her appointment as additional director (non-executive, independent Director) and she does not hold any shareholding in the Company and also do not have any relationship with KMP/ Directors/ Manager.

Ms. Anisha Motwani (DIN:06943493) is not disqualified from being appointed as a director (non-executive, Independent Director) of the Company and as per the requirements of the Companies Act, 2013, the consent of the Director in the prescribed Form DIR-2 has been obtained. Additionally, the declaration in the prescribed Form DIR-8 along with declaration on independence has been obtained from the Director.

Save and except the above, none of the Directors or Key Managerial Personnel of the Company or their relatives has any interest in the resolutions proposed.

The Board recommends passing of a Special Resolution by the Members.

ITEM NO. 6, 7 & 8:

Mr. Anil Chandak (DIN: 06896696) was appointed as an Additional Director of the Company with effect from 02nd September 2021, in accordance with the provisions of Section 161 of the Companies Act, 2013, read with the Articles of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013, the above Director holds office only up to the date of the ensuing Annual General Meeting of the Company.

Further, the Board of Directors, at their meeting held on 2nd September 2021, had appointed Mr. Anil Chandak as a Whole-time Director, Chief Financial Officer and Key Managerial Personnel of the Company. The appointment as whole Director is effective from 2nd Sept 2021 till 1st Sept 2026, subject to the approval of the shareholders of the Company at the ensuing Annual General Meeting of the Company.

He has over 18 years of experience in leading Finance & Secretarial functions for India and Indian Subcontinent with expertise in building and executing Business Strategy, Financial Planning, Financial Reporting and Controls, Operations & Commercial and developing high performing teams. Prior to joining Philips Domestic Appliances, he has worked for organizations viz. Praxis Home Retail Ltd, Kimberly Clark, Tata Steel and ITC Ltd.

The Directors at their meeting held on 5th August 2022 recommended the appointment of Mr. Anil Chandak (DIN: 06896696) as the Director of the Company.:

Mr. Anil Chandak, born on 3rd March 1977 (45 years old as on date), is an Indian national. He is a member of Institute of Chartered Accountants of India and Institute of Company Secretaries of India.

He was first appointed on the Board of Directors of the Company on 2nd September 2021 and the terms and condition of the appointment is provided in the appointment letter.

He has attended 2 (two) Board meeting since his appointment as additional director, and he does not hold any shareholding in the Company and also do not have any relationship with KMP/ Directors/ Manager.

Mr. Anil Chandak (DIN: 06896696) is not disqualified from being appointed as a Director and Whole Time Director of the Company and as per the requirements of the Companies Act, 2013, the consent of the Director in the prescribed Form DIR-2 has been obtained. Additionally, the declaration in the prescribed Form DIR-8 has been obtained from the Director.

Further, as per annual performance review process followed by the Company, the Board of Directors, at their meeting held on 29th June 2022 subject to the approval of the shareholders of the Company and such other approvals as may be applicable, approved the revision in the remuneration of Mr. Anil Chandak, with effect from 1st April 2022.

The details of the present remuneration paid to Mr. Anil Chandak, along with the proposed remuneration is as below:

Particulars of Remuneration	Present Remuneration (from 2nd Sept 2021 to 31 March 2022)	Revised Remuneration w.e.f. 1st April, 2022
Salary	INR 666,667/- per month aggregating to INR 80,00,000/- per year or such other higher amount as approved by the Board of Directors or any Committee thereof from time to time. The Amount of INR 666,667/- per month includes: Basic Salary: INR 233,333/- House Rent Allowance: INR 116,667/- Flexible Benefit Plan: INR 277,443/- Retiral Benefits: INR 39,223/- (Part B)	INR 733,333/- per month aggregating to INR 88,00,000/- per year or such other higher amount as approved by the Board of Directors or any Committee thereof from time to time. The Amount of INR 733,333/- per month includes: Basic Salary: INR 256,667/- House Rent Allowance: INR 128,333/- Flexible Benefit Plan: INR 305,188/- Retiral Benefits: INR 43,146/- (Part B)
Variable Performance Linked Bonus	Not exceeding one and half times the Salary payable annually, as approved by the Board of Directors or any Committee thereof.	Not exceeding one and half times the Salary payable annually, as approved by the Board of Directors or any Committee thereof.
Perquisites	Subject to the limits contained in Schedule V of the Companies Act, 2013, perquisites shall be payable as set out in Part A, as applicable. Mr. Anil Chandak will not be paid sitting fees for attending meetings of the Board or its Committees thereof.	Not exceeding one and half times the Salary payable annually, as approved by the Board of Directors or any Committee thereof.

PART- A

a) Mr. Anil Chandak shall also be entitled to perquisites and allowances including but not restricted to medical reimbursement for self and family, club fees, medical insurance, personal accident insurance, Company stock (as per the global LTI plan) if any, Company's car for official duties and such other perquisites and allowances in accordance with the Rules of the Company as amended from time to time.

b) The perquisites and allowances as mentioned above, shall be evaluated as per Income Tax Rules, wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual cost. Provision for use of the telephone at residence shall not be included in the computation of perquisites.

PART-B

a) Company's contribution towards Provident Fund and Pension Fund not exceeding 12% of the Basic Salary plus or such other percentage as may be permitted in law from time to time, to the extent these either singly or together are not taxable under the Income Tax Act, 1961.

b) Gratuity and encashment of leave are payable as per the Rules of the Company at the end of the tenure and have been included in the remuneration amount mentioned above.

All the above perquisites and benefits would be subject to the applicable Company policy. The resolution for revision in remuneration of Mr. Anil Chandak is appropriate and in the best interests of the Company.

Except, Mr. Anil Chandak, none of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 6, 7 & 8.

In view of the applicable provisions of the Companies Act, 2013, the Board recommends the Ordinary resolution set out at item no. 6 and Special Resolution set out for item no. 7 & 8 of the accompanying Notice for the approval of the Members.

ITEM No. 9 & 10:

The Board of Directors, at their meeting held on 16th July 2021, had appointed Mr. Gulbahar Taurani as the Vice-Chairman and Managing Director of the Company subject to necessary approvals, for a period of five years, with effect from 01st August 2021 and approved the terms and conditions of his appointment including remuneration. Mr. Gulbahar Taurani, born on 20th December 1975 (46 years old as on date), is an Indian national and have completed his Master's in Business Administration.

Mr. Gulbahar Taurani is a seasoned leader with 20+ years of track record in building businesses, setting and scaling up of high performing cross functional teams and establishing complex strategic partnerships in both turn around and high growth situations. He has been with Philips India for 18+ years and has successfully built market leadership across multiple consumer categories and has been instrumental in driving Strategy and governance of the overall Brand Experience for all businesses in India.

He was appointed as Managing Director on the Board of Directors of the Company on 1st August 2021 and the terms and condition of the appointment is provided in the appointment letter. He does not hold any directorships in any other company.

He has attended 3 three Board meeting since his appointment as Vice-Chairman and Managing Director. He does not hold any shareholding in the Company and also do not have any relationship with KMP/ Directors/ Manager.

Further, as per annual performance review process followed by the Company, the Board of Directors, at their meeting held on 29th June 2022 subject to the approval of the shareholders of the Company and such other approvals as may be applicable, approved the revision in the remuneration of Mr. Gulbahar Taurani, with effect from 1st April 2022.

The details of the present remuneration paid to Mr. Gulbahar Taurani, along with the proposed remuneration is as below:

Particulars of Remuneration	Present Remuneration (form 1st August 2021 to 31st March 2022)	Revised Remuneration w.e.f. 1st April 2022
Salary	INR 1,308,576/- per month aggregating to INR 15,702,917/- per year or such other higher amount as approved by the Board of Directors or any Committee thereof from time to time. The Amount of INR 1,308,576/- per month includes: Basic Salary: INR 467,125/- House Rent Allowance: INR 233,563 /- Flexible Benefit Plan: INR 529,365/- Retiral Benefits: INR 78,524/- (Part B)	INR 1,557,206/- per month aggregating to Rs. 18,686,471/- per year or such other higher amount as approved by the Board of Directors or any Committee thereof from time to time. The Amount of INR 1,557,206/- per month includes: Basic Salary: INR 545,022/- House Rent Allowance: INR 272,511/- Flexible Benefit Plan: INR 648,055/- Retiral Benefits: INR 91,618/- (Part-B)
Variable Performance Linked Bonus	Not exceeding one and half times the Salary payable annually, as approved by the Board of Directors or any Committee thereof.	Not exceeding one and half times the Salary payable annually, as approved by the Board of Directors or any Committee thereof.
Perquisites	Subject to the limits contained in Schedule V of the Companies Act, 2013, perquisites shall be payable as set out in Part A, as applicable. Mr. Gulbahar Taurani will not be paid sitting fees for attending meetings of the Board or its Committees thereof.	Subject to the limits contained in Schedule V of the Companies Act, 2013, perquisites shall be payable as set out in Part A, as applicable. Mr. Gulbahar Taurani will not be paid sitting fees for attending meetings of the Board or its Committees thereof.

Part- A

a) Mr. Gulbahar Taurani shall also be entitled to perquisites and allowances including but not restricted to medical reimbursement for self and family, club fees, medical insurance, personal accident insurance, Company stock (as per the global LTI plan) if any, Company's car for official duties and such other perquisites and allowances in accordance with the Rules of the Company as amended from time to time.

b) The perquisites and allowances as mentioned above, shall be evaluated as per Income Tax Rules, wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual cost. Provision for use of the telephone at residence shall not be included in the computation of perquisites.

Part-B

Company's contribution towards Provident Fund and Pension Fund not exceeding 12% of the Basic Salary or such other percentage as may be permitted in law from time to time, to the extent these either singly or together are not taxable under the Income Tax Act, 1961.

Gratuity and encashment of leave are payable as per the Rules of the Company at the end of the tenure and have been included in the remuneration amount mentioned above.

All the above perquisites and benefits would be subject to the applicable Company policy. The resolution for revision in remuneration of Mr. Gulbahar Taurani is appropriate and in the best interests of the Company.

Except Mr. Gulbahar Taurani, none of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 9 & 10.

In view of the applicable provisions of the Companies Act, 2013, the Board recommends the Special Resolution set out for item no. 9 & 10 of the accompanying Notice for the approval of the Members.

Item No. 11:

Pursuant to Section 149 and 197 of the Companies Act, 2013 read with related rules issued thereon, including the relevant schedule and pursuant to the Articles of Association of the Company, a non-executive and independent director may receive remuneration from the Company by way of profit related commissions as may be approved by the members of the Company and in case of profits, the total managerial remuneration payable by a public company, to its Non-executive Directors who are neither Managing Directors nor Whole-time Directors shall not exceed one percent (1%) of the net profits of the Company computed as per the Section 198 of the Companies Act, 2013, if there is a Managing Director or a Whole-time Director or Manager or three percent (3%) of the net profits of the Company in any other case.

Keeping in view the above-mentioned provision, the Board of Directors, at their meeting held on 5 August 2022, had approved and recommended to the shareholders for providing approval at the ensuing Annual General Meeting of the Company for a period of 5 year, with respect to the payment of one percent (1%) commission on the net profits of the Company as computed in the manner prescribed under Section 198 of the Companies Act, 2013 from the financial year 2021-22 and till 2025-2026 thereafter to the Non-executive, Independent Directors as appointed on the Board of the Company.

Except Ms. Anisha Motwani and Mr. Susim Mukul Datta, none of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 11.

In view of the applicable provisions of the Companies Act, 2013, the Board recommends the ordinary Resolution set out at item no. 11 of the accompanying Notice for the approval of the Members.

By the order of the Board

Aruna Arulsingh
Legal Counsel

Date: 1st September, 2022
Place: Gurgaon

To

The Members

Your Directors take immense pleasure in presenting the 2nd Annual Report of the Company along with the audited financial statements and the report of the auditors' thereon for the Financial Year ended on 31st March 2022.

1. FINANCIAL PERFORMANCE / SUMMARY

RESULTS

(INR in million)

Particulars	FY 2021-22	FY 2020-21 (17th July 2020 to 31st March 2021)
Gross Income	17,461	12,644
Profit before exceptional items and tax	1848	958
Exceptional items	0	0
Profit before tax	**1,848**	**958**
Provision for current tax	-	-
Deferred tax – Credit / (Charge)	(476)	(211)
Profit after tax	**1,372**	**747**

The year began with a second wave of covid-19 disrupting operations and impacting overall revenue for Q1. We however stayed connected with our employees, customers, ensuring their well-being and business continuity and achieved a year-end revenue of INR 17,461 Mn in FY 21-22.

We continued to work hard in growing the brands and categories with a focus on core category creation, driving innovative campaigns, activations across multi channels and leveraging new business opportunities. Commodity costs remained volatile and inflationary, impacting our margins as we went for calibrated price increases. Competition continued to be active and low-cost players continued to be a challenge.

2. Business Restructuring

During January, 2020 Royal Philips had announced its intention to disentangle its domestic appliances business globally into separate legal entity. Pursuant to which, a Composite Scheme of Arrangement ("Scheme") was entered for Indian disentanglement amongst "Philips India Limited" (Demerged Company), "Philips Domestic Appliances India Limited" (Resulting Company) and Preethi Kitchen Appliances Private Limited (Amalgamating Company) under Section 230 to 232 and other relevant provisions of the Companies Act, 2013 and their respective Shareholders. The said scheme was approved by the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench vide its order dated 13th May 2021 and NCLT, Kolkata Bench vide its order dated 14th June 2021. In consideration towards the re-structuring, each shareholder of Philips India Limited had been allotted with a share on 1:1 ratio.

Pursuant to the said Scheme, the Domestic Appliances business of Philips India Limited was hived off and merged into your Company. Further Preethi Kitchen Appliances Private Limited was dissolved as a legal entity and merged/amalgamated with the Company on a going concern basis, consequent to which all rights and liabilities of Preethi Kitchen Appliances Private Limited were transferred and vested with your Company including the brand "Preethi". Thus, in view of the said re-structuring, your Company has started its operation with effect from 1st August 2021 with an appointed date of 1st July, 2021 housing 2 (two) brands i.e. "Philips" and "Preethi" in it.

The accounting for the Scheme of Arrangement has been done basis Appendix C to IND AS 103, Business Combinations of entities under common control. The management in consultation with expert advice from auditors has assessed that Royal Philips, Netherland ('Parent') ultimately controlled the parties before and after the combination and the control was not transitory. So In line with requirement of IND AS 103, financial information in the financial statements in respect of prior period (17 July 2020 to 31 March 2021) has been restated as if the business combination had occurred from the beginning of the preceding period in the financial statements starting from 17th July 2020.

3. Business Performance/state of the Company's Affairs

Financial year 2021-22 was an extra-ordinary year, wherein one of the biggest and unprecedented lockdowns in India was announced due to COVID -19 outbreak and its consequent impact on economy, consumer behaviors created both challenges and new opportunities.

During the year we had two-pronged task cut out for us one was creation of an independent organization and second, adopting to the external dynamic environment. Despite the challenges, we had delivered a double digit growth over the previous financial year and both the brands Philips and Preethi delivered strong growth in key segments and maintained their market leadership position.

In our constant endeavor to simplify the art of cooking, during the year, we have launched new products in different segments under both the brands with unique value proposition which helped to carve out niche space in the competitive market. During the year, we have also carried out an expansion of Preethi Zodiac Cosmo Mixer Grinder into newer territories that helped to take our growth to next level & maintain our leadership in the category.

Being an innovation leader and keeping consumer centricity at the core, we have introduced the New Urban living range of Air Purifiers with an idea to create a safe in-home environment and also introduced our most innovative

Mixer Grinder on the Silent Platform, first of this kind unique innovation in India and also launched a full range of Garment Steamers – both in Handheld and Stand Steamer segment under the Philips brand.

With an aim to build brand relevance and preference during the challenging year, your Company used new opportunities with investment on high decibel marketing campaigns and utilized digital medium extensively to reach out to relevant target consumers, enhanced the social presence and improved upon the Consumer Ratings and Reviews, Net Promoter Score across segments.

Your Company's efforts were acknowledged by industry experts: Preethi brand received Foxglove awards for "Hunt for Preethi Oldest Mixie Contest campaign", Gold & silver award at exchange4media Indian marketing awards. Philips brand marketing activation received a silver award from Economic Times Brand equity award 2021-22 for the Silent Mixer Grinder.

4. Dividend

During the period under review, your Directors recommend a payment of Rs. 10/- per share as dividend on the fully paid equity shares for the Financial Year ended March 31, 2022. This will absorb cash of INR 575,172,420 as dividend.

5. Transfer to reserves

For the Financial year 2021-22, the Board of Directors does not propose to transfer any amount to the General Reserves.

6. Public Deposits

Your Company has not accepted any deposit from its members or public within the meaning of Sections 73 and 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 including any statutory modification(s) and amendment thereof.

7. Material changes and commitments, if any affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial year relates and the date of report

There have been no material changes and commitments affecting the financial position of the Company since the close of financial year i.e. 31st March 2022 and the date of this Report. Further, there are no changes in the nature of business of the Company.

8. Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

There are no significant material orders passed by the Regulators/ Courts which would impact the going concern status of the Company and its future operations.

9. Details of subsidiary/ joint ventures/ associate companies

The Company does not have any Subsidiary, Joint Venture or Associate Company.

10. Details of directors and key managerial personnel

During the year and as on the date of this Report, the following changes took place in the composition of the Directors and Key Managerial Personnel of the Company:

a) Mr. Sudeep Agrawal has resigned from the Board as a Director w.e.f 2nd September 2021.
b) Mr. Gulbahar Taurani, Director had been appointed as the Vice-Chairman and Managing Director of the Company w.e.f 1st August 2021 subject to the shareholders approval at the ensuing Annual General Meeting.
c) Mr. Susim Mukul Datta had been appointed as an Additional Director (Non-Executive & Independent Director) on the Board of the Company w.e.f 2nd September 2021 and his appointment as Independent Director is subject to shareholders approval in the ensuing Annual General Meeting.
d) Mr. Anil Chandak had been appointed as an Additional Director (Whole time Director) on the Board of the Company w.e.f 2nd September 2021. Further, he has also been designated as Chief Financial Officer of the Company w.e.f 2nd September 2021. The appointment of Mr. Anil Chandak as Whole Time Director of the comapny is subject to shareholders approval in the ensuing Annual General Meeting.
e) Ms. Anisha Motwani had been appointed as an Additional Director (Non-Executive & Independent Director) of the Board of the Company w.e.f 28th October 2021 and her appointment as an Independent Director is subject to shareholders approval at the Annual General Meeting.
f) Mr. Rajiv Mathur had been appointed as Whole time Director and Company Secretary of the Company w.e.f 1 Aug 2021. He has resigned as the whole time Director and Company Secretary of the Company w.e.f 1st July 2022

The Board has placed on record its appreciation for the valuable contributions made by Mr. Sudeep Agrawal and Mr. Rajiv Mathur, during their tenure with the Company.

During the year, the Board of Directors have recommended to the shareholders of the Company, the regularization of Mr. Susim Mukul Datta (DIN: 00032812), Mr. Anil Chandak (DIN: 06896696) and Ms. Anisha Motwani (DIN: 06943493) as their term as Additional Directors expires at the ensuing Annual General Meeting.

Further, pursuant to the provisions of section 152 of the Companies Act, 2013 and rules framed thereunder, Mr. Gulbahar Taurani (DIN: 08797127), Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting of the Company and, being eligible, offers himself for re-appointment, as a Director of the Company. Your Board of Directors proposes the re-appointment of Mr. Gulbahar Taurani (DIN: 08797127), as the Director of the Company at the Annual General Meeting.

The current composition of the Board of Directors of the Company as on the date of this Report are as follows:

a) Mr. Susim Mukul Datta (DIN: 00032812) – Chairman & Additional Director (Non-Executive, Independent Director)
b) Mr. Gulbahar Taurani (DIN: 08797127) – Vice-Chairman & Managing Director
c) Mr. Anil Chandak (DIN: 06896696) – Additional Director & Whole Time Director
d) Ms. Anisha Motwani(DIN: 06943493) – Additional Director (Non-Executive, Independent Director).

Apart from the above, there are no other changes in the constitution of the Board of Directors and Key Managerial Personnel of the Company during the year under review and as on date of this report.

11. Number of the meetings of the board

The Board of Directors of the Company met 7 (Seven) times during the Financial Year 2021-22 on 16th June 2021, 30th June 2021, 16th July 2021, 12th August 2021, 02nd September 2021, 17th December 2021 and 22nd March 2022, in compliance with the minimum stipulated requirement, and the gap between any two meetings as per the provisions of the Companies Act, 2013.

The agenda of the Board Meetings were circulated to all the Directors well in advance and contained all the relevant information. All the Directors attended all the meeting and no leave of absence was required to be provided.

12. Committees of the board

In compliance to the statutory requirements, the Board has constituted the following Committees with approved terms of reference and scope, with an aim to focus effectively on the issues and various compliance and governance matters.

12.1 Audit committee

Audit Committee of the Board is responsible for monitoring and providing an effective supervision of the management`s financial reporting, to ensure accurate and timely disclosures, with the highest levels of transparency, recommending the appointment, re-appointment, remuneration and terms of appointment of auditors and approval of payment for any other services rendered by statutory auditors and reviewing the annual financial statements before submission to the Board for approval.

The powers of Audit Committee include investigating any activity within its terms of reference as specified by the Board and seeking information from any employee, obtain professional advice from external sources and have full access to information contained in the records of the Company, approval or any subsequent modification of any transactions of the Company with related parties, review and monitor the auditor's independence and performance and effectiveness of audit process, scrutiny of inter corporate loans and investments.

The committee also mandatorily reviews information such as internal audit reports related to internal control weakness and analysis of financial condition and results of operations.

As on the date of this report, the Audit Committee of your Company comprised of the following:

Sl. No	Name	Designation
1	Mr. Susim Mukul Datta	Chairman
2	Ms. Anisha Motwani	Member
3	Mr. Anil Chandak	Member

The Audit Committee reviews, acts on and reports to our Board of Directors with respect to various auditing and accounting matters. The primary responsibilities of the Committee, inter-alia, are:

a) The recommendation for appointment, remuneration and terms of appointment of Auditors of the Company
b) Review and monitor the Auditor's independence and performance, and effectiveness of audit process
c) Examination of the financial statement and the Auditors' Report thereon
d) Approval or any subsequent modification of transactions of the Company with related parties
e) Scrutiny of inter-corporate loans and investments
f) Valuation of undertakings or assets of the Company, wherever it is necessary
g) Evaluation of internal financial controls and risk management systems

During the financial year 2021-22, the Audit Committee members met 2 (Two) times on 17th December 2021 and 22nd March 2022, as per the provisions of the Companies Act, 2013 and rules made thereunder.

12.2 Nomination and remuneration committee

Nomination and Remuneration Committee covers the areas as contemplated under Section 178 of the Companies Act, 2013, besides other terms as references as considered and approved by the Board of Directors.
The role includes formulation of criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board the remuneration for the directors, key managerial personnel and formulation of criteria for evaluation of Independent Directors, the Board and Committees of the Board, developing the diversity of Board of Directors and identification of persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down.

As on the date of this report, the Nomination and Remuneration Committee of your Company comprised of the following:

Sl. No	Name	Designation
1	Ms. Anisha Motwani	Chairperson
2	Mr. Susim Mukul Datta	Member
3	Mr. Anil Chandak	Member

The primary responsibilities of the Committee are inter-alia to:

a) Recommend to the Board, the set up and composition of the Board and its Committees, including the "formulation of the criteria for determining qualifications, positive attributes and independence of a Director". The Committee will consider periodically reviewing the composition of the Board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience.
b) Recommend to the Board the appointment or reappointment of Directors.
c) Recommend to the Board appointment of Key Managerial Personnel and executive team members of the Company
d) Carry out evaluation of every Director's performance and support the Board and Independent Directors in evaluation of the performance of the Board, its Committees and individual Directors. This shall include "formulation of criteria for evaluation of Independent Directors and the Board" as per Performance Evaluation Policy of the Company.
e) Recommend to the Board the remuneration policy for Directors, executive team or Key Managerial Personnel.
f) Recommend to the Board the remuneration payable to the Directors and oversee the remuneration to executive team or Key Managerial Personnel of the Company.

The Nomination and Remuneration Committee members have met 1 (One) time during the financial year 2021-22 on 17th December 2021, as per the provision of the Companies Act, 2013 and rules made thereunder including any statutory modification(s) and amendments thereof.

A. Company's policy relating to directors' appointment, payment of remuneration and discharge of their duties

Pursuant to section 178(3) of the Companies Act, 2013, the Company has considered and adopted a Policy on directors appointment, payment of remuneration to the Directors and discharge of their duties and responsibilities by the Board of Directors. The salient features of the said policy are as under:

i. In case of appointment of Independent Directors, the Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.

ii. The Nomination & Remuneration Committee shall consider the following attributes / criteria, while recommending to the Board, the candidature for appointment as Director:
- Qualification, expertise, and experience of the Directors in their respective field.
- Personal, Professional, or business credibility; and
- Diversity of the Board.

iii. In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the Performance Evaluation of the Director.

iv. While finalizing the member of the Board, the Committee shall ensure that the person shall be of high integrity with relevant expertise and experience so as to have a diverse Board, having expertise in the field of Information Technology, sales /marketing, finance, taxation, law, governance, and general management as the case may be.

Further subject to the provisions of Section 149 and 197 of the companies Act, 2013 read with related rules issued thereon, including the relevant schedule and pursuant to the Articles of Association of the Company, the non-executive/Independent Directors may receive remuneration from the Company including by way of profit related commissions as may be approved by the members of the Company.

The Board of Directors in its meeting held on 5th August, 2022 had approved for the payment of remuneration to its non-executive/Independent Directors not exceeding one (1%) of the Net profits of with the Company as computed in the manner prescribed under the section 198 of the Companies Act, 2013 for a period of 5years and recommended the same to the shareholders for their approval at the ensuing Annual General Meeting.

B. Annual evaluation of the performance of the board, its committees and of individual directors

In terms of provisions of Section 134, Section 178 and all other applicable provisions of the Companies Act, 2013 read with the requirements stated in Schedule IV (Code for Independent Directors) of the Companies Act, 2013, the Board adopted a formal mechanism for evaluating its performance as well as that of its Committees, Individual Directors on an Annual basis.

The Nomination and Remuneration Committee of the Company had approved a Performance Evaluation Policy, which had been adopted by the Board of Directors. The key features of this Policy have been included in the report.

For the financial year 2021-22, the Board took note of the performance evaluation conducted for the Board as a whole, Committees of the Board and the individual Directors, as per the applicable provisions of the Companies Act, 2013. The evaluation was conducted based on the inputs received from all the Directors basis different criteria as specified in the performance evaluation policy.

Further in a separate meeting of the Independent Directors held on 5th August, 2022, performance of Non-Independent (Executive) Directors, performance of the Board as a Whole and performance of the Chairman was evaluated, taking into account the views from Executive Directors.

The results of the evaluation was shared with the Board, Chairpersons of the respective Committees and the individual Directors and the same was noted by them.

12.3 Stakeholder relationship commmittee

The Stakeholders' Relationship Committee oversees, inter-alia, the redressal of shareholders and investor grievances, transfer/transmission of shares, issue of duplicate shares, exchange of share certificates, recording dematerialization/ re-materialization of shares and related matters.

As on the date of this report, the Stakeholder Relationship Committee of your Company comprised of the following:

Sl. No.	Name	Designation
1	Mr. Susim Mukul Datta	Chairman
2	Mr. Anil Chandak	Member

The primary responsibilities of the Committee, inter-alia, are:

a) To consider and ensure resolution of the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual Reports, non-receipt of dividends, issue of new/duplicate share certificates, general meetings etc.
b) To consider and review the adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent
c) To consider and review the measures taken for effective exercise of voting rights by Shareholders
d) To consider and review the various measures and initiatives taken by the Company for reducing the quantum of unclaimed / unpaid dividends and ensuring timely receipt of dividend warrants / Annual Reports / statutory notices by the Shareholders of the Company
e) To review compliance relating to all securities including dividend payments, transfer of unclaimed amounts or shares to the Investor Education and Protection Fund
f) To undertake self-evaluation of its own functioning and identification of areas for improvement towards better governance

The Stakeholder Relationship Committee members have met once (1) during the Financial Year 2021-22 on 22nd March 2022 as per the provision of the Companies Act, 2013 and rules made thereunder including any statutory modification(s) and amendments thereof.

12.4 Corporate social responsibility committee

During the financial year 2021-22, the provisions of the Companies Act, 2013 pertaining to Corporate Social Responsibility were not applicable on the Company. However, the CSR projects of erstwhile Preethi Kitchen Appliances Private Limited was taken over by your Company on "as is" basis and continued its implementation.

Further as per the provisional financial statements of the financial year 2021-22, your Company has generated net profit exceeding the threshold specified for the applicability for the CSR provisions and therefore the Board had constituted the CSR Committee in accordance with Section 135 and Schedule VII of the Companies Act, 2013 and also framed and adopted a CSR Policy. The main objective of the CSR policy has been to lay down guidelines for the Company to undertake activities and support projects in accordance schedule VII.

The Board of Directors of your Company will undertake the necessary CSR projects, if any required to ensure CSR expenditure as may be applicable on the Company, pursuant to the compliance requirements.

Composition of the CSR Committee

As on the date of report, the Corporate Social Responsibility Committee of your Company comprised of the following members:

Sl. No.	Name	Designation
1	Mr. Susim Mukul Datta	Chairman
2	Ms. Anisha Motwani	Member
3	Mr. Anil Chandak	Member

The primary responsibilities of the Committee, inter-alia, are:

a) To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Act inter alia including as specified under Schedule VII.
b) To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company as per the Act inter alia including as specified under Scheduled VII.
c) To monitor the CSR policy of the Company from time to time.
d) Any other matter as the CSR Committee may deem appropriate after approval of the Board of Director or as may be directed by the Board of Directors from time to time.

During the FY 2021-22, it was not required to convene CSR Committee meetings.

13. Declaration by independent directors

The Company has received a declaration from each of the Independent Directors under Section 149 (7) of the Companies Act, 2013, to the effect that they meet the criteria of Independence laid down in Section 149 (6) of the Companies Act 2013.

In opinion of the Board, Independent Directors fulfil the conditions specified in the Act, rules made thereunder and are Independent of the management.

14. Adequacy of internal financial controls

The Company maintains appropriate systems of internal control, including monitoring procedures, to ensure that all assets are safeguarded against loss from unauthorized use or disposition. The Company has in place adequate internal financial controls with reference to the financial statements. There were no reportable material weakness in the internal financial control system was observed.

15. Human resources and industrial relations

Your Company focuses on building future ready organization that helps people turn houses into homes and promotes a DAring organizational culture. We strive to be a best place to work for people who share our passion and DAre to pursue the company's purpose. The focus of your Company is to ensure that it enables each and every employee and support in keeping its business at the forefront of successful and meaningful transformations.

A diverse and well experienced management team across the functions was established in your company during this year of demerger. Despite ongoing restructuring, your company ensured strong employee engagement and high morale through on-going employee connects, employee wellbeing & recognition programs, focussed on upgrading and upskilling the workforce. Role enlargement and job rotation has been a key focus at your Company wherein employees have been given opportunities to take up larger roles, different portfolios, geographies and expand on the job learning experience to unleash their true potential for future roles.

16. Conservation of energy, technology absorption, foreign exchange earnings and outgo

Conservation of Energy:

i. Steps taken or impact on conservation of energy:
Optimized the electricity consumption for the shop floor through sensor-based controller system which will measure the lux level and switch on and off the lighting, the units saved 1135 kwh / month.

ii. Steps taken by the Company for utilizing alternate sources of energy:
We have installed roof top solar systems in our factory. With continuous focus, we have improved 26% solar energy utilization in 2022 and achieved 75% consumption from renewable energy during daytime.

iii. Capital investment on energy conservation equipment's:
Optimized the Stator Trickling machine conveyor by introducing a new relay and relevant logic modification and eliminated the continues running of those machines. (Average savings of 720 Kwh / month).

Sustainability Initiatives

- Your Company aims towards a Zero waste land fill. In line with it, installed a fully automatic composting machine that convert the food & garden waste into a nutrient-rich, soil supplement compost, which resulted in a volume reduction of 85 -90%.
- On world Environment day, the Company had distributed 300 saplings to the employees.
- As part of Go Green initiative, introduced a poly cover reduction project through which 50 KGS of plastic waste (poly cover) per month is collected by implementing two bin system.

Safety Initiatives

As part of the safety initiatives of the Company, during the year following activities were carried out:

- Weekly employee's safety activities and a National Safety day celebration;
- Conducted annual employee health checkup camp
- Conducted stretching exercises as part of office ergonomics
- To ensure safe work at heights, implemented mobile scissor lift for height work activities
- Modified the fire hydrant system to avoid the underground water leakage

Technology Absorbtion:

The Chennai Factory adopted the Industry 4.0 in the Operations like IoT & Big data to eliminate Nonvalue activities identified through Lean tools of VSM, Yamazumi, Poka Yoke & OEE.

Automation:

3 Robotic automations, 2 Material handling automations & 7 Special purpose machines were adopted in the Motor Line which helped us to improve the productivity and quality.

Digitalization:

Industrial digitalization adapted in the Materials Warehouses like Digital stores with navigation system for faster storage and retrieval of components. Further, we have digitized all the technical documents and provided the ERP access to supplier and other stakeholders to drive better performance in terms of quality & delivery.

Foreign exchange earnings and outgo:

Total Foreign Exchange used and earned during the year are as follows:

Particulars	In INR million
Foreign Exchange Outgo	1,803
Foreign Exchange Earned	339

17. Particulars of loans, guarantees or investments under section 186

During the year under review, the Company has neither granted any loan nor given any guarantee or security in connection with a loan. Further, there was no investment made by the Company. Therefore, the provisions of section 186 of the Companies Act, 2013 are not applicable to the Company.

18. Particulars of contracts and arrangement with related party transactions

All Related Party Transactions that are entered into, during the financial year were on arm's length and in the ordinary course of business as per the provisions specified under the Companies Act, 2013 read with related rules issued thereon and details of the same in the prescribed Form AOC-2, is appended as Annexure I to the Board's Report.

19. Statement of risk management policy

Risk management forms an integral part of the business planning and review cycle followed by your Company. The Company's risk management initiatives are designed to overview the main risks known to your Company, which could hinder it in achieving its strategic and financial business objectives. The objectives are met by integrating management control into the daily operations, actively working and monitoring on risk mitigation initiatives identified by the business leadership for the risks emanating from the external business environment through a regular cadence, by ensuring compliance with legal requirements and by safeguarding the integrity of the Company's financial Reporting and its related disclosures like businesses, objectives, revenues, income, assets, liquidity or capital resources.

Your Company's risk management approach is embedded in the areas of corporate governance, General Business Principles and Risk Management framework.

20. Details of Auditor

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and all other applicable provisions read with rules made thereunder, M/s S.R. Batliboi & Co LLP with Firm Registration Number (301003E/E300005) was appointed as the Statutory Auditor of the Company at the First Annual General Meeting of the Company held on 30th July 2021, to hold the office of Statutory Auditor for a period of 5 years commencing from 1st April 2021 till the conclusion of Sixth Annual General meeting to be held for the Financial Year 31st March 2026 on such remuneration as may be decided by the Board plus reimbursement of out of pocket expenses.

21. Explanations or comments by the board on auditors' report

There were no qualifications, reservations or adverse remarks made by the Auditor's in their Report. Apart from it, the comments of the Auditors' read with the notes on accounts are self- explanatory hence no separate comments have been given. The Directors are conscious to comply with all the statutory requirements and also making continuous efforts to identify the areas where controls need to be strengthened.

22. Secretarial audit

For the period under review, the provisions relating to Secretarial Audit are not applicable to your Company. However, the applicability is re-visited for the financial year 2022-23 and necessary actions are under process.

23. Details of frauds, if any, reported by the auditors

There are no frauds reported by the Statutory Auditors of the Company in their report.

24. Disclosure on maintenance of cost records

As per the provisions of Section 148(1) of the Companies Act 2013, read with Rule 3 of the Companies (Cost Records and Audit) Rules, 2014, the Company is maintaining the cost records. However the provisions with respect to cost audit is not applicable to the Company, as the Company has not crossed the limits prescribed under the provisions. Accordingly, the Company is not required to appoint the cost auditor as specified under Section 148 of the Companies Act, 2013.

25. Compliance with secretarial standards

During the period under review, the Company has complied with all the provisions of the Secretarial Standards-1 and Secretarial Stanards-2 issued by the Institute of Company Secretaries of India.

26. Details of application made or proceedings pending under the insolvency and bankruptcy code, 2016 (31 of 2016) during the year alongwith their status as at the end of the financial year

During the period under review, the Company has neither made any application nor any proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).

27. Details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the banks or financial institutions along with the reasons thereof

During the period under review, the Company has not undertaken any one-time settlement and has not taken any loan from the banks or financial institutions therefore the applicability of obtaining valuation is not applicable on the Company.

28. Details of buy back of shares

Your Company has not bought back any shares during the year under review.

29. Details of transfer to investor education protection fund

Your Company has not transferred any shares to Investor Education Protection Fund during the year under review.

However pursuant to the composite scheme of arrangement ("Scheme") mentioned above, the shareholders of Philips India Limited, who share are already transferred to IEPF before the date of de-merger were also allotted with shares in your Company. The Company is taking necessary steps through its RTA on any request received with respect to the same.

30. Annual return

The Annual Return of your Company in Form MGT-7 is available on its website at
https://www.domesticappliances.philips.co.in

31. Disclosure under the sexual harassment of women at workplace (prevention, prohibition and redressal) act, 2013

The Company has always believed in providing a safe and harassment free workplace for every individual working in Company's premises. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The Company has also established an internal Complaints Committee in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 at the Corporate Office situated at Gurugram and Site Complaint Redressal Committees at Chennai, Mumbai and Bangalore.

There were no complaints received during the year under review.

32. Directors' responsibility statement

As required under Sections 134(3) (c) and 134 (5) of the Companies Act, 2013 , your Directors to the best of their knowledge confirm that:

- In the preparation of the annual accounts for the financial year ended 31st March 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any.
- The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the Profit and Loss of the Company for the year ended that date.
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The Directors have prepared the Annual Accounts for the year ended 31st March 2022 on a 'Going Concern' basis.
- The Directors have devised proper systems to ensure compliance with provisions of all applicable laws and that such systems were adequate and operating effectively.

33. Acknowledgement

Your Directors acknowledge with thanks, the support and valuable co-operation extended by the business partners, investors, bankers and Shareholders of the Company. We sincerely appreciate the contribution made by the employees at all levels, who, through their competence, hard work, solidarity, co-operation, support, and commitment have enabled the Company to achieve the growth.

The Directors appreciate and value the contributions made by every member of the Philips DA family.

For and on Behalf of the Board of Directors

Philips Domestic Appliances India Limited

Susim Mukul Datta | Chairman

Address: Unit No. 401, 4th Floor, Bharti Worldmark,

Maidawas Road, Sector 65, Gurgaon -122018, Haryana

Date: 5th August 2022
Place: Gurgaon

Annexure 1

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/ arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transaction's not at arm's length basis: Nil

(a) Name(s) of the related party and nature of relationship: NIL

(b) Nature of contracts/ arrangements/ transactions: NIL

(c) Duration of the contracts/ arrangements/ transactions: NIL

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: NIL

(e) Justification for entering into such contracts or arrangements or transactions: NIL

(f) Date (s) of approval by the Board: NIL

(g) Amount paid as advances, if any: NIL

(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: NIL

2. Details of material contracts or arrangements or transactions at arm's length basis and in the ordinary course of business:

Names of related parties:

Name of Related Party	Nature of Relation
Refer to Annexure A	

(a) Duration of the contracts/ arrangements/ transactions: Refer to Annexure A

(b) Salient terms of the contracts or arrangements or transactions including the value, if any: Refer to Annexure A

(c) Date(s) of approval by the Board, if any: Refer to Annexure A

(d) Amount paid as advances, if any: Refer to Annexure A

For and on Behalf of the Board of Directors

Philips Domestic Appliances India Limited

Susim Mukul Datta | Chairman

Address: Unit No. 401, 4th Floor, Bharti Worldmark,

Maidawas Road, Sector 65, Gurgaon -122018, Haryana

Annexure A

Details of contracts or arrangements ortransactions at arm's length basis

Names of the related party and nature of Relationship	Nature of contracts/ Arrangements/ Transactions	Duration of the Contracts/ Arrangements/ transactions	Salient terms of the Contracts or Arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as Advances, if any	Value of Transactions during the year ended (in Rupees)
Philips India Limited (Holding Company)	Revenue from research and development recharge	April'21to June 2021	Based on Transfer pricing guidelines	Contract is entered into in the ordinary course of business on arm's length basis	NIL	2,644,342
Philips India Limited (Holding Company)	Business support services	April'21to June 2021	Based on Transfer pricing guidelines	Contract is entered into in the ordinary course of business on arm's length basis	NIL	6,690,053
Philips India Limited (Holding Company)	Reimbursement of expenses	April'21to June 2021	Based on Transfer pricing guidelines	Contract is entered into in the ordinary course of business on arm's length basis	NIL	**812,550**
Philips India Limited (Holding Company)	Research & Development expenses	April'21to June 2021	Based on Transfer pricing guidelines	Contract is entered into in the ordinary course of business on arm's length basis	NIL	12,335,431
Philips India Limited (Holding Company)	Sale of products	April'21to June 2021	Based on Transfer pricing guidelines	Contract is entered into in the ordinary course of business on arm's length basis	NIL	1,249,826

Philips Electronics Singapore (Fellow Subsidiary Company)	Sale of products	April'21to June 2021	Based on Transfer pricing guidelines	Contract is entered into in the ordinary course of business on arm's length basis	NIL	79,423
Philips Consumer LifeStyle BV (Fellow Subsidiary Company)	Purchase of products	April to March 2022	Based on Trans fer pricing guidelines	Contract is entered into in the ordinary course of business on arm's length basis	NIL	1,065,119,285
Philips Consumer LifeStyle BV (Fellow Subsidiary Company)	Sale of products	April to March 2022	Based on Transfer pricing guidelines	Contract is entered into in the ordinary course of business on arm's length basis	NIL	37,909,020
Philips Electronics Nederland B. V. (Fellow Subsidiary Company)	IT Support Services	April'21to June 2021	Based on Transfer pricing guidelines	Contract is entered into in the ordinary course of business on arm's length basis	NIL	641,614
Philips International B.V (Fellow Subsidiary Company)	Support Services	April'21to June 2021	Based on Transfer pricing guidelines	Contract is entered into in the ordinary course of business on arm's length basis	NIL	98,845,049
Philips International B.V (Fellow Subsidiary Company)	Purchase of products	April'21to June 2021	Based on Transfer pricingguidelines	Contract is entered into in the ordinary course of business on arm's length basis	NIL	1,078,042

Philips India Limited (Fellow Subsidiary Company)	Support Services received	July 2021 to Aug 2021	Based on Transfer pricing guidelines	Contract is entered into in the ordinary course of business on arm's length basis	NIL	6,968,949
Philips India Limited (Fellow Subsidiary Company)	Sale of Support Services	July 2021 to Aug 2021	Based on Transfer pricingguidelines	Contract is entered into in the ordinary course of business on arm's length basis	NIL	2,746,621
Koninklijke Philips N.V (Holding Company)	Issue of Equity Shares	July 2021 to Aug 2021	Based on Transfer pricing guidelines	Contract is entered into in the ordinary course of business on arm's length basis	NIL	552,902,420
Philips Domestic Appliances Nederland BV (Fellow Subsidiary Company)	Purchase of products	July'21 to March 2022	Based on Transfer pricing guidelines	Contract is entered into in the ordinary course of business on arm's length basis	NIL	1,399,995,313
Philips Domestic Appliances Holdings BV (Holding Company)	Brand License fees	July 2021 to March 2022	Based on Transfer pricing guidelines	Contract is entered into in the ordinary course of business on arm's length basis	NIL	130,167,600
Philips Domestic Appliances Nederland BV (Fellow Subsidiary Company)	Technical License fees	July 2021 to March 2022	Based on Transfer pricing guidelines	Contract is entered into in the ordinary course of business on arm's length basis	NIL	50,250,469

Philips Domestic Appliances Nederland BV (Fellow Subsidiary Company)	ISA Charges	July 2021 to March 2022	Based on Transfer pricing guide **lines**	Contract is entered into in the ordinary course of business on arm's length basis	NIL	25,356,690
Philips Domestic Appliances Nederland BV (Fellow Subsidiary Company)	Sale of Support Services	July'21 to March 2022	Based on Transfer pricing guidelines	Contract is entered into in the ordinary course of business on arm's length basis	NIL	140,454,831
Philips Domestic Appliances Nederland BV (Fellow Subsidiary Company)	Sale of products	July'21 to March 2022	Based on Transfer pricing guidelines	Contract is entered into in the ordinary course of business on arm's length basis	NIL	56,652,606
Philips Domestic Appliances Nederland BV (Fellow Subsidiary Company)	Reimbursement of Expenses	July'21 to March 2022	Based on Transfer pricing guidelines	Contract is entered into in the ordinary course of business on arm's length basis	NIL	11,222,209
Philips Domestic Appliances Singapore Pte Ltd. (Fellow Subsidiary Company)	Purchase of products	July'21 to March 2022	Based on Transfer pricing guidelines	Contract is entered into in the ordinary course of business on arm's length basis	NIL	3,201,686
Philips Domestic Appliances Singapore Pte Ltd. (Fellow Subsidiary Company)	Sale of products	July'21 to March 2022	Based on Transfer pricing guidelines	Contract is entered into in the ordinary course of business on arm's length basis	NIL	30,521

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Philips Domestic Appliances India Limited ("the Company"), which comprise the Balance sheet as at March 31 2022, 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, 2022, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (Sas), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone 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 / Companies

(Accounting Standards) Rules, 2021 specified under section 133 of the Act. 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.

Other Matter

The corresponding financial information for the period July 17th 2020 to March 31st, 2021 has been restated pursuant to the scheme of arrangement as explained in Note 39 to the financial statements. The financial information for the period July 17th 2020 to March 31st, 2021 has not been subjected to an audit and is based on management certified accounts. Our conclusion is not modified in respect the above matter.

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 / Companies (Accounting Standards) Rules, 2021 specified under section 133 of the Act;
   (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
   (f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
   (g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
   (h) 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 30 to the financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 30 to the financial statements;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. a) The management has represented that, to the best of its knowledge and belief, , no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, , no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

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

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

Sanjay Vij
Partner Membership Number: 095169
UDIN: 22095169AOIKUM9488
Place of Signature: Gurugram
Date: 5th August, 2022

Annexure 1 Referred to paragraph 1 under the heading "report on other legal and regulatory requirements" of our report of even date.

(1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has not capitalized any intangible assets in the books of the Company and accordingly, the requirement to report on clause 3(i)(a)(B) of the Order is not applicable to the Company.

(b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given by the management, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company. Certain title deeds of the immovable Properties, in the nature of freehold land, as indicated in the below mentioned cases which were acquired pursuant to a Composite Scheme of Arrangement ("the Scheme"), which was approved by National Company Law Tribunal ('NCLT') Mumbai and Kolkata branch vide its order dated May 13, 2021 and June 14, 2021, are not individually held in the name of the Company, however the deed of merger has been registered by the Company on October 12, 2021.

Description of Property	Gross carrying value	Held in name of	Reason for not being held in of Company
Thalambur Land	INR 50 Mln	Preethi Kitchen Appliance Private Limited	The Company has lost the original title deeds and has obtained Non-Traceable Certificate from police department and certified true copy of the title deed from land registrar office. The Company is in Process of transferring the title from amalgamated company (Preethi Kitchen Appliances Private Limited) to 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, 2022.

(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 the reunder

(ii) (a) The inventory has been physically verified by the management during the year. 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. No discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification and confirmations.

(b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) (a) According to the information and explanations given to us and audit procedures performed by us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a) of the Order are not applicable to the Company and hence not commented upon.

b. According to the information and explanations given to us, during the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii) (b) of the Order is not applicable to the Company.

c. According to the information and explanations given to us, the Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3 (iii) (C) of the Order is not applicable to the Company.

d. According to the information and explanations given to us, 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)(d) of the Order is not applicable to the Company.

e. According to the information and explanations given to us, the Company has not granted loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii) (e) of the Order is not applicable to the Company.

f. According to the information and explanations given to us, 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. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

v. The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture or service of kitchen appliances, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, cess and other statutory dues have generally been regularly deposited by the Company with the appropriate authorities though there has been a slight delay in a few instances of remittances of tax deducted at source. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the records of the Company, the dues of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (Rs.)	Period to which the amount relates	Forum where the dispute is pending	Remarks, if any
Central Sales tax Act 1956, Relevant sales tax act	Sales Tax	803,479*	FY 2013-14	Telangana VAT Appellate Tribunal, Hyderabad	
Central Sales tax Act 1956, Relevant sales tax act	Sales Tax	1,09,93,014	FY 2011-12	High Court- Punjab & Haryana	
Income Tax Act, 1961	Income Tax	20,495,479	AY 2017-18	Commissioner of Income-tax (Appeals)	
Income Tax Act, 1961	Income Tax	18,172,206	AY 2018-19	Commissioner of Income-tax (Appeals)	
Telangana VAT Act	Sales Tax	169,800*	FY 2016-17	High Court Hyderabad	
Kerala VAT Act	Sales Tax	188,680*	FY 2020-21	Joint Commissioner (AppealsII) Alappuzha	

* Amount paid under protest of Rs. 763,230/-

(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. According to the information and explanations given by the management and audit procedures performed by us, The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.

b. According to the information and explanations given by the management and audit procedures performed by us, The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c. According to the information and explanations given by the management and audit procedures performed by us, The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix) (C) of the Order is not applicable to the Company.

d. According to the information and explanations given by the management and audit procedures performed by us, The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.

(e) According to the information and explanations given by the management and audit procedures performed by us, The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(f) According to the information and explanations given by the management and audit procedures performed by us, The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) (a) According to the information and explanations given by the management and audit procedures performed by us, 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) According to the information and explanations given by the management, 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)According to the information and explanations given by the management, No fraud/ material fraud by the Company or no fraud / material 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 Companies Act, 2013 has been filed by us 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, Establishment of whistle blower is not applicable on the company.

(xii) (a)The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.

(b) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(b) of the Order is not applicable to the Company.

(c) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) (c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 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.

(xiv) (a) The provision of internal audit is not applicable on the company for the current year.

(b) The provision of internal audit is not applicable on the company for the current year Therefore, the requirement to report under clause 3(xiv)(b) of the Order is not applicable to the Company.

(xv) According to the information and explanations given by the management, 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) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

(b) According to the information and explanations given to us, 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) According to the information and explanations given to us, 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) There are no other Companies part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) According to the information and explanations given by the management and audit procedures performed by us, The Company has not incurred cash losses in the current financial year.

(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 33 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) According to the information and explanations given to us the provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given by the management The provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(b) of the Order is not applicable to the Company.

(xxi) The company does not have any subsidiary or joint venture. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

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

Sanjay Vij
Partner
Membership Number: 095169
UDIN: 22095169AOIKUM9488

Place of Signature: Gurugram
Date: 5th August, 2022

Annexure to the independent auditor's report of even date on the financial statements of philips domestic appliances india limted

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 Philips Domestic Appliances India Limited ("the Company") as of March 31, 2022 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these [standalone]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 [standalone] 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, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

Sanjay Vij
Partner
Membership Number: 095169
UDIN: 22095169AOIKUM9488

Place of Signature: Gurugram
Date: 5th August, 2022

Balance Sheet as at 31 March 2022

Amounts in INR Mln

Particulars	Notes	As at 31 March 2022	As at 31 March 2021 (Restated*)
ASSETS			
Non-current assets			
Property, Plant and Equipment	2	529	418
Capital work-in-progress	2	-	22
Right-of-use Assets	2	222	155
Goodwill	3	1,191	1,191
Other Intangible assets	3	-	-
Investment Property	4	-	-
Financial Assets			
Other financial assets	5	42	31
Deferred tax assets (net)	6	487	960
Income tax asset (net)		66	46
Other non current assets	7	33	15
		2,570	**2,838**
Current assets			
Inventories	8	2,240	1,431
Financial Assets			
a. Trade receivables	9(a)	1,011	1,013
b. Cash and cash equivalents	9(b)	1,123	121
c. Bank balances other than (b) above	9(b)	7	-
d. Other Financial Assets	9(c)	-	39
Other current assets	10	146	145
		4,527	**2,749**
TOTAL ASSETS		**7,097**	**5,587**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	11	575	575
Other Equity	12	3,121	1,155
Equity attributable to equity shareholders		**3,696**	**1,730**
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
Lease liabilities	13	210	144
Other non-current liabilities	14	-	19
Provisions	15	186	185
		396	**348**

Current liabilities			
Financial Liabilities			
a. Lease liabilities	16(a)	36	26
b. Trade Payables			
(i) Total outstanding dues of micro enterprises and small enterprises	16(b)	142	156
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	16(b)	2,370	2,899
c. Other financial liabilities	16(c)	9	16
Other current liabilities	17	208	212
Provisions	15	240	200
		3,005	**3,509**
Total equity and liabilities		**7,097**	**5,587**

* Refer note 39

Basis of preparation, measurement and significant accounting policies	1		

Refer accompanying notes forming part of Financial Statements

As per our report of even date attached

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 301003E/ E300005
UDIN: 22095169AOIKUM9488

For and on behalf of the Board
Philips Domestic Appliances India Limited

Sanjay Vij
Partner
Membership No.: 095169

Place: Gurugram
Date: 05 August 2022

Susim Mukul Datta
DIN: 00032812
Chairman

Place: Gurugram
Date: 05 August 2022

Gulbahar Taurani
DIN: 08797127
Vice-Chairman and Managing Director

Place: Gurugram
Date: 05 August 2022

Anil Chandak
DIN: 06896696
Director & Chief Financial Officer

Place: Gurugram
Date: 05 August 2022

Statement of Profit and Loss for the year ended 31st March 2022

Amounts in INR Mln

Particulars	Notes	Year ended 31 Mar 2022	For the period 17 July 2020 to 31 March 2021 (Restated*)
Income			
Revenue from operations	18	17,387	12,476
Other income	19	74	168
Total Income		**17,461**	**12,644**
Expenses			
Cost of material consumed	20	2,904	1,979
Purchases of stock-in-trade	21	9,021	6,515
Changes in inventories of work-in-progress, finished goods and stock-in-trade	22	(794)	(626)
Employee benefits expense	23	1,260	1,066
Finance costs	24	28	15
Depreciation and amortization expense	25	168	94
Other expenses	26	3,026	2,643
Total expenses		**15,613**	**11,686**
Profit before tax		1,848	958
Tax expense			
Current tax		-	-
Deferred tax (charge)/ credit	6(a)	(476)	(211)
Profit for the year (A)		**1,372**	**747**
Other Comprehensive Income			
Items that will not be reclassified subsequently to profit or Loss			
Re-measurement gains / (losses) on defined benefit plans	27	(11)	12
Income tax effect on defined benefit plans	6(a)	3	(3)
Other Comprehensive Income for the year (B)		**(8)**	**9**
Total Comprehensive Income for the year (A+B)		**1,364**	**756**

* Refer note 39

Earnings per equity share			
Basic earnings per equity share of Rs.10 each (in INR)	28	24	18
Diluted earnings per equity share of Rs.10 each (in INR)		24	18
Basis of preparation, measurement and significant accounting policies	1		

Refer accompanying notes forming part of Financial Statements

As per our report of even date attached

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/ E300005
UDIN: 22095169AOIKUM9488

For and on behalf of the Board
Philips Domestic Appliances India Limited

Sanjay Vij
Partner
Membership No.: 095169

Place: Gurugram
Date: 05 August 2022

Susim Mukul Datta
DIN: 00032812
Chairman

Place: Gurugram
Date: 05 August 2022

Gulbahar Taurani
DIN: 08797127
Vice-Chairman and Managing Director

Place: Gurugram
Date: 05 August 2022

Anil Chandak
DIN: 06896696
Director & Chief Financial Officer

Place: Gurugram
Date: 05 August 2022

Statement of Changes in Equity for the year ended 31st March 2022

Amounts in INR Mln

A. Equity Share Capital

Equity shares of Rs.10 each issued, subscribed and fully paid up	Number of shares	Amount
As at 17 July 2020 (Restated*)	57,517,242	575
Changes in equity share capital during the period	-	-
As at 31 March 2021 (Restated*)	57,517,242	575
Changes in equity share capital during the year	-	-
As at 31 March 2022	**57,517,242**	**575**

B. Other Equity

Particulars	Reserves and Surplus			Items of OCI Remeasure-ment	Total
	Capital reserve*	Securities Premium	Retained earnings		
As at 17 July 2020 (Restated*)	1,193	-	(763)	18	448
Profit for the year/period		-	747	-	747
Remeasurement benefit of defined benefit plans		-	-	9	9
Total Comprehensive Income for the year/period		**-**	**747**	**9**	**756**
Adjustment during the year*	(49)			-	**(49)**
As at 31 March 2021 (Restated*)	**1,144**	**-**	**(16)**	**27**	**1,155**
Profit for the year					-
01 April to 30 June 2021			255	-	**255**
01 July to 31 March 2022			1,117		**1,117**
Remeasurement benefit of defined benefit plans	-	-		-	-
01 April to 30 June 2021				**1**	
01 July to 31 March 2022				(9)	
Total Comprehensive Income for the year	**-**	**-**	**1,372**	**(8)**	**1,364**
Adjustment during the year*	**602**	-	-	-	602
As at 31 March 2022	**1,746**	**-**	**1,356**	**19**	**3,121**

* Refer note 39

Refer accompanying notes forming part of Financial Statements

As per our report of even date attached

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/ E300005
UDIN: 22095169AOIKUM9488

For and on behalf of the Board
Philips Domestic Appliances India Limited

Sanjay Vij
Partner
Membership No.: 095169

Place: Gurugram
Date: 05 August 2022

Susim Mukul Datta
DIN: 00032812
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Place: Gurugram
Date: 05 August 2022

Anil Chandak
DIN: 06896696
Director & Chief Financial Officer

Place: Gurugram
Date: 05 August 2022

Cash Flow Statement for the year ended 31 March 2022

Amounts in INR Mln

	Particulars	Year ended 31 Mar 2022		For the period 17 July 2020 to 31 March 2021 (Restated*)	
A.	Cash flow from operating activities				
	Profit before tax		1,848		958
	Profit before tax and exceptional items		**1,848**		**958**
	Adjusted for				
	(Profit) / loss on disposal of Property, Plant and Equipment	2		2	
	Adjustment for Scheme of arrangement*	602		(49)	
	Profit on sale of investment property	-		(57)	
	Depreciation and amortization	168		94	
	Interest income	(52)		(96)	
	Provision no longer required written back	(40)		-	
	Unrealized foreign exchange (gain) / loss (net)	4		0	
	Provision created for doubtful debts and advances	-		66	
	Finance costs	28	**712**	15	**(25)**
	Operating profit before working capital changes		**2,560**		**933**
	Changes in:				
	(Increase)/decrease in Trade receivables and other loans & advances	42		(569)	
	(Increase)/decrease in Other current and non current assets	(10)		121	
	(Increase)/decrease in Inventories	(810)		(577)	
	Increase/(decrease) in Trade payables and other liabilities	(540)		772	
			(1,318)		**(253)**
	Cash generated from operations		**1,242**		**680**
	Income tax paid (net of refunds)		(20)		(10)
	Net cash generated from operating activities		**1,222**		**670**
B.	**Cash flow from investing activities**				
	Purchase of Property, Plant and Equipment		(243)		(83)
	Proceeds from sale of Property, Plant and Equipment		2		116
	Interest income received		91		69
	Net cash used in investing activities		**(150)**		**102**
C.	**Cash flow from financing activities**				
	Interest paid on lease liability		(17)		(10)
	Interest paid other than lease liability		(11)		(5)
	Principal payment of lease obligation		(35)		(17)
	Net cash used in financing activities		**(63)**		**(32)**
	Increase / (Decrease) in cash and cash equivalents (A+B+C)		**1,009**		**740**

D. Cash and cash equivalents - Opening Balance		
Cash and cash equivalents (refer note 9 (b))	7	7
Bank overdraft *	-	(626)
Deposits with Banks (refer note 9 (b))	114	-
TOTAL	**121**	**(619)**
E. Cash and cash equivalents - Closing Balance		
Cash and cash equivalents (refer note 9 (b))	623	7
Deposits with Banks (refer note 9 (b))	500	114
Unspent CSR balance (refer note 9(b))	7	-
TOTAL	**1,130**	**121**
Net increase/(decrease) in cash and cash equivalents (E-D)	**1,009**	**740**

*Refer note 39

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (IND AS-7) - Statement of Cash Flow.

Refer accompanying notes forming part of Financial Statements

As per our report of even date attached

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/ E300005
UDIN: 22095169AOIKUM9488

For and on behalf of the Board
Philips Domestic Appliances India Limited

Sanjay Vij
Partner
Membership No.: 095169

Place: Gurugram
Date: 05 August 2022

Susim Mukul Datta
DIN: 00032812
Chairman

Place: Gurugram
Date: 05 August 2022

Gulbahar Taurani
DIN: 08797127
Vice-Chairman and Managing Director

Place: Gurugram
Date: 05 August 2022

Anil Chandak
DIN: 06896696
Director & Chief Financial Officer

Place: Gurugram
Date: 05 August 2022

(All amounts in Million Indian rupees, except share data or as stated)

1 Brief Background of the Company and Significant accounting policies:

Philips Domestic Appliances India Limited ('the Company'), a public limited Company, domiciled in India with its registered office at 3rd Floor, Tower A, DLF IT Park, 08 Block AF, Major Arterial Road, New Town (Rajarhat) Kolkata - 700156, West Bengal, India. was incorporated on July 17, 2020. It is a subsidiary of Philips Domestic Appliances Holding BV. The Company sells Kitchen Appliances, Garment Care, Air Purifiers and Floor care products.

Significant accounting policies

a Basis of preparation of financial statements

The financial statements have been prepared and presented in accordance with the Indian Accounting Standards ("Ind AS") notified under section 133 of the the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), presentation requirement of Division II of Schedule III to the Companies Act, 2013, (IND AS compliant schedule III) and other relevant provision of the Act.

These financial statements have been prepared on the historical cost convention and on an accrual basis in the balance sheet except for certain financial assets and financial liabilities that are measured at fair value at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the years in these financial statements except where newly issued accounting standard is initially adopted.

b Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

1) Expected to be realised or intended to be sold or consumed in normal operating cycle
2) Held primarily for the purpose of trading
3) Expected to be realised within twelve months after the reporting period, or
4) 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 current when:

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

All other liabilities are classified 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 cashequivalents. The Company has identified twelve months as its operating cycle.

c Use of estimates

The preparation of financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period reported. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

d Revenue recognition

Revenue from contract with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 32.

Sale of Products

Revenue from sale of product is recognised, net of returns and discounts, at the point in time when control of the asset is transferred to the customer, except goods sold on consignment basis mentioned below. The normal credit term is 30 to 45 days upon delivery.

Good sold on consignment basis are recognised as revenue only upon transfer of control to the ultimate customer, goods unsold at the end of year with the agencies are recorded as inventory in the Company's books.

Variable Consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of products provide customers with a volume rebates. The volume rebates give rise to variable consideration.

(i) Volume Rebates

The Company provides prospective and retrospective volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the Company applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract.

Warranty Obligations

The Company typically provides warranties for general repairs of defects (comprises cost of replacement of spares and free-of-charge services) that existed at the time of sale, as required by law. These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets. The Company does not provide separate warranty other than those sold along with the product. Refer to the accounting policy on warranty provisions in section (o) Provisions.

Rendering of Services

Revenue from service related activities is recognised as and when services are rendered and on the basis of contractual terms with the parties.

Export Benefits

Income from export incentives such as served from Refund of duties and Taxes on exported products (RODTEP) are recognised when there is reasonable assurance that the grant will be received and all attached conditions will be complied with. Export Benefits are recognised on export of products on availment of any such benefits, as applicable.

Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR) taking in to account the amounts invested and the rate of interest EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in Other income in the statement of profit and loss.

Contract balances

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 (v) 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.

Cost to obtain a contract

The Company pays sales incentive to its employees for each contract that they obtain for sales of product. The Company has elected to apply the optional practical expedient for costs to obtain a contract which allows the Company to immediately expense sales incentive (included under employee benefits) because the amortisation period of the asset that the Company otherwise would have used is one year or less.

e Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and/or accumulated impairment loss, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price. Property, plant and equipment acquired as part of the business acquisition is recognized at fair value determined on the date of acquisition.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

f Investment properties

Investment properties are measured initially at cost. Subsequent to initial recognition, investment properties are stated at cost less accumulated impairment loss, if any.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on valuations performed by a qualified independent valuer.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

g Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred. 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.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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. The period of amortization for Brands and distribution network is 8 years which represents the economic useful life of Brands and distribution network.

h Research and development expenditure

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

(i) The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
(ii) Its intention to complete and its ability and intention to use or sell the asset
(iii) How the asset will generate future economic benefits
(iv) The availability of resources to complete the asset
(v) The ability to measure reliably the expenditure during development

Revenue expenditure is charged to the Statement of profit and loss in the year in which it is incurred and expenditure of a capital nature is capitalized as property, plant and equipment .

i Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.
The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.
The right-of-use assets are also subject to impairment as provided in note 1(j) “Impairment of non-financial assets”.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are included in Lease liabilities (see Note 13).

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment and premises (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

j Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. 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.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators. Good will is tested for impairment annually as at balance sheet date and when circumstances indicate that the carrying value may be impaired.

k Inventories

Inventories are valued at lower of cost or net realizable value except scrap, which is valued at net estimated realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

(i) Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

(ii) Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis.

(iii) Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.
Obsolete, defective and unserviceable stocks, if any have been duly provided for during the year.

l Foreign currency transactions

The Company's financial statements are presented in INR, which is also the Company's functional currency. Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transactions. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date. Exchange differences arising on foreign exchange transactions during the year and on restatement of monetary assets and liabilities are recognized in the Statement of profit and loss of the year.

m Retirement benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund with LIC.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method, on the basis of actuarial valuation carried out by an independent actuary at the year end. The fair value of plan assets is reduced from the gross obligation under the defined benefit plans, to recognize the obligation on net basis. Actuarial gains and losses are recognized immediately in the Statement of profit and loss. Gain or Losses on the curtailment or settlements of any defined benefit plan are recognized when curtailment or settlement occurs. Liability with respect to the Gratuity plan, determined on the basis of actuarial valuation as described above, and any difference between the fund amount and the liabilities as per actuarial valuation is recognized as an asset or liability. Termination benefits are recognized as and when incurred.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

(i) The date of the plan amendment or curtailment, and

(ii) The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

(i) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

(ii) Net interest expense or income

The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the related obligations at the Balance Sheet date.

The Company's net obligation in respect of long-term employment benefits, other than gratuity, is the amount of future benefit that employees have earned in return for their service in the current and prior periods.

The obligation is calculated at the balance sheet date on the basis of an actuarial valuation done by an independent actuary using the projected unit credit method and is discounted to its present value and the fair value of any related assets is deducted. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date. The discount rates used for determining the present value of the obligation under long term employment benefits, are based on the market yields on Government securities as at the balance sheet date.

n Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

o Provisions and contingencies

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Warranty Provision:

Provisions for warranty-related costs (comprises cost of replacement of spares and free-of-charge services) are recognised when the product is sold or service provided to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

Contingent liabilities:

A disclosure for a contingent liability is made when there is possible obligation or a present obligation that may, but probably will not require outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

p Earnings per share

Basic earnings per share is computed by dividing net profit or loss for the period attributable to equity shareholders by the weighted average number of shares outstanding during the year. Diluted earnings per share amounts are computed after adjusting the effects of all dilutive potential equity shares except where the results would be anti-dilutive. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share, and also the weighted average number of equity shares, which could have been issued on the conversion of all dilutive potential equity shares.

q Taxation

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income tax expense is recognized in profit or loss.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

(i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

(ii) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

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, except:

(i) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

(ii) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

As per Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 Income Taxes. It does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Appendix specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.
The Company applies significant judgement in identifying uncertainties over income tax treatments. Since the Company operates in a multinational environment, it assessed whether the Appendix had an impact on its standalone financial statements.

Upon adoption of the Appendix C to Ind AS 12, the Company considered whether it has any uncertain tax positions, particularly those relating to transfer pricing. The Company's and the subsidiaries' tax filings in different jurisdictions include deductions related to transfer pricing and the taxation authorities may challenge those tax treatments. The Company determined, based on its tax compliance and transfer pricing study, that it is probable that its tax treatments will be accepted by the taxation authorities.

r Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.
For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

s Fair value measurement

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 categorized 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 categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

(i) Disclosures for valuation methods, significant estimates and assumptions (note 3, 32, 34, 35)

(ii) Quantitative disclosures of fair value measurement hierarchy (note 34 (a)

(iii) Investment properties (note 4)

(iv) Financial instruments (including those carried at amortised cost) (note 35)

t Business Combination and goodwill

In accordance with Ind AS 103 provisions related to Business Combinations, the Company has elected to apply Ind AS accounting for business combinations. As such, Indian GAAP balances relating to business combinations entered into before that date, including goodwill, have been taken at fair value and necessary adjustments have been made to books.

The Company uses the acquisition method of accounting to account for business combinations. The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another. Control exists when the Company is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. The Company measures goodwill as of the applicable acquisition date at the fair value of the consideration transferred, including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount of the identifiable assets acquired and liabilities assumed. When the fair value of the net identifiable assets acquired and liabilities assumed exceeds the consideration transferred, the excess is recognised in equity as capital reserve.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Company to the previous owners of the acquiree, and equity interests issued by the Company. Consideration transferred does not include amounts related to the settlement of pre-existing relationships. Any goodwill that arises on account of such business combination is tested annually for impairment.

u Government grants

Government grants are recognized when there is reasonable assurance that the grant will be received and all attached conditions for receiving such grant have been and will be fulfilled. Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

v 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

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

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

(i) Debt instruments at amortised cost

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

(iii) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

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

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments, and are measured at amortised cost e.g., deposits, trade receivables and bank balance and credit risk exposure:

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. 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.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

Financial liabilities

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.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

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.

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 statement of profit or loss. 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. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

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.

This category generally applies to borrowings.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Notes to the financial statements for the year ended 31 March 2022 Amounts in INR Mln

2.1 Property, Plant and Equipment

Particulars	Freehold Land	Buildings	Plant and Equipment (Owned)	Computers	Furniture	Vehicles	Lease hold improvements	Total
Gross carrying value								
As at 17 July 2020 (Restated*)	50	71	876	46	13	16	44	1,116
Additions	-	-	68	7	5	-	-	80
Disposals		-	(23)	(0)	(0)	(0)	-	(23)
As at 31 March 2021 (Restated*)	50	71	921	53	18	16	44	1,173
Additions	-	-	192	10	13	-	21	236
Disposals	-	-	(45)	-	-	(2)	-	(47)
As at 31 March 2022	**50**	**71**	**1,068**	**63**	**31**	**14**	**65**	**1,362**
Accumulated Depreciation								
As at 17 July 2020 (Restated*)		68	577	36	6	7	11	705
Depreciation charge for the `period	-	0	59	6	1	1	5	72
Disposals	-		(21)	(0)	(0)	(1)	-	(22)
As at 31 March 2021 (Restated*)	-	68	615	42	7	7	16	755
Depreciation charge for the year	-	**0**	**98**	**9**	**7**	**1**	**9**	**124**
Disposals	-	-	**(44)**	-	-	**(2)**	-	**(46)**
As at 31 March 2022	-	**68**	**669**	**51**	**14**	**6**	**25**	**833**
Net book value								
As at 31 March 2021 (Restated*)	50	3	306	11	11	9	28	418
As at 31 March 2022	**50**	**3**	**399**	**12**	**17**	**8**	**40**	**529**

*Refer note 39

2.2 Capital work-in-progress

Balance as at 17 July 2020 (Restated*)	**Amount**
Additions during the period	73
Capitalised during the period	51
Balance as at 31 March 2021 (Restated*)	**22**
Additions during the year	122
Capitalised during the year	144
Balance as at 31 March 2022	**-**

Note 2.2 (i) : Capital work in progress (CWIP) Ageing Schedule

As at 31 March 2022

	Amount in CWIP for a period of				
	< 1 year	**1-2 years**	**2-3 years**	**> 3 years**	**Total**
Projects in progress	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

As at 31 March 2021 (Restated*)

	Amount in CWIP for a period of				
	< 1 year	**1-2 years**	**2-3 years**	**> 3 years**	**Total**
Projects in progress	22	-	-	-	22
Total	**22**	**-**	**-**	**-**	**22**

2.3 **Right-of-use Assets**

Particulars	Vehicles (taken on lease) - refer Note 2.1	Buildings (Right-of-Use (ROU) Asset)	Total
Gross carrying value			
As at 17 July 2020 (Restated*)	26	210	236
Additions	8	-	8
Disposals	(2)	-	(2)
As at 31 March 2021 (Restated*)	**32**	**210**	**242**
Additions	10	103	113
Disposals	(5)	(33)	(38)
As at 31 March 2022	**37**	**280**	**317**
Accumulated Depreciation			
As at 17 July 2020 (Restated*)	15	51	66
Depreciation charge for the `period	2	20	22
Disposals	(1)	-	(1)
As at 31 March 2021 (Restated*)	**16**	**71**	**87**
Depreciation charge for the year	5	38	43
Disposals	(2)	(33)	(35)
As at 31 March 2022	**19**	**76**	**95**
Net book value			
As at 31 March 2021	**16**	**139**	**155**
As at 31 March 2022	**18**	**204**	**222**

***Refer note 39**

Notes to the Financial Statements for the year ended 31 March 2022 Amounts in INR Mln

3 Intangible assets

Particulars	Goodwill	Other Intangible assets		Total
		Distribution Network	Brands	
Cost or valuation				
At 17 July 2020 (Restated*)	1,191	1,654	2,913	5,758
Additions	-	-	-	-
Disposals and adjustments	-	-	-	-
At 31 March 2021 (Restated*)	**1,191**	**1,654**	**2,913**	**5,758**
Additions	-	-	-	-
Disposals and adjustments	-	-	-	-
At 31 March 2022	**1,191**	**1,654**	**2,913**	**5,758**
Amortization and impairment				
At 17 July 2020 (Restated*)	-	1,654	2,913	4,567
Amortization for the period	-	-	-	-
Disposals and adjustments	-	-	-	-
At 31 March 2021 (Restated*)	**-**	**1,654**	**2,913**	**4,567**
Amortization for the year	-	-	-	-
Disposals and adjustments	-	-	-	-
At 31 March 2022	**-**	**1,654**	**2,913**	**4,567**
Net book value				
At 31 March 2021 (Restated*)	**1,191**	**-**	**-**	**1,191**
At 31 March 2022	**1,191**	**-**	**-**	**1,191**

*Refer note 39

Notes to the Financial Statements for the year ended 31 March 2022 Amounts in INR Mln

4 Investment Property

Particulars	Amount	Land (refer Note 4 (a) and 4 (b)
Cost or valuation		
At 17 July 2020 (Restated*)	59	116
Disposals	(59)	(116)
Fair Value Differences	-	-
At 31 March 2021 (Restated*)	-	-
Disposals	-	-
Fair Value Differences	-	-
At 31 March 2022	-	-
Depreciation and impairment		
At 17 July 2020 (Restated*)	-	-
Depreciation	-	-
At 31 March 2021 (Restated*)	-	-
Depreciation	-	-
At 31 March 2022	-	-
Net Block		
At 31 March 2021 (Restated*)	-	-
At 31 March 2022	-	-

*Refer note 39

Notes

4 (a) The investment property consist of freehold land held by the Company, which was fair valued at the acquisition date.

4 (b) The investment property was sold on 01 October 2020.

Notes to the Financial Statements for the year ended 31 March 2022 Amounts in INR Mln

5 Non-current financial assets - others

Particulars	As at 31 March 2022	As at 31 March 2021 (Restated*)
Security Deposits		
- Security Deposits Considered good	42	31
	42	**31**

*Refer note 39

6 Deferred Tax Assets (Net)

a. Components of Income Tax Expense

(i) Tax expense recognised in Statement of Profit and Loss	As at 31 March 2022	As at 31 March 2021 (Restated*)
- Current Tax	-	-
Deferred tax expenses - (credit) / charge		
- Relating to origination and reversal of temporary differences	476	211
	476	**211**

(ii) Tax on Other Comprehensive Income	As at 31 March 2022	As at 31 March 2021 (Restated*)
Deferred tax		
- (Gain) / Loss on measurement of net defined benefit plans	(3)	3
Total	**(3)**	**3**

* Refer note 39

b. Reconciliation of Tax expense and the accounting profit for the year is as under:

Particulars	As at 31 March 2022	As at 31 March 2021 (Restated*)
Profit before tax	1,848	958
Income tax rate	25.17%	25.17%
Computed tax expense	465	241
Differences due to:		
a. Expenditure not deductible for tax purposes	6	1
b. Others	2	(28)
Tax expense reported in statement of Profit and Loss including OCI	**473**	**214**

*Refer note 39

c. Components of Deferred Tax Assets (net) are as follows:

Particulars	Balance Sheet		Recognized in Statement of profit and loss and OCI	
Net deferred tax assets/(liabilities)	**As at 31 March 2022**	**As at 31 March 2021 (Restated*)**	**For the year ended 31 March 2022**	**For the period 17 July to 31 March 2021 (Restated*)**
Losses available for offsetting against future taxable income	650	1,103	453	172
Provision for employee benefits	41	24	(17)	13
Doubtful trade receivables and advances	10	20	10	(3)
Difference between book and tax depreciation	(241)	(170)	71	10
Other temporary differences	27	(17)	(44)	22
Total	**487**	**960**	**473**	**214**

* Refer note 39

d. Reconciliation Deferred Tax (Assets) / Liabilities - Net

Particulars	As at 31 March 2022	As at 31 March 2021
Opening balance	(960)	(1,174)
Tax (income)/expense during the year/period recognised in profit and loss	476	211
Tax (income)/expense during the year/period recognised in OCI	(3)	3
Deferred tax on IND AS 116 transition impact	-	-
Closing balance	**(487)**	**(960)**

Based on the level of historical taxable income and projections of future taxable income over the periods in which the deferred tax assets are deductible, management believes that the Company will realise the benefits of those recognised deductible differences and tax loss carry forwards. Accordingly, Deferred tax asset has been recognised on carried forward tax losses.

*Refer note 39

Notes to the Financial Statements for the year ended 31 March 2022 Amounts in INR Mln

7 Other non-current assets

(Unsecured, considered good unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2021 (Restated*)
Prepaid Rent	7	8
Capital Advances	25	4
Balance with Govt. Authorities	1	3
Considered doubtful		
Balance with Govt. Authorities	25	25
Less: Allowances for doubtful balance with Govt. Authorities		
Balance with Govt. Authorities	(25)	(25)
	33	**15**

*Refer note 39

8 Inventories (at lower of cost and net realisable value)

Particulars	As at 31 March 2022	As at 31 March 2021 (Restated*)
Raw materials (includes goods-in-transit INR 31 Mln (31 March 2021 INR 5 Mln)	101	86
Finished Goods (includes goods-in-transit INR 57 Mln (March 31, 2021 INR 20 Mln)	692	418
Traded goods (goods purchased for resale) (includes goods-in-transit INR 63 Mln (March 31, 2021 INR 67 Mln)	1,447	927
	2,240	**1,431**

*Refer note 39

Notes to the Financial Statements for the year ended 31 March 2022 Amounts in INR Mln

9(a) Current Financial assets - Trade Receivables (Unsecured)

Particulars	As at 31 March 2022	As at 31 March 2021 (Restated*)
Trade receivables	853	986
Trade Receivables from related parties (Note 31)	158	27
Total	**1,011**	**1,013**

Trade receivables	As at 31 March 2022	As at 31 March 2021 (Restated*)
Trade receivables - considered good	1,011	1,013
Trade receivables - credit impaired	39	78
	1,050	**1,091**
Allowances for Trade Receivables - credit impaired	(39)	(78)
	1,011	**1,013**
Trade receivable ageing analysis		
Undisputed Trade Receivables - considered good	**1,011**	**1,013**
a) Current but not due	769	947
b) Less than 6 months	201	66
c) 6 months - 1 year	39	0
d) 1-2 years	1	0
e) 2-3 years	1	
f) More than 3 years	-	-
Undisputed Trade Receivables - credit impaired	**39**	**78**
a) Current but not due	-	-
b) Less than 6 months	-	10
c) 6 months - 1 year	38	66
d) 1-2 years	0	2
e) 2-3 years	1	-
f) More than 3 years	-	-
	1,050	**1,091**

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. Trade receivables other than finance lease receivables are non-interest bearing generally on terms of 30 to 60 days.

For terms and conditions relating to related party receivables, refer Note 31.

*Refer note 39

Notes to the Financial Statements for the year ended 31 March 2022 Amounts in INR Mln

9(b) Cash and cash equivalents

Particulars	As at 31 March 2022	As at 31 March 2021 (Restated*)
Balances with banks:		
– On current accounts	599	6
– Deposits with original maturity of less than three months*	500	114
Cheques/ drafts on hand	23	-
Cash on hand	1	1
	1,123	**121**
Other Bank Balances		
Deposits maturity of more than three months but less than 12 months*	-	-
Unspent CSR amount transferred to separate bank account	7	-
	1,130	**121**

* Adjusted on account of Scheme of Amalgamation (Refer note 39)

Changes in Liabilities arising from financing activities

Particulars	As at 1 April 2021 (Restated*)	Cash Flows	As at 31 March 2022
Lease liabilities	170	76	246
Total liabilities from financing activities	170	76	246

Particulars	As at 17 July 2020 (Restated*)	Cash Flows	As at 31 March 2021 (Restated*)
Lease liabilities	179	(9)	170
Total liabilities from financing activities	179	(9)	170

*Refer note 39

9 (c) Current Financial assets - Others

Particulars	As at 31 March 2022	As at 31 March 2021 (Restated*)
(i) Interest accrued on deposits with banks	-	39
	-	39

*Refer note 39

10 Other current assets

(Unsecured, considered good unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2021 (Restated*)
Advance to suppliers (other than related party)	46	47
Balance with government authorities	78	80
Balances with customs and port trust	6	4
Prepaid expenses	13	11
Advance to employees	3	3
Advance to Suppliers		
Considered doubtful	0	0
Less: Allowance for advance to suppliers	(0)	(0)
	146	**145**

*Refer note 39

Notes to the Financial Statements for the year ended 31 March 2022 Amounts in INR Mln

11 Equity Share Capital

	As at 31 March 2022		As at 31 March 2021 (Restated*)	
Authorised	**No. of shares**	**Amount**	**No. of shares**	**Amount**
Equity shares of Rs. 10 each	131,100,000	1,311	131,100,000	1,311
Increase/(decrease) during the year/period	-	-	-	-
	131,100,000	**1,311**	**131,100,000**	**1,311**
Total	**131,100,000**	**1,311**	**131,100,000**	**1,311**

Issued, subscribed and paid-up	**No. of shares**	**Amount**	**No. of shares**	**Amount**
Equity share capital				
Equity shares of Rs.10 each issued, subscribed and fully paid	57,517,242	575	57,517,242	575
Total	57,517,242	575	57,517,242	575

(i) Reconciliation of the number of equity shares outstanding

	As at 31 March 2022		As at 31 March 2021 (Restated*)	
At the beginning and at the end of the reporting period	57,517,242	575	-	-
Add: Issued during the year/period	-	-	50,000	1
Less: Adjusted on account of Scheme of arrangement*			57,517,242	575
Less : Capital reduction made during the year/period on account of scheme of arrangement*	-	-	(50,000)	(1)
At the end of the year	**57,517,242**	**575**	**57,517,242**	**575**

*Refer note 39

(ii) Rights, preferences and restrictions attached to the equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

(iii) Shares held by holding and the ultimate holding company	**As at 31 March 2022**		**As at 31 March 2021 (Restated*)**	
	No. of shares	**Amount**	**No. of shares**	**Amount**
Philips Domestic Appliances Holding B.V. (As on 31.03.2021 by Philips India Limited)* (includes beneficial ownership)	55,290,242	553	55,290,242	553

*Refer note 39

(iv) Details of shareholders holding more than 5% shares of the company	**As at 31 March 2022**		**As at 31 March 2021 (Restated*)**	
	No. of shares	**% holding**	**No. of shares**	**% holding**
Philips Domestic Appliances Holding B.V. (As on 31.03.2021 by Philips India Limited)* (includes beneficial ownership)	55,290,242	96	55,290,242	96

*Refer note 39

(v) Details of shares held by promoters	**As at 31 March 2022**		**As at 31 March 2021 (Restated*)**	
	No. of shares	**% holding**	**No. of shares**	**% holding**
Philips Domestic Appliances Holding B.V. (As on 31.03.2021 by Philips India Limited)* (includes beneficial ownership)	55,290,242	96	55,290,242	96

*Refer note 39

(vi) Aggregate number of shares issued for consideration other than cash during the period five years immediately preceding the reporting date.

Pursuant to composite scheme of arrangement amongst Philips India Limited (PIL), Preethi Kitchen appliances Private Limited and Philips Domestic Appliances India Limited, 57,517,242 equity shares were allotted as fully paid up to the equity shares shareholders PIL, without payment being received in cash.

(vii) In respect of the year ended March 31, 2022, the directors proposed that a dividend of Rs. 10 per share to be paid on fully paid equity shares. This dividend is subject to approval by shareholders at the annual general meeting and has not been included as a liability in these financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares. The total estimated equity dividend to be paid is Rs. 575 Mln.

Notes to the Financial Statements for the year ended 31 March 2022 Amounts in INR Mln

12 Other Equity		**As at 31 March 2022**		**As at 31 March 2021 (Restated*)**
Retained Earnings				
As at the beginning of the year/period	(16)		(763)	
Add: Profit for the year/period	1,372		747	
As at the end of the year		1,356		(16)
Capital Reserve		1,746		1,144
Remeasurement of net defined benefit liability/ asset, net				
As at the beginning of the year/period	27		18	
Items of Other Comprehensive Income (OCI) recognised directly in retained earnings				
Re-measurement gains/ (losses) on defined benefit plans (net of tax)	(8)		9	
		19		27
Total		**3,121**		**1,155**

*Refer note 39

The disaggregation of changes in OCI by each type of reserves in equity is disclosed below:

Particulars	**As at 31 March 2022**	**As at 31 March 2021 (Restated*)**
Re-measurement gains / (losses) on defined benefit plans	(11)	12
Income Tax effect	3	(3)
	(8)	9

A Summary of Other Equity

Particulars	**As at 31 March 2022**	**As at 31 March 2021 (Restated*)**
Capital Reserve	1,746	1,144
Retained Earnings	1,356	(16)
Items of OCI	19	27
Total other Equity	**3,121**	**1,155**

*Refer note 39

Notes to the Financial Statements for the year ended 31 March 2022 Amounts in INR Mln

13 Non-current financial liabilities

	As at 31 March 2022	As at 31 March 2021 (Restated*)
Lease liabilities (Note 13.1)	210	144
Total	**210**	**144**

* Refer note 39

13.1 The lease obligations of INR 16 Mln (31 Mar 2021 - INR 11 Mln) are secured by underlying assets (leased Vehicles). The legal title of the underlying assets vests with the lessors and the lease term varies between 3-5 years, with a range of EIR of 11.54% to 15.00%.

The maturity profile of lease obligations is as follows:

Particulars	As at 31 March 2022		As at 31 March 2021 (Restated*)	
	Minimum Lease	Present value	Minimum Lease	Present value
Payable within 1 year	53	36	38	25
Payable between 1-5 years	260	210	194	145
Total minimum lease payments	**313**	**246**	**232**	**170**
Less: Interest	(67)	-	(62)	-
Present value of minimum lease payments	**246**	**246**	**170**	**170**

Lease Liability

The following are the changes in the carrying value of lease liability for the period ended 31 March 2022:

Particulars	Lease Liability-Building	Lease Liability-Other assets	Total
As at 01 April 2021	159	11	170
Additions	100	10	110
Finance Costs accrued during the period	17	0	17
Deletions	-	-	-
Payment of Lease Liabilities	(46)	(5)	(51)
As at 31 March 2022	**230**	**16**	**246**
Non Current	200	10	210
Current	29	6	36
Total	**230**	**16**	**246**

The following are the changes in the carrying value of lease liability for the year ended March 31, 2021:

Particulars	Lease Liability-Building	Lease Liability-Other assets	Total
As at 17 July 2020 (Restated*)	173	6	179
Additions	-	8	8
Finance Costs accrued during the period	10	-	10
Deletions	-	-	-
Payment of Lease Liabilities	(24)	(2)	(26)
As at 31 March 2021 (Restated*)	**159**	**11**	**170**
Non Current	139	5	143
Current	20	6	26
Total	**159**	**11**	**170**

*Refer note 39

14 **Other non-current liabilities**	As at 31 March 2022	As at 31 March 2021 (Restated*)
Employee related payables	-	19
Total	**-**	**19**

* Refer note 39

Notes to the Financial Statements for the year ended 31 March 2022 Amounts in INR Mln

15 Provisions

	Long-term		Short-term	
	As at 31 March 2022	As at 31 March 2021 (Restated*)	As at 31 March 2022	As at 31 March 2021 (Restated*)
Provision for employee benefits				
Gratuity (refer note 29)	68	49	9	6
Compensated absences	29	23	5	5
Others				
Warranty	89	113	217	178
Others	-	-	9	11
	186	**185**	**240**	**200**

Additional disclosure relating to provisions:

15.1. Movement in provisions:

Particulars	Warranty		Others	
	As at 31 March 2022	As at 31 March 2021 (Restated*)	As at 31 March 2022	As at 31 March 2021 (Restated*)
Opening balance	291	123	11	-
Add: Accruals	197	129	-	11
Less: Utilisation	(183)	39	(2)	-
Closing balance	**306**	**291**	**9**	**11**

15.2 Nature of provisions:

(a) Warranty

The Company provides for the estimated liability on warranty given on sale of its products based on past performance of such products. The provision represents the expected cost of warranty and free of charge services and it is expected that the expenditure will be incurred over the warranty period which usually ranges from 12 months to 60 months.

Warranty provision also includes life time free service warrant provided to the customers. The provision represents the expect service cost will be incurred over life cycle of the product, i.e. weighted average life cycle of product is estimated as 4-5 years based on internal technical team estimates.

*Refer note 39

Notes to the Financial Statements for the year ended 31 March 2022 Amounts in INR Mln

	As at 31 March 2022	As at 31 March 2021 (Restated*)
16 Current Financial Liabilities		
(a) Lease liabilities		
Lease liabilities (refer Note 13.1)	36	26
		-
	36	**26**

(b) Trade Payables	As at 31 March 2022	As at 31 March 2021 (Restated*)
Dues to others	2,041	2,365
Dues to related parties	329	534
Dues to Micro, Small and Medium Enterprises		
a. Principal amount remaining unpaid to any supplier as at end of the year	142	156
b. Interest due on the above amount	-	-
c. Amount of interest paid in terms of Section 16 of the Micro, Small and Medium Enterprises Act, 2006 and amounts of payment made to the suppliers beyond the appointed day during the period	-	-
d. Amount of interest due and payable for the period of delay in making the payment but without adding the interest specified under this Act	-	-
e. Amount of interest accrued and remaining unpaid at the end of the year	-	-
f. Amount of further interest remaining due and payable even in the succeeding years until such date when the interest dues as above are actually paid to the small enterprises	-	-
	2,512	**3,055**

Trade payables ageing analysis#

MSME	**142**	156
a. Less than 1 year	142	153
b. 1-2 years	-	3
c. 2-3 years	-	0
d. More than 3 years	-	-
Others	**1,378**	**1,491**
a. Less than 1 year	1,376	1,488
b. 1-2 years	0	2
c. 2-3 years	-	-
d. More than 3 years	2	1
Unbilled dues	991	1,408
	2,512	**3,055**

#There are no disputed trade payables to MSME and other parties.

16.1 Trade payables are non-interest bearing and are normally settled up to ninety day terms.

16.2 The Company has identified enterprises which have provided goods and services and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Such determination / identification has been done on the basis of information received and available with the Company and relied upon by the auditors. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2022 and 31 March 2021 has been made in the financial statements based on information received and available with the Company.

(c) Other financial liabilities	**As at 31 March 2022**	**As at 31 March 2021 (Restated*)**
Payables for purchase of property, plant and equipment	8	15
Security deposits	1	1
	9	**16**

* Refer note 39

17 Other current liabilities

Other payables:	**As at 31 March 2022**	**As at 31 March 2021 (Restated*)**
Employee related payables	102	104
Statutory dues	80	91
Contract liabilities	26	17
	208	**212**

*Refer note 39

Notes to the Financial Statements for the year ended 31 March 2022 Amounts in INR Mln

18 Revenue from operations	Year ended 31 March 2022	For the period 17 July 2020 to 31 March 2021 (Restated*)
Sale of goods (Refer Note 18.1)	17,225	12,435
Sale of services	162	41
Revenue from contracts with customers	**17,387**	**12,476**

18.1 Disaggregated revenue information

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

	Year ended 31 March 2022	For the period 17 July 2020 to 31 March 2021 (Restated*)
Type of goods or service		
Sale of Goods	17,225	12,435
Sale of Services	162	41
Revenue from contracts with customers	**17,387**	**12,476**
Within India	16,914	12,281
Outside India	472	195
Revenue from contracts with customers	**17,387**	**12,476**
Timing of revenue recognition		
Goods transferred at a point in time	17,225	12,435
Services transferred over time	162	41
Revenue from contracts with customers	**17,387**	**12,476**

18.2 Reconciliation of the amount of revenue recognised in the Statement of Profit and Loss with the contracted price

Particulars	Year ended 31 March 2022	For the period 17 July 2020 to 31 March 2021 (Restated*)
Revenue as per contracted price	23,182	13,562
Adjustments		
Sales returns	155	32
Rebates	5,640	1,054
Revenue from contracts with customers	**17,387**	**12,476**

18.3 Contract Balances	As on 31 March 2022	As on 31 March 2021 (Restated*)
Trade Receivables	1,011	1,013
Contract Liabilities	26	17

18.4 Trade receivables are non-interest bearing and are generally on terms of 30 to 45 days.

18.5 Contract Liabilities represents advances received from customers

Set out below is the amount of revenue recognised from:	Year ended 31 March 2022	For the period 17 July 2020 to 31 March 2021 (Restated*)
Amount included in contract liabilities at the beginning of the year	17	16
	17	**16**

*Refer note 39

19 Other income

	Year ended 31 March 2022	For the period 17 July 2020 to 31 March 2021 (Restated*)
Interest income (other than on investments)	52	96
Duty drawback and export incentives	9	11
Net gain on foreign currency transaction and translation	-	3
Interest income on Security Deposits	1	1
Profit on sale of investment property	-	57
Reversal of doubtful receivables and advances	12	-
	74	**168**

* Refer note 39

20 Cost of raw materials consumed

	Year ended 31 March 2022	For the period 17 July 2020 to 31 March 2021 (Restated*)
Inventory of raw materials at the beginning of the year/period	86	84
Add: Purchases	2,919	1,981
Less: Inventory of raw materials at the end of the year	101	86
Cost of raw materials consumed	**2,904**	**1,979**

* Refer note 39

21 Purchases of stock-in-trade (goods purchased for resale)	9,021	6,515

22 Changes in inventories of finished goods, stock-in-trade and work-in-progress

	Year ended 31 March 2022	For the period 17 July 2020 to 31 March 2021 (Restated*)
Stock at the beginning of the year/period		
Finished goods	418	174
Work-in-Progress	-	-
Stock-in-trade (goods purchased for resale)	927	545
Total	**1,345**	**719**
Stock at the end of the year		
Finished goods	692	418
Work-in-Progress	-	-
Stock-in-trade (goods purchased for resale)	1,447	927
	2,139	**1,345**
Changes in inventories of finished goods, stock-in-trade and work-in-progress	**(794)**	**(626)**

* Refer note 39

Notes to the Financial Statements for the year ended 31 March 2022 Amounts in INR Mln

23 Employee benefits expense

	Year ended 31 March 2022	For the period 17 July 2020 to 31 March 2021 (Restated*)
Salaries, wages and bonus	1,122	985
Contribution to provident and other funds (Refer Note 23(a))	41	23
Defined benefit plan expense	22	18
Expense on Employee Stock Option Schemes	1	3
Staff welfare expenses	74	37
	1,260	**1,066**

23(a) The company has availed Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) scheme during the year March 31, 2022 and the above amount includes INR 0 Mln (Previous year INR 0 Mln) government grant benefited by the company and same has been reduced from contribution to provident fund.

* Refer note 39

24 Finance costs

	Year ended 31 March 2022	For the period 17 July 2020 to 31 March 2021 (Restated*)
Interest on Finance Lease	17	10
Other interest and bank charges	11	5
Total Finance costs	**28**	**15**

* Refer note 39

25 Depreciation and amortization expense

	Year ended 31 March 2022	For the period 17 July 2020 to 31 March 2021 (Restated*)
Depreciation on property, plant and equipment	125	72
Depreciation on Right-of-use assets	43	22
	168	**94**

* Refer note 39

Notes to the Financial Statements for the year ended 31 March 2022 Amounts in INR Mln

26 Other expenses

	Year ended 31 March 2022	For the period 17 July 2020 to 31 March 2021 (Restated*)
Management Support services (Note 26(a))	125	410
Contract labour expenses	73	60
Business support services (Refer Note 26(b))	33	13
Security charges	12	8
Power and fuel	18	11
Packing, freight and transport	444	299
Rent	78	44
Repairs to buildings	17	7
Repairs to plant and machinery	22	15
Insurance	32	13
Rates and taxes	77	21
Travelling and conveyance	73	64
Legal and professional (Refer Note 26(c))	43	9
Advertising and sales promotion	1,402	1,204
IT and Communication	18	17
Allowance for doubtful trade receivables and advances	-	12
Commissions	47	22
Royalty	50	95
Brand License Fees	130	19
Warranty	129	164
Director fees	0	-
Research and development services (Refer Note 26(d))	48	27
Loss on disposal of property, plant and equipment	2	2
Net loss on foreign currency transaction and translation	56	2
Miscellaneous	97	105
	3,026	**2,643**

* Refer note 39

26 (a) Pursuant to the agreement entered into by the Company with Philips Electronics Netherland BV, the Company has incurred INR 0 Mln (March 31, 2021 - INR 1 Mln) towards the IT support services provided. As per agreement with Philips International BV the Company has incurred INR 99 Mln (March 31, 2021 - INR 409 Mln) towards management support services. As per agreement with Philips Domestic Appliances Netherlands B.V. the Company has incurred INR 25 Mln (March 31, 2021 - INR 0 Mln) towards management support services.

26 (b) Based on the arrangement with Philips India Limited, the Company has incurred INR 33 Mln (March 31, 2021- INR 13 Mln) towards business support services (Staff cost sharing).

26 (c) Legal and professional includes payments to auditors as given below:

Particulars	Year ended 31 March 2022	For the period 17 July 2020 to 31 March, 2021 (Restated*)
As auditor:		
Statutory audit fee	6	2
Tax audit fee	1	0
Other services	2	-
Reimbursement of expenses	-	-
Total	**9**	**2**

26 (d) Research and development costs

The Company's research and development concentrates on the development of Kitchen appliances. Research and development costs that are not eligible for capitalisation have been expensed in the period incurred during the period ended March 31, 2022 this was an amount of INR 48 Mln (March 31, 2021: INR 27 Mln), and they are recognised in other expenses.

26 (f) Details of CSR Expenditure:	Year ended 31 March 2022	For the period 17 July 2020 to 31 March, 2021 (Restated*)
a) Gross amount required to be spent by the Company during the year/period	12	5
b) Amount approved by Board to be spent during the year/period	**12**	**5**

c) Amount spent during the year ended on 31 March 2022:	In Cash	Yet to be paid cash	Total
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	1	-	1
d) Amount spent during the period 17 July 2020 to 31 March 2021:	**In Cash**	**Yet to be paid cash**	**Total**
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	0	-	0

e) Details related to spent/ unspent obligations:	Year ended 31 March 2022	For the period 17 July 2020 to 31 March, 2021 (Restated*)
i) Contributions to Public Trust	-	-
ii) Contributions to Charitable Trust	-	-
iii) Unspent amount in relation to:		
- Ongoing project	18	7
- Other than ongoing project	-	1

Details of ongoing project and other than ongoing project

1) In case of sec 135(6) (Ongoing project)	Year ended 31 March 2022	For the period 17 July 2020 to 31 March, 2021 (Restated*)
a) Opening balance		
-with company	7	-
-in separate CSR Unspent account	-	-
b) Amount required to be spent during the year/period	12	7
c) Amount spent during the year/period		
-from Company's bank account	1	-
-from separate CSR Unspent account	-	-
d) Closing balance (Amount Unspent)		
-with company	11	7
-in separate CSR Unspent account	7	-

2) In case of sec 135(5) (Other than ongoing project)	Year ended 31 March, 2022	For the period 17 July 2020 to 31 March 2021 (Restated*)
a) Opening balance	1	0
b) Amount deposited in Specified Fund of Sch VII within 6 months	-	-
c) Amount required to be spent during the year	-	0
d) Amount spent during the year	1	0
e) Closing balance	**-**	**1**

* Refer note 39

In terms of the provisions of Section 135 of the Companies Act, 2013, for the year ended the Company was required to spend an amount of INR 12 Mln (previous year INR 5 Mln) towards CSR activities and the company has spent INR 1 Mln (previous year INR 0 Mln) against the same. INR 1 Mln toward Covid activities (INR 0 Mln towards Armed Forces). The company has deposited unspent balance of CSR as on March 31, 2022 INR 12 Mln (previous year INR 7 Mln) to separate bank account within April 30, 2022, April 30, 2021 respectively for ongoing project.

27 Components of Other Comprehensive Income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

Particulars	Year ended 31 March 2022	For the period 17 July 2020 to 31 March, 2021 (Restated*)
Re-measurement gains / (losses) on defined benefit plans	(11)	12
Income tax effect	3	(3)
	(8)	**9**

* Refer note 39

28 Earnings per share (EPS)

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

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

The following reflects the income and share data used in the basic and diluted EPS computations:

Calculation of earnings per share	**Year ended 31 March 2022**	**For the period 17 July 2020 to 31 March, 2021 (Restated*)**
Number of equity shares at the beginning of the year	57,517,242	57,517,242
Total number of equity shares outstanding at the end of the year	57,517,242	57,517,242
Weighted average number of equity shares outstanding during the year/period (Refer Note 28.1)	57,517,242	57,517,242
Effect of dilution:		
Convertible preference shares	-	-
Weighted average number of Equity shares adjusted for the effect of dilution	57,517,242	40,656,023
Profit/(loss) after tax attributable to equity share holders	1,372	747
Basic earnings per equity share (in Rs.)	24	18
Diluted earnings per equity share (in Rs.)	24	18

28.1 The weighted average number of shares takes into account the weighted average effect of changes in treasury share transactions during the year. There have been no other transactions involving Equity shares or potential Equity shares between the reporting date and the date of authorisation of these financial statements.

* Refer note 39

29 Gratuity and other post-employment benefit plans (As per Ind AS 19 Employee Benefits)

Defined contribution plans:

The Company makes contributions, determined as a specified percentage of employees salaries, in respect of qualifying employees towards provident fund, which is a defined contribution plan. The Company has no obligation other than to make the specified contributions. The contributions are charged to the Statement of profit and loss as they accrue. The amount charged to Statement of profit and loss for the period ended March 31, 2022 is INR 38 Mln (Year ended March 31, 2021: INR 21 Mln).

Defined benefit plans:

The Company has a defined benefit gratuity plan (funded) managed by the Life Insurance Corporation of India (LIC) which is a defined benefit plan. The plan 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 present value of obligation is determined by the LIC based on actuarial valuation. The principal assumptions are the discount rate and salary growth rate. The discount rate is based upon the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligation. Estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Notes to the Financial Statements for the year ended 31 March 2022 Amounts in INR Mln

29.1 Gratuity and other post-employment benefit plans (As per Ind AS 19 Employee Benefits)

Statement of Profit and Loss

Net employee benefit expense (recognized in Employee Cost)

Particulars	Gratuity	
	Year ended 31 March 2022	For the period 17 July 2020 to 31 March 2021 (Restated*)
Current service cost	14	7
Past service cost	-	-
Interest cost on benefit obligation	6	3
Expected return on plan assets	(3)	(2)
Curtailment Cost	-	-
Settlement cost	-	-
Remeasurement (gains)/losses in other comprehensive income	11	(12)
Expenses recognized in the statement of profit & loss	**17**	**8**

Changes in the present value of the defined benefit obligation are as follows:

Particulars	Gratuity	
	Year ended 31 March 2022	For the period 17 July 2020 to 31 March 2021 (Restated*)
	Funded	Funded
A. Present value of obligations as at beginning of the year/period	108	66
(1) Current service cost	15	7
(2) Interest cost	6	3
(3) Benefits settled	(6)	(5)
(3) Benefits settled directly by employer	(6)	(1)
(4) Settlements	-	-
(5) Actuarial (gain) / loss	15	(11)
(6) Actuarial (gain) / loss due to Interest rate guarantee	-	-
(7) Employees' contribution	-	-
(8) Acquisition/Business Combination/Divestiture	0	49
(9) Change in reserves	-	-
(10) Transfer in	-	-
(11) Past service cost	-	-
Present value of obligations as at end of the year	**132**	**108**

*Refer note 39

Notes to the Financial Statements for the year ended 31 March 2022 Amounts in INR Mln

29.2 Gratuity and other post-employment benefit plans (As per Ind AS 19 Employee Benefits)

Changes in the defined benefit obligation and fair value of plan assets as at 31 March 2022:

Change in the fair value of plan assets are as follows:

Particulars	Gratuity	
	Year ended 31 March 2022	For the period 17 July 2020 to 31 March 2021 (Restated*)
	Funded	Funded
B. Change in Plan Assets		
Plan assets as at beginning of the year/period	55	48
(1) Expected return on plan assets	3	2
(2) Contributions	-	11
(3) Benefits settled	(6)	(5)
(4) Employer and Employee contribution	-	-
(5) Transfer in	-	-
(6) Benefit payments	-	-
(7) Actuarial gain / (loss)	5	0
(8) Settlements	(2)	-
(9) Acquisition/Business Combination/Divestiture	-	-
Plan assets as at end of the year	55	55
Surplus	**24**	**35**
C. Actual return on plan assets	7	2

D. Reconciliation of present value of the obligation and the fair value of the plan assets:

(1) Present value of obligations at end of the year	(132)	(108)
(2) Fair value of Plan assets	55	53
Liability recognised in Balance Sheet	(77)	(55)

E. Reconciliation of Statement of Other Comprehensive Income

Cumulative OCI - (Income)/ Loss, beginning of period	(35)	(23)
Total remeasurements included in OCI	11	(12)
Cumulative OCI - (Income)/ Loss, end of period	(24)	(35)

F. Components of Employer Expense:

(1) Current service cost	15	7
(2) Interest cost	6	3
(3) Expected return on plan assets(estimated)	(3)	(2)
(4) Curtailments	-	-
(5) Past service cost	-	-
(6) Actuarial (gain) / loss	10	(12)
Total expense recognised in Statement of Profit and Loss	18	8

The gratuity expense has been recognised in "Employee benefits expenses" under note 23 to the Financial Statements.

* Refer note 39

Notes to the Financial Statements for the year ended 31 March 2022 Amounts in INR Mln

Gratuity and other post-employment benefit plans (As per Ind AS 19 Employee Benefits)

F. Experience Adjustments

Description	Gratuity (Funded)	
	Year ended 31 March 2022	Year ended 31 March 2021 (Restated*)
Defined Benefit Obligations	132	108
Plan Assets	55	53
Surplus/(Deficit)	(77)	(55)
Experience adjustments on Plan assets/liabilities (gain) / loss	5	0

G. Assumptions

Gratuity	Financial Assumptions			Demographic Assumptions		
	Discount factor	Estimated rate of return on Plan Assets	Salary Increase	Mortality	Attrition rate	Retirement age
Year ended 31 March 2022	6.50%	9.00%	9.00%	IALM (2012-14)	15.40%	58 Years
Year ended 31 March 2021 (Restated*)	5.90%	9.00%	6.00%	IALM (2012-14)	18%	58 Years

*Refer note 39

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

Notes to the Financial Statements for the year ended 31 March 2022 Amounts in INR Mln

29.3 Gratuity and other post-employment benefit plans (As per Ind AS 19 Employee Benefits)

H. Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase.

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

Defined benefit obligation	As at 31 March 2022	As at 31 March 2021 (Restated*)
Discount rate		
a. Discount rate - 100 basis points	138	113
b. Discount rate + 100 basis points	126	105
Salary increase rate		
a. Rate - 100 basis points	127	105
b. Rate + 100 basis points	137	113

Particulars	As at 31 March 2022	As at 31 March 2021 (Restated*)
Within the next 12 months (next annual reporting period)	18	16
Between 1 and 5 years	62	55
Thereafter	55	44
Total expected payments	135	115

30 Commitments and contingencies

a. Commitments

Particulars	As at 31 March 2022	As at 31 March 2021 (Restated*)
Contracts towards capital account	39	7
	39	**7**

b. Contingent liabilities

Particulars	As at 31 March 2022	As at 31 March 2021 (Restated*)
Income Tax	39	20
Indirect Tax (Sales Tax/VAT, check post	11	1
	50	**21**

*Refer note 39

31 Related party transactions (As per Ind AS 24 Related Party Disclosures)

(A) Enterprises exercising control:

Holding company -	Philips India Limited (till 11 Aug 2021) Koninklijke Philips N.V. (from 12 Aug 2021 to 01 Sept 2021) PDA India Holdings II Pte Ltd. (from 02 Sep 2021 to 17 Jan 2022) Philips Domestic Appliances Holding B.V. (w.e.f 18 Jan 2022)
Ultimate Holding Company	Nobel Bidco B.V. (w.e.f 18 Jan 2022) Hillhouse Capital Management V. Ltd. (from 02 Sep 2021 to 17 Jan 2022) Koninklijke Philips N.V. (till 01 Sept 2021)

(B) Other Related Parties with whom transactions have taken place during the year:

(1) Fellow Subsidiary Companies (as per list given below)

Philips Consumer Lifestyle B.V. (Upto 01 September 2021)
Philips India Limited (Upto 01 September 2021)
Philips Domestic Appliances Netherlands B.V. (from 02 September 2021 onwards)
Philips Domestic Appliances Singapore Pte Ltd. (from 02 September 2021 onwards)
Philips Global Business Services LLP (Upto 01 September 2021)
Philips Electronics Netherland BV (Upto 01 September 2021)
Philips International BV (Upto 01 September 2021)

(2) Key Management Personnel

Managing Director

Gulbahar Taurani (Managing Director w.e.f 01 Aug 2021)

Executive Directors:

(i) Rajiv Mathur
(ii) Gulbahar Taurani (upto 31 Jul 2021)
(iii) Anil Chandak- Chief Financial officer (w.e.f 02 September 2021)

Non Executive Directors (Independent Directors):

(i) Susim Mukul Datta (w.e.f 02 September 2021)
(ii) Anisha Motwani (w.e.f 28 October 2021)

Company Secretary:

Rajiv Mathur (upto 30 June 2022)

Notes to the Financial Statements for the year ended 31 March 2022 Amounts in INR Mln

31.1 Related party transactions (As per Ind AS 24 Related Party Disclosures) (contd..)

(C) Nature of transactions during the year

	Year ended 31 March 2022			For the period 17 July 2020 to 31 March 2021 (Restated*)		
Particulars	**Holding Company**	**Fellow Subsidiary Companies**	**Key Management Personnel**	**Holding Company**	**Fellow Subsidiary Companies**	**Key Management Personnel**
PURCHASES						
Goods	-	2,469	-	-	1,794	-
Services	149	182	-	17	524	-
Reimbursements	0	-				
SALES						
Goods	1	95	-	5	47	-
Services	3	143	-	41	-	-
Reimbursements	1	11	-	1	-	-
Investment property	-	-		-	116	
Issue of Share capital	553	-	-	-	-	-
EXPENSE						
Salary	-	-	71	-	-	-
Sitting fee & expense reimbursement	-	-	0	-	-	-
OUTSTANDINGS						
Payable	130	199	-	10	524	-
Receivable	-	158	-	6	16	-

Note: Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and will be settled in cash.

* Refer note 39

Notes to the Financial Statements for the year ended 31 March 2022 Amounts in INR Mln

31.2 Related party transactions (As per Ind AS 24 Related Party Disclosures) (contd..)

Relationship / Name of the related party	Description of the nature of transaction	Year ended 31 March 2022 (Refer note 31 (a)	For the period 17 July 2020 to 31 March 2021 (Refer note 31) (Restated*)
(i) Holding Company:			
Philips Domestic Appliances Holding B.V.	Brand License fees	130	-
Koninklijke Philips N.V.	Issue of Share capital	553	-
Philips India Limited	Sale of products	1	5
	Revenue from research and development recharge	3	41
	Research & Development expenses	12	-
	Business support services	7	17
	Reimbursement of expenses	1	1
(ii) Fellow subsidiary Companies:			
Philips Electronics Singapore	Sale of products	0	0
Philips Domestic Appliances Singapore Pte Ltd.	Purchase of products	3	-
	Sale of products	0	-
Philips Electronics Nederland B. V.	IT Support Services	1	1
Philips International B.V	Support Services	99	408
Philips Domestic Appliances Netherlands B.V.	Purchase of products	1,400	-
	Sales of services	140	-
	Royalty	50	-
	Support Services	25	-
	Reimbursement of expenses	11	-
	Sale of products	57	-
Philips Global Business Services LLP	Sale of Investment property		116
Philips Consumer Lifestyle B.V.	Purchase of products	1,065	1,791
	Sale of products	38	47
	Royalty		95
	Support Services		19
Philips International B.V.	Purchase of products	1	4
Philips India Limited	Support Services	7	
	Sales of services	3	
(iii) Key Managerial Personnel			
Gulbahar Taurani	Salary	41	-
Rajiv Mathur	Salary	23	-
Anil Chandak	Salary	6	-
Susim Mukul Datta	Sitting fee & expense reimbursement	0	-
Anisha Motwani	Sitting fee & expense reimbursement	0	-

Outstanding at the year end

Receivable			
Philips Domestic Appliances Netherland BV		158	-
Philips India Limited		-	6
Philips Consumer Lifestyle B.V.		-	16
Payable			
Philips Domestic Appliances Netherland BV		205	-
Philips Domestic Appliances Holding B.V.		117	-
Philips Domestic Appliances Singapore Pte Ltd.		3	-
Philips Consumer Lifestyle B.V.		0	223
Philips India Limited		-	10
Philips International B.V		-	300
Philips Electronics Nederland B. V.		-	0
Philips Singapore BV		-	0

Note:

31.a) Represents transactions with parties which comprise more than 10% of aggregate value of transactions.

Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

*Refer note 39

32 Significant accounting judgements, estimates and assumptions

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

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Revenue from contracts with customers

The Company applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

- Determining method to estimate variable consideration and assessing the constraint

  Certain contracts for the sale of products include a right of return and volume rebates that give rise to variable consideration. In estimating the variable consideration, the Company is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled.

  The Company determined that in estimating the variable consideration for the sale of product with volume rebates, the Company determined that using a combination of the most likely amount method and expected value method is appropriate. The selected method that better predicts the amount of variable consideration was primarily driven by the number of volume thresholds contained in the contract. The most likely amount method is used for those contracts with a single volume threshold, while the expected value method is used for contracts with more than one volume threshold.

Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

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 INR 2,580 (March 31, 2021 INR 4,381) of accumulated tax losses carried forward. The management based on the business plan of the company, believes that it is probable that taxable profit will be available against which these losses can be utilised and accordingly, has recognised deferred tax asset on these losses.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan 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 parameter most subject to change is the discount rate. In determining the appropriate discount rate for the plan , the management considers the interest rates of government bonds consistent with the post-employment benefit obligation.

The mortality rate is based on Indian Assured Lives Mortality (2012-14) in India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 29.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 34 (a) for further disclosures.

Notes to the Financial Statements for the year ended 31 March 2022 Amounts in INR Mln

33 Ratio Analysis

Particulars	Numerator	Denominator	31-Mar-22	31-03-2021 [Refer Note 33.1] (Restated*)	% Change	Reason for Variance
Current Ratio	Current Assets	Current Liabilities	1.5	0.8	**92%**	Due to increase in net working capital and cash generated during the year
Debt Equity Ratio	Lease Liability	Shareholder's Equity	0.1	0.1	**-33%**	equity.
Debt Service Coverage Ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses + Interest	Debt service = Interest & Lease Payments + Principal Repayments	39.6	40.0	**-1%**	NA
Return on Equity Ratio	Expense+(Gain)/Loss on sale of assets Net Profits after taxes	Average Shareholder's Equity	0.5	0.8	**-34%**	Decrease in ratio due to increase in other equity as per scheme of arrangement.
Inventory Turnover Ratio	Cost of goods sold	Average Inventory	6.1	10.0	**-39%**	Due to increase in trade inventory
Trade Receivables Turnover Ratio	Net Sales	Average Trade Receivable	17.2	23.2	**-26%**	receivable.
Trade Payables Turnover Ratio	Net Credit purchases & services	Average Trade Payables	5.3	6.2	**-14%**	NA
Net Capital Turnover Ratio	Net Sales	Working Capital	11.4	(23.2)	**-149%**	Due to increase in net working capital.
Net Profit Ratio %	Net profit after taxes	Net Sales	7.9%	5.9%	**33%**	Due to better opex management and one time waiver of global support charges.
Return on Capital Employed (ROCE)	Earnings Before Interest And Taxes	Capital Employed (Average Total equity + debts)	0.6	0.9	**-28%**	Decrease in ratio due to net assets acquired as per scheme of arrangement.

33.1 Ratios for the period ended March 31, 2021 relating to Statement of profit and loss have been annualised to make it comparable with ratios relating to year ended March 31, 2022.

*Refer note 39

34 Capital management

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's capital management is to maximise shareholder value.

	Year ended	For the period 17 July 2020 to31 March 2021 (Restated*)
Earnings Before Interest And Tax	1,876	1,376
Capital Employed	2,921	1,551
Return on Capital Employed (ROCE)	64%	89%

34 (a) Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data

The following table provides the fair value measurement hierarchy of the company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2022:

	Date of Valuation	Total	Level 1	Level 2	Level 3
Assets measured at Fair Value					
Security Deposits	March 31, 2022	**27**		**27**	

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2021 (Restated*):

	Date of Valuation	Total	Level 1	Level 2	Level 3
Assets measured at Fair Value					
Security Deposits	March 31, 2021	**17**		**17**	

*Refer note 39

35 Financial risk management objectives and policies

The Company's principal financial liabilities, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company financial risk is an integral part of how to plan and execute it business strategies. The company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management oversee the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Company are accountable to the Board of Directors and Audit Committee. This process provides assurance to Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Company policies and Company risk objective.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include loans and borrowings, deposits, investments and foreign currency receivables and payables. The analyses exclude the impact of movements in market variables on; the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities. The sensitivity of the relevant Profit and Loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of March 31, 2022.

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's lease obligations (finance lease).

Interest rate sensitivity

As the interest rate is fixed, sensitivity analysis is deemed not required. Accordingly, no disclosure has been made in this respect.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company manages its foreign currency risk by lowering the credit period in terms of collecting and repaying customers and vendors respectively. The Company has maintained a policy to not enter into hedging transactions for speculation or non-speculation purposes. The unhedged foreign currency exposure are as follows:

Details	As at 31 March 2022		As at 31 March 2021 (Restated*)	
	USD exposure		USD exposure	
	FC	INR	FC	INR
Receivables	0	17	0	34
Payables	5	340	5	379

	Euro		Euro	
	FC	INR	FC	INR
Payables	0	0	-	-

	CNY		CNY	
	FC	INR	FC	INR
Payables	0	4	0	4

Foreign currency risk sensitivity

The Company's exposure to foreign currency changes in USD, GBP, EURO, SGD, UAE Dirham and for all other currencies is not material, hence no sensitivity analysis has been prepared.

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase and manufacture of Kitchen Appliances parts and therefore require a continuous supply of copper. Due to the significantly increased volatility of the price of the copper, the Company also entered into various purchase contracts for brass and chrome (for which there is an active market).

The Company's Board of Directors has developed and enacted a risk management strategy regarding commodity price risk and its mitigation.

(d) Equity price risk

The Company does not have any listed or non-listed equity securities and accordingly, there is no equity price risk.

(e) Credit risk

Credit Risk is the risk that the counter party will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

(i) Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

(ii) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's senior management on an annual basis and may be updated throughout the year subject to approval of the Board of directors. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

Collateral

The Company has pledged part of its property plant and equipment (vehicles under finance lease) in order to fulfil the collateral requirements for the finance lease. The Company has an obligation to repay the deposit to the counterparties upon settlement of the contracts. There are no other significant terms and conditions associated with the use of collateral.

(f) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The table below provides the details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

				Undiscounted Amount		
	On demand	**Less than 3 months**	**3 to 12 months**	**1 to 5 years**	**> 5 years**	**Total**
As at 31 March 2022						
Lease liabilities (Non-Current)	-	-	-	214	46	**260**
Lease liabilities (Current)	-	-	53	-	-	**53**
Trade Payables (Current)	-	2,512	-	-	-	**2,512**
Other Financial Liabilities (Current)	-	9	-	-	-	**9**
	-	**2,521**	**53**	**214**	**46**	**2,835**
As at 31 March 2021						
Lease liabilities (Non-Current)	-	-	-	140	54	194
Lease liabilities (Current)	-	-	38	-	-	38
Trade Payables (Current)	-	3,055	-	-	-	3,055
Other Financial Liabilities (Current)	-	16	-	-	-	16
	-	**3,071**	**38**	**140**	**54**	**3,303**

* Refer note 39

Notes to the Financial Statements for the year ended 31 March 2022 Amounts in INR Mln

36 Segment Information (As per Ind AS 108 Operating Segments)

(a) Primary Segment Information:

The Company considers its business segment as its primary segment. It is engaged in the business of manufacturing and sale of domestic appliances. The manufacturing activities are not distinguishable on the basis of risk and return, the methods of distribution and regulatory environment, accordingly, the Company views the entire business as one segment.

(b) Secondary Segment Information:

Description	Year ended March 31, 2022	For the period 17 July 2020 to 31 March 2021 (Restated*)
REVENUE		
a. Within India	16,914	12,281
b. Outside India	472	195
TOTAL	**17,387**	**12,476**

Description	Year ended March 31, 2022	For the period 17 July 2020 to 31 March 2021 (Restated*)
ASSETS		
a. Within India	6,939	5,557
b. Outside India	158	29
TOTAL	**7,097**	**5,587**

Description	Year ended March 31, 2022	For the period 17 July 2020 to 31 March 2021 (Restated*)
CAPITAL EXPENDITURE		
a. Within India	236	80
b. Outside India	-	-
TOTAL	**236**	**80**

* Refer note 39

37 Transfer pricing

The Company has entered into international transactions with related parties. The Company has a policy of maintaining documents as prescribed by the Income-tax Act, 1961 to prove that these international transactions are at arm's length and believes that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation for periods up to March 31, 2022.

38 Covid-19 outbreak

The outbreak of Covid-19 pandemic is causing disturbance and slowdown of economic activities globally. The nationwide lockdown ordered by the Government of India has resulted in reduction in economic activities and operations of the Company. The Management based on its business plans and liquidity position believes that the Company has adequate liquidity to settle its obligations for a foreseeable future. The Company has considered internal and external information up to the date of approval of these financial statements to assess the possible effects that may result from the pandemic on the recoverability/carrying value of the assets. Based on the current indicators of future economic conditions, the Company expects to recover the carrying amount of its assets including receivable and inventories. The eventual outcome of impact of the global health pandemic may or may not be different from those estimated as on the date of approval of these financial statements.

39 Business Combination

a) The Company, Philips Domestic Appliances India Limited was incorporated on July 17, 2020 for the purpose of acquiring the Domestic Appliances (DA) business of Philips India Limited (PIL) along with the business of PIL's subsidiary company "Preethi Kitchen Appliances Private Limited" (PKAPL). The Composite Scheme of Arrangement (hereinafter 'Scheme') for demerger of Domestic appliances Business and amalgamation of PKAPL was approved by (a) The Hon'ble National Company Law Tribunal, Mumbai Bench vide order dated 13 May 2021 and (b) The Hon'ble National Company Law Tribunal, Kolkata Bench vide order dated 14 June 2021 and was effective from July 1, 2021. As per the scheme, the shareholders of PIL have been allotted 1 fully paid equity share of the Company for each fully paid share held by them in PIL and in total 57,517,242 of Rs. 10 each. Further, before the amalgamation into the Company, PKAPL returned to PIL an amount of INR 42.72 per fully paid up equity share aggregating to INR 4,066 million.

The accounting for the above scheme has been done basis Appendix C to IND AS 103, Business Combinations of entities under common control. The management has assessed that Koninklijke Philips N.V. (KPNV) ('Parent') ultimately controlled the parties before and after the combination. The assets and liabilities are required to be recorded under pooling of interest method and accounted at book value and the financial information in the financial statements in respect of prior periods has been restated as if the business combination had occurred from the beginning of the preceding period in the financial statements.

Consequent to the scheme, the Company has restated the financial statements as if the business combination had occurred from the beginning of the preceding period starting from July 17, 2020. The Company has recorded the assets, liabilities, share capital and accumulated losses of Rs.4,116 million, Rs.3,093 million, Rs.575 million and Rs.745 million as at July 17, 2020 and the difference between the amounts recorded above, has been recorded as Capital Reserve amounting to Rs.1,193 million.

The financial information as at July 17, 2020 and for the period July 17, 2020 to March 31, 2021(prior period restated information) presented in the Balance Sheet and Statement of Profit and Loss has been complied by the management from the underlying books of accounts and is calculated on the basis of allocated assets, liabilities, revenue and expenses basis the management information systems maintained by the Company. This financial information is unaudited.

Subsequently, for the period July 17, 2020 to July 1, 2021 till which date the erstwhile shareholder (PIL) continued to control the DA business including PKAPL, net asset acquired by the Company are higher than the net assets as at July 17, 2020 by Rs. 553 million. This increase in net asset is recorded as a capital reserve by the Company as per the principles of Appendix C to IND AS 103.

b) (I) The Company has evaluated the implication of the above scheme under the Income tax Act (I.T. Act) and basis the prevalent provisions of the I.T. Act, the Company believes that there is no Income Tax related implications on the above scheme of arrangement.

(ii) PKAPL had unabsorbed depreciation balances as at July 1, 2021 amounting to Rs. 4,087 million. The Company has evaluated the conditions under I.T. Act in regards to carry forward of this unabsorbed depreciation pursuant to the above scheme and subsequent sale of shareholding by KPNV as per Section 79 read with Section 32(2) of the Act. Basis above section, Company is reasonably certain to utilize this carried forward unabsorbed depreciation and has accordingly recorded a deferred tax asset amounting to Rs.1,029 million.

(iii) The Company has evaluated the basis of recorded the Written Down Value (WDV) of assets acquired by the Company from PIL under the I.T. Act and has accordingly calculated the annual depreciation for the year in the ratio of the number of days of usage by the Company.

40 Other Statutory Information

40.1 The Company do not have transactions with companies struck off.

40.2 The Company do not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

40.3 The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

40.4 The Company has not traded or invested in Cryptocurrency transactions / balances or Virtual Currency.

40.5 The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries).

40.6 The Company have not received any fund from any person(s) or entity(ies), including guarantee foreign entities (Funding Party).

40.7 The Company do 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.

41 Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure. The current period financial statements relates to period from April 1, 2021 to March 31, 2022 and that of previous year figures are from 17 July 2020 to 31 March 2021 accordingly, current year figures are not strictly comparable with that of the comparative period.

42 Previous year numbers are not audited and being given as per the requirement of IND AS 103 'Business Combinations' under common control transaction.

43 All amounts are in Rs. Millions, figures in this financial statements below Rs.1 million, are shown as '0'.

As per our report of even date attached

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/ E300005
UDIN: 22095169AOIKUM9488

For and on behalf of the Board
Philips Domestic Appliances India Limited

Sanjay Vij
Partner
Membership No.: 095169

Place: Gurugram
Date: 05 August 2022

Susim Mukul Datta
DIN: 00032812
Chairman

Place: Gurugram
Date: 05 August 2022

Gulbahar Taurani
DIN: 08797127
Vice Chairman & Managing Director

Place: Gurugram
Date: 05 August 2022

Anil Chandak
DIN: 06896696
Director & Chief Financial Officer

Place: Gurugram
Date: 05 August 2022

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Registered Office

Philips Domestic Appliances India Limited
3rd Floor, Tower A, DLF IT Park,08 Bloc AF
Major Arterial Road, New Town (Rajarhat)
Kolkata, West Bengal 700156, India

Corporate Office

Philips Domestic Appliances India Limited
Unit No. 401, 4th Floor, Tower 3, Bharti
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Gurgaon, Haryana - 122018

Regional Office

Philips Domestic Appliances India Limited
Futura Tech Park, Q4, 4th Floor, Block B,
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Sholinganallur, Chennai 600119

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