

INDEPENDENT AUDITOR'S REPORT

To the Members of Luxxis Heating Solutions Private Limited

Report on Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Luxxis Heating Solutions Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (herein after referred to as "financial statements").

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 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IND AS ") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, its Loss, total Comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of financial statements in accordance with the Standards on Auditing (SAs) 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 of ICAI's. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Material uncertainty relating to Going Concern

Attention is drawn to Note no. 20 of the financial statements dealing with going concern assumption for preparation of the financial statements of the Company. The Company has no asset or liability remain at year end. Its net worth has been fully eroded. These conditions indicate the existence of a material uncertainty about the Company's ability to continue as a going concern. However, the financial statements of the Company due to the reasons stated in the said Note no. 20, have been prepared by management on going concern basis.

Our opinion is not modified in respect of above matter.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In Connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

It based on the work we have performed, we conclude that there is a material misstatement therein, we are required to report that fact.

We have nothing to report in this regard.

Responsibility of Management and Those Charged with Governance 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 total comprehensive income), changes in equity and cash flows 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. 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 judgements and estimates that are reasonable and prudent; and 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, Board of Director 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 Board of Director either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. (read with note no. 20 of the financial statement)

The 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 judgement 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 system 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 ability of the Company 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.



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 other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2015 as amended.
 - e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) 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 did not have any pending litigation, the impact of which is required to be disclosed / to be provided for in financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



iv.

(a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to accounts, no funds (which are material either individually or in aggregate) 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 & belief as disclosed in the notes to accounts, no funds (which are material either individually or in the aggregate) 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 that we have 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 (i) and (ii) of Rule 11(e) as provided under (a) & (b) above contain any material mis-statement.

V. The Company has not declared or paid dividend during the year, accordingly the provisions of section 123 of the Companies Act, 2013 are not applicable.



h) In our opinion and to the best of our information and according to the explanations given to us, the remuneration has not been paid/provided by the Company to its directors during the year, hence reporting under this clause is not applicable.

For LODHA & CO.

Chartered Accountants

Firm's Registration No.301051E



Shyamal Kumar

Partner

Membership No. 509325

UDIN : 22509325AJQLUT8747



Place: New Delhi

Date: 25th May 2022

Annexure - A to the Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of the Luxxis Heating Solutions Private Limited on the financial statements as of and for the year ended 31st March 2022)

- (i) (a)(A) The Company does not hold any property, plant and equipment. Accordingly, clause 3 (i) (a) (A) of the Order is not applicable.
- (B) The Company does not hold any intangible assets. Accordingly, clause 3 (i) (a) (B) of the Order is not applicable.
- (b) As per the information and explanation given to us, the Company does not have any property, plant and equipment and hence reporting under clause (i) (b) of paragraph 3 of the Order is not applicable.
- (c) The company does not have any immovable property i.e. land in the name of the company. Accordingly, reporting under this clause of the Order is not applicable.
- (d) The Company has not revalued any of its property, plant and equipment and intangible assets during the year.
- (e) According to the information and explanations given to us and records provided, no proceedings have been initiated during the year or are pending against the Company as at 31st March, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) As per the information and explanation given to us, the Company does not have any inventory and hence reporting under clause (ii) (a) of paragraph 3 of the Order is not applicable.
- (b) According to the information and explanations given to us, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks on the basis of security of current assets. Hence reporting under clause (ii) (b) of paragraph 3 of the Order is not applicable.



- (iii) (a) According to the information and explanations made available to us , the company has not granted any loan, provided guarantee or security, and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. hence reporting under clause (iii)(a) is not applicable.
- (b) The Company does not have any loans or advances in the nature of loans outstanding at the beginning as well as end of the year, hence reporting under clause (iii)(c), (iii)(d) & (iii)(e) are not applicable.
- (f) According to information and explanations given to us and based on the audit procedures performed, 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 during the year. Hence, reporting under clause 3 (iii)(f) is not applicable.
- (iv) According to the information, explanations and representations provided by to us, the Company has not granted loans or given any guarantee and security covered under Section 185 and 186 of the Companies Act, 2013. Hence, reporting under clause 3 (iv) is not applicable.
- (v) The Company has not accepted any deposits or amounts which are deemed to deposits. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal against the Company in this regard.
- (vi) The Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act, for the business related to the Company. Hence reporting under clause 3(vi) of the Order is not applicable.
- (vii) (a) According to the records of the company, the company is generally regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues with the appropriate authorities to the extent applicable and there were no undisputed amounts dues is in arrears as at 31st March 2022 for a period of more than six months from the date they become payable.
- (b) According to the records and information & explanations given to us, there are no dues in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-

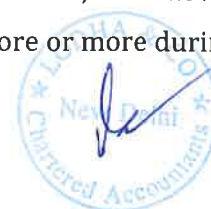


tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess, that have not been deposited with the appropriate authorities on account of any dispute.

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) According to the records and information and explanation made available to us, the company has not taken any loan from any lender (including loan for Holding Company, associate or joint venture). Hence reporting under clause 3(ix) of the Order is not applicable to the company.
- (x)(a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year , hence reporting under clause (x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally), hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi)(a) Based on the audit procedures performed and on the basis of information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) The company is not required to established vigil mechanism under section 177 of the act, hence reporting under this clause is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company and hence reporting under clause 3(xii) of the Order is not applicable.



- (xiii) According to the information and explanations and records made available by the management of the Company and audit procedures performed, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable Indian accounting standards.
- (xiv) (a) The requirement of internal audit system under section 138 of the Companies Act 2013 is not applicable to the company, hence we are not offering any comment under this clause.
- (b) The Company does not have any internal audit system and no internal audit report was share with us for the period under audit.
- (xv) On the basis of records made available to us and according to information and explanations given to us, the Company has not entered into non-cash transactions with the directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934 and hence reporting under clause 3 (xvi)(a), (b) and (c) of the Order is not applicable. As per the information and representation provided by the management, the group does not have any Core Investment Company(CIC) within the group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016).
- (xvii) The Company has incurred cash losses of Rs. 1824.24 thousand during the financial year covered by our audit and Rs. 35.01 thousand also in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) The Company has no outstanding liability as on 31st March 2022. Hence reporting under this clause is not applicable. We further state that our reporting is based on the facts up to the date of the audit report (read with note no. 20).
- (xx) The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during



the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

(xxi) The Company is not required to prepare Consolidated Financial Statements and accordingly reporting under clause 3(xxi) of the Order is not applicable.

For **LODHA & CO.**

Chartered Accountants

FRN: 301051E



Shyamal Kumar

Partner

Membership No. 509325

Place: New Delhi

Dated: 25th May 2022



ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Luxxis Heating Solutions Private Limited ("the Company") as of 31st March, 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 Board of director of the company 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. 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 respective 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 over financial reporting were 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 internal financial controls system over financial reporting of the company.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting 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 control over financial reporting 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 over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **LODHA & CO.**

Chartered Accountants

FRN: 301051E



Shyamal Kumar

Partner

Membership No. 509325

Place: New Delhi

Dated: 25th May 2022



Luxxis Heating Solutions Private Limited
Balance sheet as at 31 March 2022

(₹'000)

Particulars	Note	As at 31 March 2022	As at 31 March 2021
ASSETS			
1 Current assets			
(a) Financial assets			
(i) Cash and cash equivalents	4	-	1,841.21
(b) Other Current Assets	5	-	39.60
Total current assets		-	1,880.81
Total assets		-	1,880.81
EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	6	2,000.00	2,000.00
(b) Other equity		(2,000.00)	(175.76)
Total equity		-	1,824.24
2 Liabilities			
Current liabilities			
(a) Financial liabilities			
(i) Other financial liabilities	7	-	44.20
(b) Other current liabilities	8	-	3.08
(c) Current Tax Liabilities (Net)	9	-	9.30
Total current liabilities		-	56.58
Total liabilities		-	56.58
Total equity and liabilities		-	1,880.81

The accompanying notes form an integral part of the Standalone financial statements.
As per our report of even date attached

For Lodha & Co
Chartered Accountants
Firm Registration No.: 301051E

For and on behalf of the Board of Directors




Shyamal Kumar
Partner
M. No. 509325
Place : Gurugram
Date : 25 May 2022




Girdhari Lal Sultania
Director
DIN: 00060931



Niranjn Kumar Goenka
Director
DIN: 00060864


Luxxis Heating Solutions Private Limited
Statement of profit and loss for the year ended 31 March 2022

			(₹'000)	
Particulars		Note	Year ended 31 March 2022	Year ended 31 March 2021
I	Revenue from operations		-	-
II	Other income	10	-	57.88
III	Total income		-	57.88
IV	Expenses			
	Employee benefits expense		108.00	-
	Other expenses	11	1,716.24	92.89
	Total expenses		1,824.24	92.89
V	Profit / (Loss) before exceptional items and tax		(1,824.24)	(35.01)
VI	Exceptional items		-	-
VII	Profit / (Loss) before tax		(1,824.24)	(35.01)
VIII	Tax expense			
	(1) Current tax		-	9.30
	(2) Mat Credit Entitlement/charged		-	3.11
	(3) Tax of Earlier period		-	(3.11)
	Total tax expense		-	9.30
IX	Profit/ (Loss) for the period		(1,824.24)	(44.31)
X	Other comprehensive income			
	Other comprehensive income, net of tax		-	-
XI	Total comprehensive income for the period		(1,824.24)	(44.31)
	Earnings per equity share (of ₹ 10/- each):			
	Basic and diluted		(9.12)	(0.22)

The accompanying notes form an integral part of the Standalone financial statements.
As per our report of even date attached


For Lodha & Co
Chartered Accountants
Firm Registration No.: 301051E

For and on behalf of the Board of Directors


Shyamal Kumar
Partner
M. No. 509325
Place : Gurugram
Date : 25 May 2022




Girdhari Lal Sultania
Director
DIN: 00060931


Niranjana Kumar Goenka
Director
DIN: 00060864

Luxxis Heating Solutions Pvt Ltd
Cash Flow Statement for the year ended 31 March, 2022


(₹'000)

Particulars	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
<u>A. CASH FLOW FROM OPERATING ACTIVITIES</u>		
Profit/(Loss) before tax	(1,824.24)	(35.01)
<u>Adjustment For</u>		
-Gain on Redemption on Investments	-	(57.88)
Operating cash flow before working capital changes	(1,824.24)	(92.89)
<u>Change in working capital</u>		
-Trade and Other Payables	(47.28)	(7.84)
-Trade and Other receivable	39.60	(39.60)
Cash Generated/(Used) from Operations	(1,831.91)	(140.33)
Income tax paid	(9.30)	-
Net Cash Generated /(Used) in Operating Activities	(1,841.21)	(140.33)
<u>B: CASH FLOW FROM INVESTING ACTIVITIES</u>		
Sale/(Purchase) of Investments	-	1,945.38
Net Cash Generated/(Used) in Investing Activities	-	1,945.38
<u>C: CASH FLOW FROM FINANCING ACTIVITIES</u>		
Net Cash Generated/(Used) in Financing Activities	-	-
Net Increase in Cash & Cash Equivalents(A+B+C)	(1,841.21)	1,805.05
Cash and Cash Equivalents as at (Opening)	1,841.21	36.16
Cash and Cash Equivalents as at (Closing)	-	1,841.21

The accompanying notes form an integral part of the Standalone financial statements.
As per our report of even date attached


For Lodha & Co
Chartered Accountants
Firm Registration No.: 301051E

For and on behalf of the Board of Directors


Shyamal Kumar
Partner
M. No. 509325
Place : Gurugram
Date : 25 May 2022




Girdhari Lal Sultania
Director
DIN: 00060931


Niranjn Kumar Goenka
Director
DIN: 00060864

Luxxis Heating Solutions Private Limited

Statement of change in Equity (SOCE) for the Year ended 31 March 2022

a. Equity Share Capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares	(₹'000)	No. of shares	(₹'000)
Issued and Paid up Capital				
Balance as at 1 April 2020	200,000	2,000.00	200,000	2,000.00
Changes in Equity share capital during the year	-	-	-	-
Balance as at 31 March 2021	200,000	2,000.00	200,000	2,000.00
Changes in Equity share capital during the Year	-	-	-	-
Balance as at 31 March 2022	200,000	2,000.00	200,000	2,000.00

b. Other equity

Particulars	Reserves & Surplus		Total
	Retained earnings		
Balance as at 1 April 2020	(131.45)	(131.45)	(131.45)
Profit/(Loss) for the Year	(44.31)	(44.31)	(44.31)
Other comprehensive income for the Year (net of income tax)	-	-	-
Total comprehensive income for the Year	(44.31)	(44.31)	(44.31)
Balance as at 31 March 2021	(175.76)	(175.76)	(175.76)
Profit / (Loss) for the Year	(1,824.24)	(1,824.24)	(1,824.24)
Other comprehensive income for the Year (net of income tax)	-	-	-
Total comprehensive income for the Year	(1,824.24)	(1,824.24)	(1,824.24)
Balance as at 31 March 2022	(2,000.00)	(2,000.00)	(2,000.00)

Nature of Reserve:

(a) Retained Earning: The balance consists of surplus/(deficit) retained from earned profits/(loss) after payment of dividend and taxes thereon.

The accompanying notes form an integral part of the Standalone financial statements.

As per our report of even date attached

For Lodha & Co
Chartered Accountants
Firm Registration No.: 301051E

For and on behalf of the Board of Directors

Girdhari Lal Sultania

Director

DIN: 00060931

Jeer

Niranjan Kumar Goenka

Director

DIN: 00060864

Shyamal Kumar

Partner

M. No. 509325

Place : Gurugram

Date : 25 May 2022



Luxxis Heating Solutions Private Limited

Significant accounting policies and other explanatory information to the financial statements for the period ended 31 March 2022

1. Corporate information

Luxxis Heating Solutions Private Limited (the 'Company') is a private limited company incorporated in India on 27 December 2017 under the Companies Act, 2013. The registered office of the Company is situated in Kolkata. The Company is a subsidiary of Hindware Home Innovation Limited (Formerly Somany Home Innovation Limited).

2. Application of new and revised Indian Accounting Standard ("Ind AS")

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorized have been considered in preparing these financial statements.

3. Significant accounting policies and other explanatory information

3.1 Basis of preparation

The financial statements of the Company have been prepared on a going concern basis in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

The financial statements have been prepared on a historical cost basis.

The preparation of the financial statements requires management to make estimates and underlying assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future years. The Company's financial statements are presented in Indian Rupees (INR) which is its functional and presentation currency.

All values are rounded off to the nearest thousands (1000) except when otherwise indicated.

3.2 Statement of compliance with Indian Accounting Standards (Ind AS)

The financial statements of the Company have been prepared in accordance with Ind AS notified by the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. Accordingly, the financial statements for the year ended 31 March 2022 are prepared complying applicable Ind AS.

The financial statements of Luxxis Heating Solutions Private Limited as at and for the year ended 31 March 2022 were approved and authorised for issue by the Board of Directors on 25th May 2022.

3.3 Revenue recognition

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. Revenue is recognized net of sales reductions such as discounts and sales incentives granted. This variable consideration is estimated based on the expected value of outflow.



Luxxis Heating Solutions Private Limited

Significant accounting policies and other explanatory information to the financial statements for the period ended 31 March 2022 (contd.)

Rendering of services:

Revenue from services is recognized over time by measuring progress towards satisfaction of performance obligation for the services rendered.

Interest and dividends

Interest income and expenses are reported on an accrual basis using the effective interest method. Dividends are recognised at the time the right to receive payment is established

3.4 Employee benefits

Employee benefits include provident fund, pension fund, gratuity and compensated absences.

3.5 Taxation

Tax expense recognised in the statement of profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current tax

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases.

Deferred tax

Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future opening results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Deferred tax liabilities are generally recognised in full, although Ind AS 12, Income Taxes, specifies limited exemptions.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in the statement of profit or loss, except where they relate to items that are recognised in other comprehensive income (such as the revaluation of land) or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

3.6 Operating cycle

Based on the nature of products/activities of the Company and the normal time between purchase of raw materials /trading goods and their realisation in cash or cash equivalents, the Company has determined its operation cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

3.7 Operating expenses

Operating expenses are recognised in statement of profit or loss upon utilisation of the service or as incurred. Expenditure for warranties is recognised when the Company incurs an obligation, which is typically when the related goods are sold.

3.8 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments maturing within 90 days from the date of acquisition. Cash and cash equivalent



Significant accounting policies and other explanatory information to the financial statements for the period ended 31 March 2022 (contd.)

are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

3.9 Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

3.10 Provisions and contingencies

A provision is recognised in the financial statements where there exists a present obligation as a result of a past event, the amount of which can be reliably estimated, and it is probable that an outflow of resources would be necessitated in order to settle the obligation. 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. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised but are disclosed in the notes unless the outflow of resources is considered to be remote. Contingent assets are neither recognised nor disclosed in the financial statements.

3.11 Earnings per share

Basic earnings or loss per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings or loss per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3.12 Fair value measurement

The Company measures financial instruments such as investments in mutual funds, investment in certain equity shares etc. at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability at the measurement date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For 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.



Significant accounting policies and other explanatory information to the financial statements for the period ended 31 March 2022 (contd.)

3.13 Financial instruments

I. Financial assets

a. Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in 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, which are not at fair value through profit and loss, are added to fair value on initial recognition. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit and loss.

b. Subsequent measurement

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income (FVOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through statement of profit and loss.

c. Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its assets measured at amortised cost and assets measured at fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

d. De-recognition of financial assets

A financial asset is derecognised when:

- The Company has transferred the right to receive cash flows from the financial assets or
- Retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity transfers the financial asset, it evaluates the extent to which it retains the risk and rewards of the ownership of the financial assets. If the entity transfers substantially all the risks and rewards of ownership of the financial asset, the entity shall derecognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer. If the entity retains substantially all the risks and rewards of ownership of the financial asset, the entity shall continue to recognise the financial asset.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of the ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial assets, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

II. Financial liabilities

Initial recognition and subsequent measurement

All financial liabilities are recognized initially at fair value and in case of borrowings and payables, net of directly attributable cost.



Significant accounting policies and other explanatory information to the financial statements for the period ended 31 March 2022 (contd.)

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments. Changes in the amortised value of liability are recorded as finance cost.

III. Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may vary from actual realization on future date.

IV. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.14 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgments, 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.

(i) Estimates and assumptions

The preparation of financial statements under the liquidation basis of accounting requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. Different assumptions could significantly affect these estimates. Accordingly, the estimated net realizable values of the assets and liabilities may differ from the actual values received or settled in the winding up, and the estimates of future costs expected to be incurred may differ from those actually incurred during the winding up. The primary areas of measurement uncertainty include accruals for the costs expected to be incurred during the winding up

(ii) Estimation of current tax and deferred tax

Management judgment is required for the calculation of provision for income - taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to adjustment to the amounts reported in the financial statements.

(ii) Fair value measurement

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.



Luxxis Heating Solutions Private Limited

Significant accounting policies and other explanatory information to the financial statements for the Year ended 31 March 2022

Note 4 - Cash and cash equivalents

Particulars	(₹'000)	
	Year ended 31 March 2022	Year ended 31 March 2021
Balances with banks in current account	-	1,841.21
	-	1,841.21

Note 5 - Other Current Assets

Particulars	(₹'000)	
	Year ended 31 March 2022	Year ended 31 March 2021
Advances for services	-	39.60
	-	39.60

Note 6 - Equity share capital

Particulars	Year ended 31 March 2022		Year ended 31 March 2021	
	No. of shares	(₹'000)	No. of shares	(₹'000)
Authorised:				
Equity shares of ₹ 10 each	500,000	5,000.00	500,000	5,000.00
Issued:				
Equity shares of ₹ 10 each	200,000	2,000.00	200,000	2,000.00
Subscribed and fully paid:				
Equity shares of ₹ 10 each	200,000	2,000.00	200,000	2,000.00
	200,000	2,000.00	200,000	2,000.00

(a) Reconciliation of share outstanding at the beginning and at the end of the reporting year

Particulars	Year ended 31 March 2022		Year ended 31 March 2021	
	Number	(₹'000)	Number	(₹'000)
Equity shares outstanding at the beginning of the Year	200,000	2,000.00	200,000	2,000.00
Add: Shares issued during the Year	-	-	-	-
Equity shares outstanding at the end of the Year	200,000	2,000.00	200,000	2,000.00

(b) Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10/- each. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the subsequent Annual General Meeting. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company after distributions of all preferential amount. The distributions will be in proportion to the number of equity shares held by the shareholders; and any other right as the Memorandum and Articles of Association of the Company may prescribe in relation to the aforesaid equity shares of the Company.

(c) List of shareholders holding more than 5% of the equity share capital of the Company at the beginning and at the end of the reporting Year

Name of the Shareholders	31-Mar-22		31-Mar-21	
	No. of Equity Shares held	% of Equity Shares	No. of Equity Shares held	% of Equity Shares
Hindware Home Innovation Limited (Holding Co) (formerly Somany Home Innovation Limited)	199,999	100.00	199,999	100.00

(d) Statement of changes in promoters stake

Shares held by promoters at the end of the year						%Change during the year
S.No	Promoter name	No of Shares as on 1 April 2021	% of total shares	No of Shares as on 31 March 2022	% of total shares	
1	Hindware Home Innovation Limited	199,999	99.9995%	199,999	99.9995%	No Change
1	Ravi Kedia	1	0.0005%	1	0.0005%	

* Promoter here means promoter as defined in the Companies Act,2013.

(c) There are no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus shares and bought back during the last 5 years.

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Luxxis Heating Solutions Private Limited

Significant accounting policies and other explanatory information to the financial statements for the Year ended 31 March 2022

Note 7 - Other Current liabilities - Other financial liabilities

Particulars	(₹'000)	
	Year ended 31 March 2022	Year ended 31 March 2021
Creditors for Expenses	-	44.20
	-	44.20

Note 8 - Other current liabilities

Particulars	(₹'000)	
	Year ended 31 March 2022	Year ended 31 March 2021
Statutory Dues - TDS payable	-	3.08
	-	3.08

Note 9 - Current Tax Liabilities (net)

Particulars	(₹'000)	
	Year ended 31 March 2022	Year ended 31 March 2021
Provision of Income Tax (Net of Advance Tax)	-	9.30
	-	9.30

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Luxxis Heating Solutions Private Limited

Significant accounting policies and other explanatory information to the standalone financial statements for the year ended 31 March 2022

Note 10 - Other income

(₹'000)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Gain on Redemption of mutual fund units	-	57.88
	-	57.88

Note 11 - Other expenses

(₹'000)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
- Rates and taxes	4.65	4.65
- Stationery & Printing	2.08	-
- Bank & Other general charges	13.28	0.13
- Travelling & Conveyance	13.20	-
- Filing Fees	2.50	3.00
- Legal & Professional Expenses	1,115.62	32.01
- Donation	500.00	-
- Auditor Remuneration		
- Audit Fee	47.20	47.20
- for Services	17.70	5.90
	1,716.24	92.89

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Luxxis Heating Solutions Private Limited

Significant accounting policies and other explanatory information to the standalone financial statements for the year ended 31 March 2022

Note 12 - Earnings per share

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Profit / (loss) for the period attributable to owners of the Company (₹'000)	(1,824.24)	(44.31)
Weighted average number of equity shares (nos.)	200,000	200,000
Nominal value per share (₹)	10	10
Earnings per share - basic and diluted (₹)	(9.12)	(0.22)

The Company does not have any outstanding dilutive potential equity shares. Hence, the basic and diluted earnings per share of the Company remain the same.

Note 13 - Related Party Disclosures**i) Name and relationship**

- a) Shri Girdhari Lal Sultania - Director
- b) Shri Niranjana Kumar Goenka - Director
- c) Hindware Home Innovation Limited - Holding Company (formerly known as Somany Home Innovation Limited)

ii) Transactions with related parties by the Company :

Name of the Party and nature of transaction:	Year ended 31 March 2022	Year ended 31 March 2021
	Nil	Nil

Note 14- Payment to Auditors

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Statutory Audit Fees (Including Taxes)	47.20	47.20
	17.70	5.90
	64.90	53.10

Note 15- Segment Reporting

The Company has yet to start its business operation, hence no segment been identified and reported.

Note 16 - Employee benefits

During the year, the Company had employed certain employees for a part of the year. Payments made to them are shown under short term employee benefit expenses.

At the year end, the Company has no employee, hence provision for employee benefits have not been considered in the books.

Note 17 - Contingent Liability and other commitment

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
	Nil	Nil



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Luxxis Heating Solutions Private Limited

Significant accounting policies and other explanatory information to the standalone financial statements for the year ended 31 March 2022

Note 18 :- Ratios disclosure

	Particulars	Year ended 31 March 2022#	Year ended 31 March 2021	Remarks
	Current Ratio (times)			
(i)	Total Current assets / Total current liabilities (including Short Term borrowings and Current maturities of long term borrowings)	NA	33.24	
	Total Debts to Equity Ratio (times)			
(ii)	(Non-current borrowings including Current maturities of long term borrowings + Current Borrowings + Trade Deposits) / Net worth*)	NA	NA	
	* Net worth = Equity Share Capital + Securities premium account + Capital reserve + General reserve + Retained earnings + Actuarial gain / (loss)			
	Debt Service Coverage Ratio (times)	NA	NA	
(iii)	(Profit after Tax + Depreciation + Interest on loan / Interest on loan + loan repayment)			
	Return on Equity (%)			
(iv)	(Profit for the year / Net worth*)	NA	-2%	
	* Net worth = Equity Share Capital + Securities premium account + Capital reserve + General reserve + Retained earnings + Actuarial gain / (loss)			
(v)	Inventory Turnover (times)	NA	NA	
	(Revenue from Operations / Average Inventories)			
(vi)	Trade Receivables Turnover (times)	NA	NA	
	(Revenue from Operations / Average Trade receivables)			
(vii)	Trade Payables Turnover (times)	NA	NA	
	(Revenue from Operations / Average Trade payables)			
(viii)	Net Capital Turnover (times)	NA	NA	
	(Revenue from Operations / Average Working Capital)			
(ix)	Net Profit Ratio	NA	NA	
	(Profit for the year / Revenue from Operations)			
(x)	Return on Capital Employed (%)	NA	-2%	
	(Profit for the year / Capital employed*)			
	* Capital employed = Net worth + Borrowings + Deferred tax liability			
	Return on Investments (%)	NA	NA	
(xi)	(Income generated from investments / Time weighted average investments)			
	Quoted	NA	13%	
	Unquoted	NA	NA	

Since the Company has no assets / liabilities remaining at the year end, hence ratios are not given for the current year.

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Luxxis Heating Solutions Private Limited

Significant accounting policies and other explanatory information to the standalone financial statements for the year ended 31 March 2022

Note - 19 Financial instruments and risk review

Capital management

The Company has only one class of equity shares and has no debt. There are no externally imposed capital requirements.

The following table summarises the capital of the Company

Particulars	₹'000	
	31 March 2022	31 March 2021
Equity *	-	1,824.24
Liquid assets (cash and cash equivalent and current investments) (a)	-	1,841.21
Borrowings	-	-
Total debt (b)	-	-
Net debt [c = (b) - (a)]	-	(1,841.21)
Total capital (equity + net debt)	-	1,824.24
Gearing ratio		
Debt to equity	-	-
Net debt to equity ratio	-	-

Categories of financial instruments

Categories of financial assets/(liabilities)	Notes	31 March 2022			
		Carrying value	Gain/(loss) to income	Gain/(loss) to equity	Fair value hierarchy
Financial assets measured at fair value					
Investments		-	-	-	-
Financial assets measured at amortised costs					
Cash and bank balances		-	-	-	-
Total financial assets		-	-	-	-
Financial liabilities					
	Notes	Carrying value	Gain/(loss) to income	Gain/(loss) to equity	
Financial liabilities measured at amortised cost					
Current payables		-	-	-	-
Total financial liabilities		-	-	-	-

Categories of financial instruments

Categories of financial assets/(liabilities)	Notes	31 March 2021			
		Carrying value	Gain/(loss) to income	Gain/(loss) to equity	Fair value hierarchy
Financial assets measured at fair value					
Investments		-	-	-	-
Financial assets measured at amortised costs					
Cash and bank balances	4	1,841.21	-	-	-
Total financial assets		1,841.21	-	-	-
Financial liabilities					
	Notes	Carrying value	Gain/(loss) to income	Gain/(loss) to equity	
Financial liabilities measured at amortised cost					
Current payables	7	44.20	-	-	-
Total financial liabilities		44.20	-	-	-

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Luxxis Heating Solutions Private Limited**Significant accounting policies and other explanatory information to the standalone financial statements for the year ended 31 March 2022****Note - 19 Financial instruments and risk review (contd.)**

Fair value hierarchy that categorises into three levels of the inputs to valuation techniques for measuring fair value.

(i) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

(ii) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

(iii) Level 3 inputs are unobservable inputs for the asset or liability

Financial risk management objective

The Company is exposed to various risks in relation to financial instruments. The main types of risks are market risk, credit risk and liquidity risk. The Company is not engaged in speculative treasury activities but seeks to manage risk and optimise interest and commodity pricing through proven financial instruments.

Cash and cash equivalents and short term investments

The Company considers factors such as track record, size of institution, market reputation and service standard to select the banks with which deposits are maintained. Generally the balances are maintained with the institutions with which the Company has also availed borrowings. The Company does not maintain significant deposit balances other than those required for its day to day operations.

Liquidity risk:

Liquidity risk reflects the risk that the Company will have insufficient resources to meet its financial liabilities as they fall due.

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements.

The table below provides undiscounted cash flows towards non-derivative financial liabilities into relevant maturity based on the remaining period at the balance sheet date to the contractual maturity date and, where applicable, their effective interest rates.

Particulars	As at 31 March 2022				Total
	Notes	not later than one year	later than one year and not later than five years	later than five years	
Financial liabilities					
Borrowings - other loans		-	-	-	-
Current payables		-	-	-	-
Total		-	-	-	-

Particulars	As at 31 March 2021				Total
	Notes	not later than one year	later than one year and not later than five years	later than five years	
Financial liabilities					
Other financial liabilities	7	44.20	-	-	44.20
Total		44.20	-	-	44.20

Note 20 - The Board of directors in their meeting held on 25 May 2021 decided to superceed their decision to struck off the name of the Company and intended to continue the business and explore opportunity to start the business of Water Heater. Further, the Board of directors in their meeting held on 6 August 2021 considered the project report for the water heater business and decided not to proceed further in this matter as company was unable to get the desired financial assistance. The management is exploring other opportunity to start the business, when viable in the future.

Considering the above, these financial statements have been prepared on going concern basis.

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Luxxis Heating Solutions Private Limited

Significant accounting policies and other explanatory information to the standalone financial statements for the year ended 31 March 2022

Note 21 - Other Statutory Information in terms of the amendment in schedule III of the Companies Act vide MCA Notification G.S.R. 207(E) dated 24th March 2021:

- i) The Company does not have any benami property, and no proceeding has been initiated or pending against the Company for holding any benami property.
- ii) The Company does not have any transactions with companies which are struck off.
- iii) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.
- iv) The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - a). Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
 - b). Provide any Guarantee, Security, or the like to or on behalf of the Ultimate Beneficiaries.
- vi) The Company has not received any fund from any Person(s) or Entity(ies), including Foreign Entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a). Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
 - (b). Provide any Guarantee, Security, or the like on behalf of the ultimate beneficiaries.
- vii) The company has not been sanctioned any working capital limit in excess of ₹ 5 crore, in aggregate, at points of time during the year, from bank on the basis of security of current assets.
- viii) The Company has no such transaction which is not recorded in the Books of Accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- ix) The Company has not been declared wilful defaulter by any Banks or any other Financial Institution at any time during the financial year.
- x) The Company is not required to spend on corporate social responsibility (CSR) as per section 135 of the Companies Act, 2013.

Note 22 - The Company has no asset/liability as at 31 March 2022, hence other disclosure as required by Schedule - III are either nil or not applicable.

Note 23 - Previous year figures have been regrouped/re-arranged wherever considered necessary to conform to the current year's classification.

As per our report of even date attached
For Lodha & Co
Chartered Accountants
Firm Registration No.: 301051E


Shyamal Kumar

Partner

M. No. 509325

Place : Gurugram

Date : 25 May 2022



For and on behalf of the Board of Directors


Giridhari Lal Sultania

Director

DIN: 00060931




Niranjana Kumar Goenka

Director

DIN: 00060864