N.C. AGGARWAL & CO.
CHARTERED ACCOUNTANTS
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INDEPENDENT AUDITORS' REPORT

To
The Members of EVOK HOMES PRIVATE LIMITED (Formerly known as HINDWARE HOME RETAIL PRIVATE LIMITED)

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **EVOK HOMES PRIVATE LIMITED (Formerly known as HINDWARE HOME RETAIL PRIVATE LIMITED)** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended and 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 ("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 31 March 2023, and its losses , total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing 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 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 Companies Act, 2013 and the Rule thereunder, and we have fulfilled our 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 of our opinion.

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. The Annual Report is expected to be made available to us after the date of this Auditors' Report. 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.

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.

Management's Responsibility 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 Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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 statement 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.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibility

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 financial 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 the 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 asa 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.



From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 the paragraph 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 Change in Equity and the Cash Flow Statement 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 Act, read with Rule 7 of the Companies (Accounts) Rules, 2015;

(e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 **Annexure 'B'**.

(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, in our opinion and to the best of our information and according to the explanations given to us:



i. The Company does not have any pending litigations as on 31st March, 2023;

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;

(h) Section 197 read with Schedule V under The Companies Act 2013 for managerial remuneration is not applicable on Private Limited Company.

(i) As per the management representation we report,

(i) no funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.

(ii) no funds have been received by the company from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such 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 guarantee, security or the like on behalf of the Ultimate beneficiaries.

(iii) Based on the audit procedures performed, we report that nothing has come to our notice that has caused us to believe that the representations given under sub-clause (i) and (ii) by the managementcontain any material misstatement.

(j) No dividend has been paid by the company.

(k) As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1st April, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

For N.C. Aggarwal & Co.
Chartered Accountants
Firm Registration No. 003273N





G. K. Aggarwal
Partner
M. No. 086622
Place: Gurugram
Dated: 22nd May, 2023
UDIN: 23086622BGVJJY3791

ANNEXURE-1 TO INDEPENDENT AUDITORS' REPORT

(Annexure referred to in our report of even date to the members of **EVOK HOMES PRIVATE LIMITED (Formerly known as HINDWARE HOME RETAIL PRIVATE LIMITED) (herein after called as "Company")** on the accounts for the year ended March 31, 2023)

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

   (b) The management has carried out a physical verification of most of its assets during the year. In our opinion, the frequency of the verification is reasonable having regard to the size of the company and the nature of its fixed assets. The discrepancies noticed on such verification, between the physical verification and the fixed assets records, were not material and have been properly dealt with in the books of account.

   (c) The Company does not have any immovable property i.e. land in the name of the Company. Therefore, para 3(i)(c) of the order is not applicable to the company.

   (d) The Company has not revalued its PPE and Intangible assets during the year. Hence, the reporting requirement of para 3(i)(d) of the order is not applicable to the Company.

   (e) As explained to us and as per the information and explanations furnished to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988. Hence, Para 3(i)(e) of the order is not applicable to the Company.

2. (a) As explained to us, the management during the year has physically verified inventories. In our opinion, the frequency of verification is reasonable and no material discrepancies between physical inventories and book records were noticed on physical verification.

   (b) No working capital limit has been sanctioned and availed by the Company. Hence, the reporting requirement of para 3(ii)(b) of the order is not applicable to the Company

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

4. The Company has not granted any loans or given any guarantee and security covered under Section 185 and 186 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iv) of the order are not applicable to the Company and hence not commented upon.

5. According to the information given to us, the Company has not accepted any deposits under the provisions of section 73 to 76 of the Companies Act, 2013 or any other relevant provisions of the companies Act and the Companies (Acceptance of Deposits) Rules, 2014 as amended from time to time. No order has been passed with respect to Section 73 to 76, by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other tribunal.

N.C. AGGARWAL & CO. NEW DELHI CHARTERED ACCOUNTANTS

6. To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (l) of section 148 of the Companies Act, 2013in the respect of the Company's Company products and services. Accordingly, the provisions of clause 3(vi) of the order are not applicable to the company.

7. (a) According to the information and explanations given to us, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, duty of customs, goods and service tax and cess and other statutory dues with the appropriate authorities. There are no arrears as at March 31, 2023 for more than six months from the date they become payable.

(b) According to the information and explanations given to us, there are no material dues in respect of income tax, goods and service tax, duty of customs, which have not been deposited with the appropriate authorities on account of any dispute.

8. In our opinion and as per the information and explanations furnished to us, there are no unrecorded transactions or transactions disclosed as income in the tax assessments under the Income Tax Act. Hence, the para 3(viii) of the order is not applicable to the Company.

9. According to the information and explanations given to us, the company has not taken any loan from any lender (including loan from holding company, associate or joint venture). Hence, the para 3(ix) of the order is not applicable to the Company.

10. (a) The Company has not raised any money by way of initial public offer or further public offer or debt instruments. Hence, the para 3(x) of the order is not applicable to the Company.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or convertible debentures (fully, partly or optionally convertible) during the year. Accordingly, provisions of clause 3(x)(b) of the Order are not applicable to the Company.

11. (a) According to the information and explanations given to us and as represented by the Management and based on our examination of the books and records of the Company and in accordance with generally accepted auditing practices in India, we have been informed that no case of frauds by the Company or on the Company has been noticed or reported by the Company.

(b) As informed to us and as per the information and explanation furnished to us, there was no report in prescribed form ADT-4 under sub-section 12 of section 143 of the Companies Act, 2013 required to be filed. Hence, the reporting para 3(xi)(b) of the order is not applicable to the Company.

(c) No whistle blower complaints were received by the Company. Hence, the reporting para 3(xi)(c) of the order is not applicable to the Company.



12. The company is not a Nidhi Company. Accordingly, the provisions of clause 3 (xii) of the Order are not applicable to the Company.

13. The Company has complied with the provisions of Section 188 of the Companies Act,2013 w.r.t. transactions with the related parties. Details of the transactions with the related parties have been disclosed in the financial statements as required by the applicable accounting standards. As explained to us, Section 177 of the Companies Act, 2013 is not applicable to the company.

14. To the best of our knowledge & as explained the requirement of the Internal Audit as per the section 138 of Companies Act,2013 read with rule 13 of Companies (accounts) Rules,2014 is not applicable to the Company. Accordingly, provisions of clause 3 (xiv) of the Order are not applicable to the Company & hence not commented upon.

15. The Company has not entered into any non-cash transactions with the directors or persons connected with him as covered under Section 192 of the Companies Act, 2013. Accordingly, provisions of clause 3 (xv) of the Order are not applicable to the Company.

16. (a) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, provisions of clause 3 (xvi) of the Order are not applicable to the Company.

(b) In our opinion and as explained to us by the management, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid certificate of registration from Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) In our opinion and as per the information and explanation furnished to us, the Company is not a Core Investment Company (CIC) as defined in the regulation made by the Reserve Bank of India. Hence, the reporting para 3(xvi)(c) and (d) of the order is not applicable to the Company.

17. The Company has incurred any cash losses Rs 265.04 lacs in the current financial year and Nil in theimmediately preceding financial year.

18. There was no resignation of the statutory auditor during the year. Hence, the reporting para 3(xviii) of the order is not applicable to the Company.

19. In our opinion and based on the books and relevant documents and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plan for support from promoters, no material uncertainty exists as on the date of the audit report that company is 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.

20. The Company is not required to incur any amount under Corporate Social Responsibility (CSR). Hence, the reporting clause 3(xx) of the order is not applicable to the Company.



21. There is no subsidiary, associate or joint venture of the Company. Therefore, the para with respect to qualifications or adverse remark by the respective Auditor in the separate Companies (Auditor's Report) Order (CARO) of the companies included in the consolidated financial statements in, the reporting para 3(xxi) of the order is not applicable to the Company.

For N.C. Aggarwal & Co.
Chartered Accountants
Firm Registration No. 003273N

G. K. Aggarwal
Partner
Membership No. 086622
Place: Gurugram
Dated: 22nd May, 2023
UDIN: 23086622BGVJJY3791

ANNEXURE 'B' TO INDEPENDENT AUDITORS' REPORT

Annexure referred to in our report of even date to the members of **EVOK HOMES PRIVATE LIMITED (Formerly known as HINDWARE HOME RETAIL PRIVATE LIMITED)** on the accounts for the year ended 31st March, 2023

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 over financial reporting of **EVOK HOMES PRIVATE LIMITED (Formerly known as HINDWARE HOME RETAIL PRIVATE LIMITED)** ("the Company") as of 31st March, 2023 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 and the 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 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 Company's internal financial controls over financial reporting 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the 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 over financial reporting 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 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 judgment, 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 system over financial reporting.



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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, 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, 2023, based on the internal control over financial reporting criteria established by the Company and the components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

For N.C. Aggarwal & Co.
Chartered Accountants
Firm Registration No. 003273N

G. K. Aggarwal
Partner
M. No. 086622
Place: Gurugram
Date: 22nd May, 2023
UDIN: 23086622BGVJJY3791

Evok Homes Private Limited (Formerly known as Hindware Home Retail Private Limited)
Balance sheet as at 31 March 2023

(₹ in lakh)

		Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
A		**ASSETS**			
	I	**Non-current assets**			
		(a) Property, plant and equipment	5(a)	3.48	0.47
		(b) Other intangible assets	5(b)	3.47	8.87
		(c) Intangible Asset under Development	5(c)	31.06	13.80
		(d) Financial assets			
		(i) Loans	6	0.10	0.10
		(e) Deferred Tax Assets (Net)	7	132.96	44.65
		Total non-current assets		**171.07**	**67.89**
	II	**Current assets**			
		(a) Inventories	8	11.03	69.08
		(b) Financial assets			
		(i) Trade receivables	9	305.99	316.25
		(ii) Cash and cash equivalents	10	1.75	33.57
		(c) Other current assets	11	181.71	181.73
		Total current assets		**500.48**	**600.63**
		Total assets (I+II)		**671.55**	**668.52**
B		**EQUITY AND LIABILITIES**			
	I	**Equity**			
		(a) Equity Share Capital	12	64.00	64.00
		(b) Other Equity	13	(247.47)	23.87
		Total Equity		**(183.47)**	**87.87**
		Liabilities			
	II	**Non-current liabilities**			
		(a) Financial Liabilities			
		(i) Borrowings	14	51.24	51.24
		(ii) Other financial liabilities measured at amortised cost	14	54.99	47.12
		(b) Provisions	15	1.58	0.98
		Total non-current liabilities		**107.81**	**99.34**
	III	**Current liabilities**			
		(a) Financial liabilities			
		(i) Trade payables			
		Due to micro and small enterprise	16	9.53	12.82
		Due to others		455.41	333.26
		(ii) Other financial liabilities measured at amortised cost	17	282.22	126.87
		(b) Other current liabilities	18	-	8.33
		(c) Current Provisions	19	0.05	0.03
		Total current liabilities		**747.21**	**481.31**
		Total equity and liabilities (I+II+III)		**671.55**	**668.52**

Notes 1 to 38 form an integral part of these financial statements.
In terms of our report attached.

For N. C. Aggarwal & Co.
Chartered Accountants
Firm's Registration No. 003273N

G. K. Aggarwal
Partner
Membership No: 086622

Place : Gurugram
Date : 22nd May,2023

For and on behalf of the Board of Directors

Girdhari Lal Sultania
Director
DIN - 00060931

Niranjan Kumar Goenka
Director
DIN- 00060864

EVOK HOMES PRIVATE LIMITED

N.C. AGGARWAL & CO. CHARTERED ACCOUNTANTS NEW DELHI

Evok Homes Private Limited (Formerly known as Hindware Home Retail Private Limited)
Statement of profit and loss for the year ended 31 March 2023

(₹ in lakh)

Particulars	Note No.	Year ended March 31, 2023	Year ended March 31, 2022
I Revenue from operations	20	522.64	1,518.88
II Other income	21	0.40	1.18
III Total revenue (I + II)		**523.04**	**1,520.06**
IV Expenses			
Purchases of Stock-in-trade	22	459.80	1,121.41
Changes in stock of stock-in-trade	23	58.05	(8.82)
Employee benefits expense	24	11.43	10.30
Finance costs	25	18.26	10.07
Depreciation and amortisation expense		6.27	5.11
Other expenses	26	328.84	353.37
Total expenses (IV)		**882.65**	**1,491.44**
V Profit/(loss) before tax (III - IV)		**(359.61)**	**28.62**
VI Tax expense			
(1) Current tax		-	-
(2) Deferred tax	27	(88.30)	7.19
Total tax expense		**(88.30)**	**7.19**
VII Profit/(loss) after tax (V- VI)		**(271.31)**	**21.43**
VIII Other comprehensive income			
Items that will not be reclassified to profit or (loss)			
Remeasurements of the defined benefit plan		(0.04)	(0.05)
Income Tax Effect on above		0.01	0.01
Total Other Comprehensive Income		**(0.03)**	**(0.04)**
IX Total comprehensive income for the period (VII+VIII)		**(271.34)**	**21.39**
XI Earnings per equity share (of ₹ 10/- each):			
Basic and diluted		(42.39)	3.35

Notes 1 to 38 form an integral part of these financial statements.
In terms of our report attached.

For N. C. Aggarwal & Co.
Chartered Accountants
Firm's Registration No. 003273N

G. K. Aggarwal
Partner
Membership No: 086622

Place : Gurugram
Date : 22nd May,2023

For and on behalf of the Board of Directors

Girdhari Lal Sultania
Director
DIN - 00060931

Niranjan Kumar Goenka
Director
DIN- 00060864

EVOK HOMES PRIVATE LIMITED

N.C. AGGARWAL & CO. NEW DELHI CHARTERED ACCOUNTANTS

Evok Homes Private Limited (Formerly known as Hindware Home Retail Private Limited)
Statement of Changes in equity for the year ended 31 March 2023

A. Equity Share Capital

(₹ in lakh)

Balance as at April 1, 2021	Changes in equity share capital during 2021-22	Balance as at March 31, 2022	Changes in equity share capital during 2022-23	Balance as at March 31, 2023
64.00	-	64.00	-	64.00

B. Other equity

(₹ in lakh)

Particulars	Reserves and Surplus				Items of other comprehensive Income	Total
	Equity component of compound financial instruments	Securities premium reserve	Capital reserve	Retained earnings	Re-measurement of the net defined benefit Plans	
Balance as at 31 March 2021	**128.56**	**42.00**	**(57.40)**	**(114.16)**	**3.48**	**2.48**
Profit for the year	-	-	-	21.43	-	**21.43**
Other comprehensive income for the year	-	-	-	-	(0.04)	**(0.04)**
Total comprehensive income for the year	-	-	-	**21.43**	**(0.04)**	**21.39**
Addition during the year	-	-	-	-	-	-
Balance as at 31 March 2022	**128.56**	**42.00**	**(57.40)**	**(92.73)**	**3.44**	**23.87**
Profit for the year	-	-	-	(271.31)	-	**(271.31)**
Other comprehensive income for the year	-	-	-	-	(0.03)	**(0.03)**
Total comprehensive income for the year	-	-	-	**(271.31)**	**(0.03)**	**(271.34)**
Addition during the year	-	-	-	-	-	-
Balance as at 31 March 2023	**128.56**	**42.00**	**(57.40)**	**(364.04)**	**3.41**	**(247.47)**

Notes 1 to 38 form an integral part of these financial statements.
In terms of our report attached.

For N. C. Aggarwal & Co.
Chartered Accountants
Firm's Registration No. 003273N

G. K. Aggarwal
Partner
Membership No: 086622

Place : Gurugram
Date : 22nd May,2023

For and on behalf of the Board of Directors

Girdhari Lal Sultania
Director
DIN - 00060931

Niranjan Kumar Goenka
Director
DIN- 00060864

EVOK HOMES PRIVATE LIMITED

N.C. AGGARWAL & CO. CHARTERED ACCOUNTANTS NEW DELHI

Evok Homes Private Limited (Formerly known as Hindware Home Retail Private Limited)
Statement of Cash flows for the year ended 31st March, 2023

(₹ in lakh)

Particulars	Year ended 31 March, 2023	Year ended 31 March, 2022
CASH INFLOW / (OUTFLOW) FROM THE OPERATING ACTIVITIES		
Net Profit Before Tax	(359.61)	28.62
Adjustments for:		
Depreciation and amortisation of non-current assets	6.27	5.11
Finance costs recognised in profit or loss	18.26	10.07
Provision for doubtful debts and advances	27.68	9.40
	(307.40)	**53.20**
Movements in working capital:		
(Increase)/Decrease in Inventories	58.05	(8.82)
(Increase)/Decrease in trade and other receivables	(17.42)	(156.44)
(Increase)/Decrease in other assets	9.57	(54.32)
Increase/(Decrease) in trade and other payables	265.85	190.39
Increase/(decrease) in provisions	0.61	(0.64)
Movement of Working Capital	**316.66**	**(29.83)**
Cash generated from operations	**9.26**	**23.37**
Income taxes (paid)/refund	(9.55)	(0.91)
Net cash generated from operating activities	**(0.29)**	**22.46**
Cash flows from investing activities:		
Purchase of property, plant & equipment and intangible assets	(21.13)	(20.05)
Net cash used in investing activities	**(21.13)**	**(20.05)**
Cash flows from financing activities:		
Interest paid	(10.40)	(2.79)
Net cash used in financing activities	**(10.40)**	**(2.79)**
Net increase in cash and cash equivalents	**(31.82)**	**(0.38)**
Cash and cash equivalents (opening balance)	**33.57**	**33.95**
Cash and cash equivalents (closing balance)	**1.75**	**33.57**

Notes 1 to 38 form an integral part of these financial statements.
In terms of our report attached.

For N. C. Aggarwal & Co.
Chartered Accountants
Firm's Registration No. 003273N

G. K. Aggarwal
Partner
Membership No: 086622

Place : Gurugram
Date : 22nd May,2023

For and on behalf of the Board of Directors

Girdhari Lal Sultania
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EVOK HOMES PRIVATE LIMITED

N.C. AGGARWAL & CO. NEW DELHI CHARTERED ACCOUNTANTS

Evok Homes Private Limited (Formerly known as Hindware Home Retail Private Limited) Significant Accounting Policies and Notes of Financial Statement for the year ended 31 March 2023

1. Corporate and General Information

Evok Retail Private Limited (Formerly known as Hindware Home Retail Private Limited) (the 'Company') is a private Limited Company incorporated in India on 24-November-2005 under the Companies Act 1956. The Company is engaged in retail business of furniture, modular kitchen, home decor and home furnishing through online channel and engaged in institutional sales on pan India basis.

2. Basis of preparation

The financial statements have been prepared complying in all material respects with the Indian accounting standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rule 2015. The financial statements comply with IND AS notified by Ministry of Company Affairs ("MCA"). The Company has consistently applied the accounting policies used in the preparation for all periods presented.

The significant accounting policies used in preparing the financial statements are set out in Note no.3 of the Financial Statements.

The preparation of the financial statements requires management to make estimates and 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 estimate is revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years (refer Note no.4 on critical accounting estimates, assumptions and judgements).

3.0 Significant Accounting Policies

3.1 Basis of Measurement

The financial statements have been prepared on accrual basis and under the historical cost convention 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 financial statements are presented in Indian Rupees (Rupees or ₹), which is the Company's functional and presentation currency, and all amounts are rounded to the nearest lac`s and two decimals thereof, except as stated otherwise.

3.2 Property, Plant and Equipment

For transition to Ind AS, the Company has elected to continue with the carrying value of previous GAAP for all its tangible assets as of 1 April 2015 (transition date) and use that carrying value as its deemed cost on transition date.

Depreciation on fixed assets has been provided as per guidance set out in Schedule II of the Act on straight line method using the under mentioned indicative lives.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss on the date of disposal or retirement.

EVOK HOMES PRIVATE LIMITED

N.C. AGGARWAL & CO. NEW DELHI CHARTERED ACCOUNTANTS

3.3 Impairment of non-current assets

An asset is considered as impaired when at the date of Balance Sheet there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which the asset belongs exceeds its recoverable amount (i.e. the higher of the net asset selling price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

3.4 Cash and cash equivalents

Cash and cash equivalents include cash on hand and at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

3.5 Inventories

Traded goods including material in transit are valued at lower of cost and net realisable value. Cost includes cost of purchase, freight and other related incidental expenses incurred in bringing the inventory to its present condition and location and is arrived at on weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost to affect the sale.

3.6 Employee benefits

a) Short term employee benefits are recognized as an expense in the Statement of Profit and Loss of the year in which the related services are rendered.

b) Leave encashment being a short term benefit is accounted for using the projected unit credit method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to profit and loss in the period in which they arise.

c) Contribution to Provident Fund, a defined contribution plan, is made in accordance with the statute, and is recognised as an expense in the year in which employees have rendered services.

d) The cost of providing gratuity, a defined benefit plans, is determined using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise. Other costs are accounted in statement of profit and loss.

3.7 Foreign currency reinstatement and translation

(a) Functional and presentation currency

These financial statements have been presented in Indian Rupees, which is the Company's functional and presentation currency.

EVOK HOMES PRIVATE LIMITED

N.C. AGGARWAL & CO. NEW DELHI CHARTERED ACCOUNTANTS

(b) Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at rates prevailing at the date of the transaction. Subsequently monetary items are translated at closing exchange rates of balance sheet date and the resulting exchange difference recognised in profit or loss. Differences arising on settlement of monetary items are also recognised in profit or loss.

Appendix B to Ind AS 21 on foreign currency transactions and advance consideration determine the date of transaction for the exchange rate to be used on initial recognition of a related asset, expense or income where an entity pays or receives consideration in advance for foreign currency-denominated contracts.

3.8 Financial instruments – initial recognition, subsequent measurement and impairment

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.

a) Financial Assets

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Subsequent measurements of financial assets are dependent on initial categorisation. For impairment purposes significant financial assets are tested on an individual basis, other financial assets are assessed collectively in groups that share similar credit risk characteristics.

Trade receivables

A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment, if any.

Impairment is made on the expected credit losses, which are the present value of the cash shortfalls over the expected life of financial assets. The estimated impairment losses are recognised in a separate provision for impairment and the impairment losses are recognised in the Statement of Profit and Loss within other expenses.

Subsequent changes in assessment of impairment are recognised in provision for impairment and the change in impairment losses are recognised in the Statement of Profit and Loss within other expenses.

For foreign currency trade receivable, impairment is assessed after reinstatement at closing rates.

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

EVOK HOMES PRIVATE LIMITED

N.C. AGGARWAL & CO. NEW DELHI CHARTERED ACCOUNTANTS

b) Financial Liabilities

At initial recognition, all financial liabilities other than fair valued through profit and loss are recognised initially at fair value less transaction costs that are attributable to the issue of financial liability. Transaction costs of financial liability carried at fair value through profit or loss is expensed in profit or loss.

i. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading or it is designated as at FVTPL. The Company has not designated any financial liabilities upon initial measurement recognition at fair value through profit or loss. Financial liabilities at fair value through profit or loss are at each reporting date at fair value with all the changes recognized in the Statement of Profit and Loss.

ii. Financial liabilities measured at amortized cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

Trade and other payables

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

3.9 Compound financial instruments

The liability component of a compound financial instrument is recognised initially at fair value of a similar liability that does not have an equity component. The equity component is recognised initially as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and the equity components, if material, in proportion to their initial carrying amounts.

Subsequent to the initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest rate method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry.

EVOK HOMES PRIVATE LIMITED

N.C. AGGARWAL & CO. CHARTERED ACCOUNTANTS NEW DELHI

3.10 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets is substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3.11 Taxation

Income tax expense represents the sum of current and deferred tax.
Current tax is determined higher of the amount of tax payable calculated at the tax rates applicable to the relevant assessment year on the assessable income of the respective year or tax payable on book profits computed in accordance with the provisions of section 115JB of the Income-tax Act, 1961.

Deferred income tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable/virtual certainty, depending on the nature of the timing differences, that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax asset to the extent it pertains to unabsorbed business loss/depreciation is recognised only to the extent that there is virtual certainty of realisation based on convincing evidence, as evaluated on a case-to-case basis.

3.12 Revenue recognition and other operating income

Sale of Goods
Revenue from sale of goods is recognised when significant risks and rewards in respect of ownership of the goods have been transferred to the customer and when no significant uncertainty exists regarding the amount of consideration that will be derived. Sales are stated exclusive of sales tax, trade discounts and sales return, wherever applicable.

Sale of services
Revenue from services is recognised as and when services are rendered.

Interest income
Interest income is recognised on a time proportion basis for the amount outstanding and at the applicable rates.

Revenue from Contract as per Ind As-115

This Standard establishes the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. Revenue is recognised when a customer obtains control of a promised good or service.

EVOK HOMES PRIVATE LIMITED

N.C. AGGARWAL & CO. NEW DELHI CHARTERED ACCOUNTANTS

3.13 Earnings per share

Basic earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of shares outstanding during the year.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholder' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

3.14 Provisions and contingencies

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, it carrying amount is the present value of those cash flows (when the effect of the time value of money is material).
When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.
Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Contingencies

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

3.15 Current versus non-current classification

The Company presents assets and liabilities in statement of financial position based on current/non-current classification.

The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Company II of Companies Act, 2013 notified by MCA.

An asset is classified as current when it is:

a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
b) Held primarily for the purpose of trading,
c) Expected to be realised within twelve months after the reporting period, or
d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

EVOK HOMES PRIVATE LIMITED

N.C. AGGARWAL & CO. NEW DELHI CHARTERED ACCOUNTANTS

All other assets are classified as non-current.

A liability is classified as current when:

a) It is expected to be settled in normal operating cycle,
b) It is held primarily for the purpose of trading,
c) It is due to be settled within twelve months after the reporting period, or
d) 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.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

4.1. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standard) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standard) Amendments Rules, 2023, as below:

Ind AS -1 Presentation of Financial Statements - This amendments requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date of adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendments and the impact of the amendment is insignificant in the standalone financial statements.

Ind AS - 8 Accounting Policies, Changes in Accounting Estimates and Errors - This amendments has introduced a definition of 'Accounting Estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendments is annual periods beginning on or after April 1, 2023.The Company has evaluated the amendments and there is no impact on its standalone financial statements.

Ind AS 12-Income Taxes-This amendment has narrowed the scope of initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1,2023.The Company has evaluated the amendment and there is no impact on its standalone financial statement.

4.2. Significant accounting estimates, assumptions and judgements

The preperation of the Company's financial statements requires management to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ 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 estimate is 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 periods.

The management has made the following estimates,assumptions and judgements, which have significant effect on the amounts recognised in the financial statement:

EVOK HOMES PRIVATE LIMITED

N.C. AGGARWAL & CO. CHARTERED ACCOUNTANTS NEW DELHI

Evok Homes Private Limited (Formerly known as Hindware Home Retail Private Limited) Significant Accounting Policies and Notes of Financial Statement for the year ended 31 March 2023

(a) Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

(b) Allowance for uncollected accounts receivable and advances

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible.
Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

EVOK HOMES PRIVATE LIMITED

N.C. AGGARWAL & CO. NEW DELHI CHARTERED ACCOUNTANTS

Evok Homes Private Limited (Formerly known as Hindware Home Retail Private Limited)
Significant accounting policies and other explanatory information to financial statements for the year ended 31 March 2023

Note 5 (a) Property , Plant and Equipment **(₹ in lakh)**

	Particulars	Computer	Total
A	**Gross Block**		
	As at April 1, 2021	**3.36**	**3.36**
	Additions	-	-
	Disposal /Adjustment	-	-
	As at March 31, 2022	**3.36**	**3.36**
	Additions	**3.88**	**3.88**
	Disposal /Adjustment	-	-
	As at March 31, 2023	**7.24**	**7.24**
B	**Accumulated Depreciation**		
	As at April 1, 2021	**2.64**	**2.64**
	Depreciation charge for the year	**0.25**	**0.25**
	Disposal /Adjustment	-	-
	As at March 31, 2022	**2.89**	**2.89**
	Depreciation charge for the year	**0.87**	**0.87**
	Disposal /Adjustment	-	-
	As at March 31, 2023	**3.76**	**3.76**
C	**Net Book Value**		
	As at March 31, 2022	**0.47**	**0.47**
	As at March 31, 2023	**3.48**	**3.48**

EVOK HOMES PRIVATE LIMITED

N.C. AGGARWAL & CO. CHARTERED ACCOUNTANTS NEW DELHI

Evok Homes Private Limited (Formerly known as Hindware Home Retail Private Limited)
Significant accounting policies and other explanatory information to financial statements for the year ended 31 March 2023

Note 5(b)- Other intangible assets **(₹ in lakh)**

	Particulars	Software	Total
A	**Gross Block**		
	As at April 1, 2021	**8.50**	**8.50**
	Additions	**6.25**	**6.25**
	Disposal /Adjustment	-	-
	As at March 31, 2022	**14.75**	**14.75**
	Additions	-	-
	Disposal /Adjustment	-	-
	As at March 31, 2023	**14.75**	**14.75**
B	**Accumulated Depreciation**		
	As at April 1, 2021	**1.02**	**1.02**
	Depreciation charge for the year	**4.86**	**4.86**
	Disposal /Adjustment	-	-
	As at March 31, 2022	**5.88**	**5.88**
	Additions	**5.40**	**5.40**
	Disposal /Adjustment	-	-
	As at March 31, 2023	**11.28**	**11.28**
C	**Net Book Value**		
	As at March 31, 2022	**8.87**	**8.87**
	As at March 31, 2023	**3.47**	**3.47**

Note 5(C)

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Intangible Assets under development	31.06	13.80
	31.06	**13.80**

As at 31st March 2023 **(₹ in lakh)**

CWIP	**For a period of**				**Total**
	less than 1yr	**1-2 yrs**	**2-3 yrs**	**More than 3 yrs**	
Project in progress	17.26	13.80	-	-	31.06

As at 31st March 2022 **(₹ in lakh)**

CWIP	**For a period of**				**Total**
	less than 1yr	**1-2 yrs**	**2-3 yrs**	**More than 3 yrs**	
Project in progress	13.80	-	-	-	13.80

C. AGGARWAL & CO. NEW DELHI CHARTERED ACCOUNTANTS

Evok Homes Private Limited

Note 6 - Non-current Loans

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
a) Security deposits		
Unsecured, considered good	0.10	0.10
Unsecured, considered Doubtful	2.82	2.82
less : Provision against Advance	(2.82)	(2.82)
	0.10	0.10
Total Non-current Loans	**0.10**	**0.10**

Note 7 - Deferred tax assets (net)

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax assets arising on account of		
Carried forward losses/allownaces	111.74	30.87
Provision for Doubtful debts and advances	20.76	13.80
Provision for employee benefits	0.36	0.26
	132.86	**44.93**
Deferred tax assets/(liability) arising on account of		
Difference between book and tax base related to Property, plant and equipments	0.10	-0.28
	0.10	**-0.28**
Deferred tax asset (net)	**132.96**	**44.65**

Component of deferred tax (liability)/asset recognised in statement of profit and loss:

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Difference between book and tax base related to Property, plant and equipments	0.38	(0.09)
Carried forward losses/allownaces	80.86	(9.30)
Provision for Doubtful debts and advances	6.96	2.37
Provision for employee benefits	0.10	(0.17)
Total	**88.30**	**(7.19)**

Component of deferred tax recognised in Other Comprehensive Income (OCI):

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred Tax expense on defined benefits	0.01	0.01
Total	**0.01**	**0.01**

Note 8 - Inventories

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Stock-in-trade of goods acquired for trading		
At lower of cost or net realisable value*	11.03	69.08
Total	**11.03**	**69.08**
*** Including Good In transit Rs 0.31 Lacs**		
Included above, goods-in-transit		
Stock-in-trade of goods acquired for trading	0.31	-
	0.31	**-**

EVOK HOMES PRIVATE LIMITED

N.C. AGGARWAL & CO. NEW DELHI CHARTERED ACCOUNTANTS

Note 9 - Trade receivables

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Unsecured, considered good	305.99	316.25
(b) Trade receivable, credit impaired	82.51	54.83
	388.50	371.08
Less: Credit impairment	(82.51)	(54.83)
Total Trade Receivables	**305.99**	**316.25**

Note 10 - Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Cash and bank balances		
Balances with banks in current account	1.75	33.57
Total Cash and cash equivalents	**1.75**	**33.57**

EVOK HOMES PRIVATE LIMITED

N.C. AGGARWAL & CO. NEW DELHI CHARTERED ACCOUNTANTS

Note 11 - Other current assets

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Advances other than capital advances		
(i) Prepayments	-	1.75
(ii) Advance income tax	10.70	1.15
(iii) Balances with government authorities	111.94	94.22
(iv) Others		
- Advance to supplier		
Considered good	53.32	70.17
Considered doubtful	53.04	53.04
less : Provision against advance to vendors	(53.04)	(53.04)
- Other current assets		
Considered good	5.75	14.44
Considered doubtful	21.34	21.34
less : Provision against Advance to Vendors	(21.34)	(21.34)
Total Current Assets	**181.71**	**181.73**

EVOK HOMES PRIVATE LIMITED

N.C. AGGARWAL & CO. NEW DELHI CHARTERED ACCOUNTANTS

Note 12- Share Capital (₹ in lakh)

Share Capital	As at March 31, 2023	As at March 31, 2022
Authorised :		
50,000,000 (31st March 2020- 50,000,000) equity shares of Rs. 10 each	5,000.00	5,000.00
9,000,000 (31st March 2020- 9,000,000) 0% non cumulative redeemable preference shares of Rs. 100 each	9,000.00	9,000.00
	14,000.00	**14,000.00**
Issued		
640,000 (31st March 2020-640,000) equity shares of Rs. 10 each	64.00	64.00
179,800 (31st March 2020-179,800) 0% non cumulative redeemable preference shares of Rs. 100 each	179.80	179.80
	243.80	**243.80**
Subscribed and paid up		
640,000 (31st March 2020-640,000) equity shares of Rs. 10 each	64.00	64.00
179,800 (31st March 2020-179,800) 0% non cumulative redeemable preference shares of Rs. 100 each	179.80	179.80
	243.80	**243.80**
Less : Reclassification	**(179.80)**	**(179.80)**
Equity share capital	**64.00**	**64.00**

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

i) Equity shares

Particulars	March 31, 2023 Number of Shares	March 31, 2023 (₹ in lakhs)	March 31, 2022 Number of Shares	March 31, 2022 (₹ in lakhs)
Shares outstanding at the beginning of the year	6,40,000	64.00	6,40,000	64.00
Add: Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	**6,40,000**	**64.00**	**6,40,000**	**64.00**

(ii) Preference shares

Particulars	March 31, 2023 Number of Shares	March 31, 2023 (₹ in lakhs)	March 31, 2022 Number of Shares	March 31, 2022 (₹ in lakhs)
Shares outstanding at the beginning of the year	1,79,800	179.80	1,79,800	179.80
Add: Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	**1,79,800**	**179.80**	**1,79,800**	**179.80**

(b) Shares held by the holding Company*

Particulars	March 31, 2023 Number of Shares	March 31, 2023 (₹ in lakhs)	March 31, 2022 Number of Shares	March 31, 2022 (₹ in lakhs)
Equity shares of Rs. 10 each				
Hindware Home Innovation Limited (Formerly known as Somany Home Innovation Limited) (including nominees)	6,40,000	64.00	6,40,000	64.00
0% Non cumulative redeemable preference shares of Rs 100 each				
Hindware Home Innovation Limited (Formerly known as Somany Home Innovation Limited)	1,79,800	179.80	1,79,800	179.80

(c) Details of shareholders holding more than 5% of the share capital of the Company at the beginning and at the end of the reporting year

Particulars	March 31, 2023 Number of Shares	March 31, 2023 % of Shares	March 31, 2022 Number of Shares	March 31, 2022 % of Shares
Equity shares of Rs. 10 each				
Hindware Home Innovation Limited (Formerly known as Somany Home Innovation Limited) (including nominees)	6,40,000	100.00	6,40,000	100.00
0% Non cumulative redeemable preference shares of Rs 100 each				
Hindware Home Innovation Limited (Formerly known as Somany Home Innovation Limited)	1,79,800	100.00	1,79,800	100.00

In pursuant to the demerger of HSIL Limited on account of order vide dated 05th August'2019 by the Honourable High Court of Kolkata, the shares of the Company now stands transferred in the name of Somany Home Innovation Limited

(d)

Shares held by promoters at 31st March 2023

S.No	Promoter name	No of Shares as on 31 March 2023	%of total shares	No of Shares as on 31 March 2022	%of total shares	%change during the year in their shareholding
1	Hindware Home Innovation Limited (Formerly known as Somany Home Innovation Limited)	6,39,997	100%	6,39,997	100%	NIL
2	Niranjan Kumar Goenka*	1	0%	1	0%	NIL
3	Girdhari Lal Sultania*	1	0%	1	0%	NIL
4	Radhey Shyam Sharma*	1	0%	1	0%	NIL
	Total	**6,40,000**		**6,40,000**		

Shares held by promoters at 31st March 2022

S.No	Promoter name	No of Shares as on 31 March 2022	%of total shares	No of Shares as on 31 March 2021	%of total shares	%change during the year in their shareholding
1	Hindware Home Innovation Limited (Formerly known as Somany Home Innovation Limited)	6,39,997	100%	6,39,997	100%	NIL
2	Niranjan Kumar Goenka*	1	0%	1	0%	NIL
3	Girdhari Lal Sultania*	1	0%	1	0%	NIL
4	Radhey Shyam Sharma*	1	0%	1	0%	NIL
	Total	**6,40,000**		**6,40,000**		

*on Behalf of Hindware Home Innovation Limited (Formerly known as Somany Home Innovation Limited)

EVOK HOMES PRIVATE LIMITED

N.C. AGGARWAL & CO. CHARTERED ACCOUNTANTS NEW DELHI

Evok Homes Private Limited (Formerly known as Hindware Home Retail Private Limited)
Significant accounting policies and other explanatory information to financial statements for the year ended 31 March 2023

Note 13 - Other Equity

(₹ in lakh)

Particulars	Reserves and Surplus				Items of other comprehensive Income	Total
	Equity component of compound financial instruments	Securities premium reserve	Capital reserve	Retained earnings	Re-measurement of the net defined benefit Plans	
Balance as at 31 March 2021	**128.56**	**42.00**	**(57.40)**	**(114.16)**	**3.48**	**2.48**
Profit for the year	-	-	-	21.43	-	21.43
Other comprehensive income for the year	-	-	-	-	(0.04)	(0.04)
Total comprehensive income for the year	-	-	-	**21.43**	**(0.04)**	**21.39**
Balance as at 31 March 2022	**128.56**	**42.00**	**(57.40)**	**(92.73)**	**3.44**	**23.87**
Profit for the year	-	-	-	(271.31)	-	(271.31)
Other comprehensive income for the year	-	-	-	-	(0.03)	(0.03)
Total comprehensive income for the year	-	-	-	**(271.31)**	**(0.03)**	**(271.34)**
Balance as at 31 March 2023	**128.56**	**42.00**	**(57.40)**	**(364.04)**	**3.41**	**(247.47)**

Note:

1. Equity component of compound financial instruments represents the equity component of 0% non cummulative redeemable preference shares.
2. Securities premium reserve : represents the amount received in excess of par value of securities.
3. Capital reserve : The capital reserve was generated on de-merger with HSIL Limited
4. Retained earnings : represents the undistributed profits/losses of the company
5. Other Comprehensive Income : represents the balance in equity for items to be accounted in Other Comprehensive Income.

EVOK HOMES PRIVATE LIMITED

N.C. AGGARWAL & CO. NEW DELHI CHARTERED ACCOUNTANTS

Evok Homes Private Limited (Formerly known as Hindware Home Retail Private Limited)
Significant accounting policies and other explanatory information to financial statements for the year ended 31 March 2023

Note 14 - Non current borrowings

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Measured at amortised cost		
Un Secured borrowings:		
(i) Debt component of compound financial instruments	51.24	51.24
(ii) Other long term liabilities*	54.99	47.12
Total borrowings carried at amortised cost	**106.23**	**98.36**
Total Non current borrowings	**106.23**	**98.36**

** Interest payble on loan component of compound financial instruments*

Note 15- Non current provisions

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
Long-term employee benefits	0.20	-
Provision for compensated absence	0.42	0.24
Provision for gratuity	0.96	0.74
Total Non current provisions	**1.58**	**0.98**

EVOK HOMES PRIVATE LIMITED

N.C. AGGARWAL & CO. CHARTERED ACCOUNTANTS NEW DELHI

Note 16 - Trade payables

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Creditors for supplies		
-Dues of micro enterprise and small enterprises	9.53	12.82
-Dues other than micro enterprise and small enterprises	455.41	333.26
Total Trade payables	**464.94**	**346.08**

Note - 17 Other current financial liability

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
Payable to employees	6.66	6.63
Due to micro and small enterprise	-	-
Due to others	275.56	120.24
Total Other current financial liabilities	**282.22**	**126.87**

Note 18- Other Current liabilities

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Advances		
- Advances received from customers	-	7.66
(b) Others		
- Statutory dues	-	0.67
Total Other Current liablities	**-**	**8.33**

Note 19 - Current provisions

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
Short-term employee benefits	0.02	0.01
Provision for compensated absence	0.03	0.02
Provision for gratuity		
Total Current provisions	**0.05**	**0.03**

EVOK HOMES PRIVATE LIMITED

N.C. AGGARWAL & CO. CHARTERED ACCOUNTANTS NEW DELHI

Evok Homes Private Limited (Formerly known as Hindware Home Retail
Significant accounting policies and other explanatory information to financial statements for the year ended 31 March 2023

Note 20: Revenue from operations

(₹ in lakh)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(a) Revenue from sale of goods	522.64	1,518.88
Total Revenue from operations	**522.64**	**1,518.88**

ii) Unsatisfied performance obligation

Aggregated amount of transaction price allocated to the contracts that are fully or partially unsatisfied at the ende of the reporting period:

i) Sale of goods	-	7.66

iii) Reconciliation of contract price vis a vis revenue recognised in profit and loss statement is as follows:

Contract price:		
a) Sale of goods	634.06	1,630.58
Adjustments:		
Discount/Rebate	111.42	111.69
Revenue recognised in the statement of profit and loss	**522.64**	**1,518.88**

Note 21: Other income

(₹ in lakh)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest income		
On financial assets at amortised cost	-	-
Liabilities no longer required written Back	-	-
Other Miscellaneous income	0.40	1.18
Total Other income	**0.40**	**1.18**

Note 22 : Purchases of traded goods

(₹ in lakh)

Particulars	Year ended March 31, 2023	Year ended March 31, 2021
Purchase of Traded Goods	459.80	1,121.41
Total Purchase of traded goods	**459.80**	**1,121.41**

N.C. AGGARWAL & CO. NEW DELHI CHARTERED ACCOUNTANTS

Evok Homes Private Limited

Evok Homes Private Limited (Formerly known as Hindware Home Retail Private Limited)
Significant accounting policies and other explanatory information to financial statements for the year ended 31 March 2023

Note 23 - Changes in inventories of stock-in-trade

(₹ in lakh)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Inventories at the end of the year:		
Stock-in-trade	11.03	69.08
	11.03	**69.08**
Inventories at the beginning of the year:		
Stock-in-trade	69.08	60.26
	69.08	**60.26**
Change in stock	**58.05**	**(8.82)**

Note 24 - Employee benefits expense

(₹ in lakh)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries and wages, including bonus	10.92	9.94
Contribution to provident and other funds	0.51	0.36
Staff welfare expenses	-	-
Total Employee benefit expenses	**11.43**	**10.30**

Note 25 - Finance cost

(₹ in lakh)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest Expenses on financial liabilities	18.26	10.07
Total Finance cost	**18.26**	**10.07**

Analysis of interest expenses by category

(₹ in lakh)

Particulars	Year ended March 31, 2023	Year ended March 31, 2021
Interest expenses		
(a) On Financial Liability at Amortised Cost	18.26	10.07

N.C. AGGARWAL & CO. CHARTERED ACCOUNTANTS NEW DELHI

Evok Homes Private Limited

Note 26 - Other expenses

(₹ in lakh)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Rates and taxes	0.45	1.98
Insurance	1.75	3.47
Travelling and conveyance	0.04	0.02
Advertisement and publicity	148.24	288.53
Provision for doubtful debts and advances	27.68	9.40
Remuneration to Auditor	2.35	2.35
Legal and professional expenses	5.78	10.83
Management fees	100.00	13.26
Miscellaneous expenses	42.55	23.53
Total	**328.84**	**353.37**

Note 27 - Income tax

Effective tax reconciliation

Numerical reconciliation of tax expense applicable to profit before tax at the latest statutory enacted tax rate in India to income tax expense reported is as follows:

(₹ in lakh)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Net profit/(loss) before taxes	(359.61)	28.62
Enacted tax rates	25.168%	25.168%
Tax on enacted tax rate	(90.51)	7.19
Tax effect of:		
- Non deductible expenses	2.21	-
- Previous years' impact of deferred tax recognised in current year	-	-
- Others	-	-
Tax expense recognised in statement of profit and loss	**(88.30)**	**7.19**

N.C. AGGARWAL & CO. NEW DELHI CHARTERED ACCOUNTANTS

Evok Homes Private Limited (Formerly known as Hindware Home Retail Private Limited) Significant Accounting Policies and Notes of Financial Statement for the year ended 31 March 2023

28. Financial risk management

28.1 Financial risk factors

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company has loan and other receivables, trade and other receivables, and cash and short-term deposits that arise directly from its operations. The Company's activities expose it to a variety of financial risks:

i) Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other risk which is equity price risk and commodity risk.The Company is not exposed to the aforesaid risk as the Company does not have any transactions in foreign currency and its borrowings accounted for on account of preference capital is at fixed rate of interest.

ii) Credit risk
Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

iii) Liquidity risk.
Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

Credit risk
The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial and other financial instruments.

- Trade Receivables
  The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets

The ageing of trade receivable is as below: -

(₹ in lakh)

Particulars	As at 31st March 2023						
	Outstanding for following period from due date of payment						
	Not Due	Less than 6 months	6months -1 year	1-2 yrs	2-3 yrs	More than 3 yrs	Total
(i) Undisputed Trade receivables – considered good	-	14.37	137.43	145.62	8.57	-	305.99
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	16.18	27.15	39.18	82.51
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-

N.C. AGGARWAL & CO. NEW DELHI CHARTERED ACCOUNTANTS

Evok Homes Private Limited

(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	**-**	**14.37**	**137.43**	**161.80**	**35.72**	**39.18**	**388.50**
Provision for doubtful debt	-	-	-	16.18	27.15	39.18	82.51
Net Total	**-**	**14.37**	**137.43**	**145.62**	**8.57**	**-**	**305.99**

(₹ in lakh)

Particulars	**As at 31st March 2022**						
	Outstanding for following period from due date of payment						
	Not Due	**Less than 6 months**	**6months -1 year**	**1-2 yrs**	**2-3 yrs**	**More than 3 yrs**	**Total**
(i) Undisputed Trade receivables – considered good	-	79.21	190.34	42.84	3.85	-	316.24
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	4.72	0.96	49.15	54.83
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	**-**	**79.21**	**190.34**	**47.56**	**4.81**	**49.15**	**371.07**
Provision for doubtful debt	-	-	-	4.72	0.96	49.15	54.83
Net Total	**-**	**79.21**	**190.34**	**42.84**	**3.85**	**-**	**316.24**

Movement in the allowance for provision for impairment/expected credit loss

Particulars	**As at 31st March 2023**	**As at 31st March 2022**
Opening Balance	**54.83**	**45.43**
Expected credit losses provided for during the year	27.70	9 .40
Closing Balance	**82.51**	**54.83**

Liquidity risk

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements. In case of temporary short fall in liquidity to repay the bank borrowing/operational short fall , the Company uses mix of capital infusion and borrowing from its head office. However, the Company envisage that such short fall is temporary and the Company would generate sufficient cash flows as per approved projections.

The table below provides undiscounted cash flows towards non-derivative financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

N.C. AGGARWAL & CO. NEW DELHI CHARTERED ACCOUNTANTS

Evok Homes Private Limited

Evok Homes Private Limited (Formerly known as Hindware Home Retail Private Limited) Significant Accounting Policies and Notes of Financial Statement for the year ended 31 March 2023

Trade payable and other financial liabilities

(₹ in lakh)

Trade Payables	Ageing as at 31st March 2023					Total (₹ in lakh)
	Not Due	less than 1year	1-2 years	2-3 years	More than 3 years	
i) MSME	0.45	9.08	-	-		9.53
ii) Others	41.50	338.16	69.49	0.53	5.73	455.41
iii) Disputed-MSME	-	-	-	-	-	-
iv) Disputed-Others	-	-	-	-	-	-

(₹ in lakh)

Trade Payables	Ageing as at 31st March 2022					Total (₹ in lakh)
	Not Due	less than 1yr	1-2 years	2-3 years	More than 3 years	
i)MSME	-	12.82	-	-	-	12.82
ii)Others	172.49	147.74	6.62	0.11	6.3	333.26
iii)Disputed-MSME	-	-	-	-	-	-
iv)Disputed-Others	-	-	-	-	-	-

Disclosure under MSME Act, 2006

The Group has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006. ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

Sr. No.	Particulars	As at March 31, 2023	As at March 31, 2022
1	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	9.53	12.82
2	Interest due thereon remaining unpaid to any supplier	1.11	0.84
3	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
4	Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
5	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-

EVOK HOMES PRIVATE LIMITED

N.C. AGGARWAL & CO. CHARTERED ACCOUNTANTS NEW DELHI

6	Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
7	Further interest remaining due and payable for earlier years	-	-

Note: The above information regarding Micro and Small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

Capital risk management

The Company does not have any Long-Term Debt (except Debt portion of Preference Share Capital), hence the company is not exposed to Capital Risk.

29. Fair value of financial assets and liabilities

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements.

Fair value of financial assets and liabilities

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
	Carrying amount	Carrying amount
Financial assets designated at amortised cost		
Cash and Cash Equivalents	1.75	33.57
Trade & other receivables	305.99	316.24
Other Financial assets	0.10	0.10
	307.84	**349.91**
Financial liabilities designated at amortised cost		
Borrowings	106.23	98.36
Trade & other payables	464.94	346.08
Other financial liabilities	282.22	126.87
	853.39	**571.31**

Fair Valuation techniques

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount 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 following methods and assumptions were used to estimate the fair values:

1) Fair value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The Company has fixed rate of interest for borrowings in preference capital.

N.C. AGGARWAL & CO. NEW DELHI CHARTERED ACCOUNTANTS

Evok Homes Private Limited

Fair Value hierarchy

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. 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:

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

30. Segment information

The Company is engaged in the business of "Online trade" which is considered to be the only reportable business segment. The Company only operates in India and therefore does not have geographical segments.

31. Retirement benefit obligations

31.1. Expense recognised for Defined Contribution plan

(₹ in lakh)

Particulars	For the year ended March 31,2023	For the year ended March 31,2022
Company's Contribution to Provident Fund	0.51	0.36
Company's Contribution to ESI	-	-
Total	**0.51**	**0.36**

Below tables sets forth the changes in the projected benefit obligation and plan assets and amounts recognized in the Balance Sheet as of March 31, 2023 and March 31, 2022, being the respective measurement dates:

31.2 Movement in obligation

a.) Gratuity

(₹ in lakh)

Particulars	Gratuity (unfunded) as on 31.03.2023	Gratuity (unfunded) as on 31.03.2022
Present value of the obligation at the beginning of the year	0.76	1.01
Interest cost	0.05	0.07
Current service cost	0.13	0.07
Benefits paid	0.00	(0.44)
Acquisitions / Transfer in/ Transfer out	-	-

EVOK HOMES PRIVATE LIMITED

N.C. AGGARWAL & CO. NEW DELHI CHARTERED ACCOUNTANTS

Remeasurements - actuarial loss/ (gain)	0.04	0.05
Present value of the obligation at the end of the year	0.99	0.76

b.) Leave Encashment (Compensated Absence)

(₹ in lakh)

Particulars	Leave Encashment (unfunded) as on 31.03.2023	Leave Encashment (unfunded) as on 31.03.2022
Present value of the obligation at the beginning of the year	0.26	0.64
Interest cost	0.02	0.04
Current service cost	0.11	0.02
Benefits paid	0.00	(0.49)
Acquisitions / Transfer in/ Transfer out	0.00	0.00
Remeasurements - actuarial loss/ (gain)	0.05	0.04
Present value of the obligation at the end of the year	0.43	0.26

31.3 Movement in Plan Assets – Gratuity

(₹ in lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Fair value of plan assets at beginning of year	-	-
Expected return on plan assets	-	-
Employer contributions	-	-
Benefits paid	-	-
Amount received on redemption of plan assets	-	-
Acquisitions / Transfer in/ Transfer out	-	-
Actuarial gain / (loss)	-	-
Fair value of plan assets at end of year	-	-
Present value of obligation	0.99	0.76
Net funded status of plan Assets / (Liability)	(0.99)	(0.76)
Actual return on plan assets	-	-

The components of the gratuity & leave encashment cost are as follows:

31.4 Recognised in profit and loss

a.) Gratuity

(₹ in lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current Service cost	0.13	0.07
Interest cost	0.05	0.07
Expected return on plan assets	-	-
Remeasurement - Actuarial loss/(gain)	0.04	0.05
Past service cost	-	-

EVOK HOMES PRIVATE LIMITED

N.C. AGGARWAL & CO. CHARTERED ACCOUNTANTS NEW DELHI

Expenses recognised in P&L A/c	0.22	0.19
Actual return on plan assets	-	-

b.) Leave Encashment (Compensated Absence) (₹ in lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current Service cost	0.10	0.03
Interest cost	0.02	0.04
Expected return on plan assets	-	-
Remeasurement - Actuarial loss/(gain)	0.05	0.04
Past service cost	-	-
Expenses recognised in P&L A/c	0.18	0.11

31.5 Recognised in other comprehensive income

(₹ in lakh)

Gratuity	For the year ended March 31, 2023	For the year ended March 31, 2022
Remeasurement - Actuarial loss/(gain)	0.04	0.05

31.6 The principal actuarial assumptions used for estimating the Company's defined benefit obligations are set out below:

Weighted average actuarial assumptions	As of 31st March, 2023	As of 31st March, 2022
Attrition rate		
Discount Rate	7.36%	7.18%
Expected Rate of increase in Compensation levels	5.50%	5.50%
Expected Rate of Return on Plan Assets	0.00%	0.00%
Mortality rate	IALM 2012-14 Ultimate Mortality Table	IALM 2012-14 Ultimate Mortality Table
Expected Average remaining working lives of employees (years).	21.3	22.79

The assumption of future salary increase takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in employment market. Same assumptions were considered for comparative period i.e. 2021-22.

31.7 Sensitivity analysis:

a.) Gratuity (₹ in lakh)

Particulars	Change in Assumption	Effect for the year 31st March, 2023	Effect for the year 31st March, 2022
Discount rate	+0.50%	-(0.07)	-0.06
	-0.50%	0.08	0.07
Salary Growth rate	+0.50%	0.08	0.07
	-0.50%	-0.08	-0.06

N.C. AGGARWAL & CO. NEW DELHI CHARTERED ACCOUNTANTS

Evok Homes Private Limited

b.) Leave Encashment (Compensated Absence) (₹ in lakh)

Particulars	Change in Assumption	Effect for the year 31st March, 2023	Effect for the year 31st March, 2022
Discount rate	+0.50%	(0.03)	-0.02
	-0.50%	0.04	0.02
Salary Growth rate	+0.50%	0.04	0.02
	-0.50%	(0.03)	-0.02

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet.

31.8 History of experience adjustments is as follows:

(₹ in lakh)

Particulars		
For the year ended March 31, 2023	**Gratuity**	**Leave Encashment**
Plan Liabilities - loss/(gain)	0.065	(0.06)
Plan Assets - loss/(gain)	-	-
For the year ended March 31, 2022	**Gratuity**	**Leave Encashment**
Plan Liabilities - loss/(gain)	0.96	(0.6)
Statement of Employee benefit provision		

(₹ in lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Gratuity	0.99	0.76
Compensated absences	0.44	0.26
Other employee benefits	-	-
Total	1.43	1.02

Estimate of expected Benefit Payments (In absolute terms i.e. undiscounted) (₹ in lakh)

Particulars	Gratuity	Leave Encashment
01 Apr 2022 to 31 Mar 2023	0.02	**0.02**
01 Apr 2023 to 31 Mar 2024	0.02	**0.01**
01 Apr 2024 to 31 Mar 2025	0.02	**0.01**
01 Apr 2025 to 31 Mar 2026	0.02	**0.01**
01 Apr 2026 to 31 Mar 2027	0.02	**0.01**
01 Apr 2027 to 31 Mar 2028	0.89	**0.37**
Total	**0.99**	**0.43**

N.C. AGGARWAL & CO. CHARTERED ACCOUNTANTS NEW DELHI

Evok Homes Private Limited

Evok Homes Private Limited (Formerly known as Hindware Home Retail Private Limited) Significant Accounting Policies and Notes of Financial Statement for the year ended 31 March 2023

31.9 Statement of Employee benefit provision

(₹ in lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Gratuity	0.99	0.76
Compensated absences	0.44	0.26
Total	**1.43**	**1.02**

The following table sets out the unfunded status of the plan and the amounts recognised in the Company's balance sheet.

31.10 Current and non-current provision for Gratuity and leave encashment

(₹ in lakh)

Particulars	Gratuity	Leave Encashment
For the year ended March 31, 2023		
Current provision	0.03	0.02
Non-current provision	0.96	0.41
Total Provision	**0.99**	**0.43**
For the year ended March 31, 2022		
Current provision	0.02	0.01
Non-current provision	0.74	0.25
Total Provision	**0.76**	**0.26**

32. Auditors Remuneration

(₹ in lakh)

Particulars	For year ended March 31, 2023	For year ended March 31, 2022
Statutory Auditors		
a) Audit Fees	1.40	1.60
b) Tax Audit Fees	0.80	0.75
c) Certification and other Fees	0.15	
Total	**2.35**	**2.35**

33. Contingent liabilities

Contingent liability not provided for in respect of:

(₹ in lakh)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
	Nil	Nil

34. Related party transactions

In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exits and with whom transactions have taken place during reported periods, are:

N.C. AGGARWAL & CO. NEW DELHI CHARTERED ACCOUNTANTS

Evok Homes Private Limited

Evok Homes Private Limited (Formerly known as Hindware Home Retail Private Limited) Significant Accounting Policies and Notes of Financial Statement for the year ended 31 March 2023

Related party name and relationship

1. Holding Company **Hindware Home Innovation Limited (Formerly known as Somany Home Innovation Limited)#**

		(₹ in lakh)
Particulars	**2022-23**	**2021-22**
Transactions:		
Purchase of Goods*	401.84	806.38
Sale of Goods*	88.56	63.72
Expenses paid by related party on behalf of Company	5.97	-
Management Expenses	100.00	-
Interest on loan component of compound financial instrument	7.87	7.29
Balances as at the year-end:		
Particulars	**2022-23**	**2021-22**
Amount Payable to holding Company towards	**604.49**	**359.55**
Loan component of compounded financial instruments	51.24	51.24
Interest payable	54.99	47.12
Other payable	497.17	261.19

*Sales and Purchases are net of GST
In pursuant to the demerger of HSIL Limited on account of order vide dated 05th August'2019 by the Honourable High Court of Kolkata, the shares of the Company now stand transferred in the name of Hindware Home Innovation (Formerly known as Somany Home Innovation Limited).

35. Earnings per share

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

Particulars	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**
Issued Equity Shares (nos)	640,000	640,000
Weighted average shares outstanding-Basic and Diluted (nos)	640,000	640,000
Profit / (loss) for the year attributable to owners of the Company (₹ in lakh)	(271.31)	21.43
Weighted average number of equity shares (nos.)	640000	640000
Earnings per share from continuing operations - basic and diluted (₹)	(42.39)	3.35

The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity. Although, there is no such potential dilutive equity.

N.C. AGGARWAL & CO. NEW DELHI CHARTERED ACCOUNTANTS

Evok Homes Private Limited (Formerly known as Hindware Home Retail Private Limited) Significant Accounting Policies and Notes of Financial Statement for the year ended 31 March 2023

36. Additional Regulatory Information:

I. The Company does not have any immovable property wherein reporting requirement with respect to title deed of immovable properties is applicable.

II. The Company has not revalued its Property, Plant and Equipment as defined under rule 2 of the Companies15 (Registered Valuers and Valuation) Rules, 2017 during the year 2022-23 and 2021-22.

III. The company has not granted any loan to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.

IV. No proceedings have been initiated or pending against the company under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

V. The Company does not have any loan from banks or financial institutions on the basis of security of current assets.

VI. Company is not declared wilful defaulter by any bank or financial Institution or other lender.

VII. The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

VIII. The company do not have any secured borrowings on which charge with Registrar of Companies is to be credited.

IX. Utilisation of Borrowed funds and share premium:

The company has not advanced/ loaned/ invested funds (borrowed/share premium/any other sources of kind of funds) to any other person(s) or entity(ies), including foreign entities (intermediaries), with the understanding (whether recorded in writing or otherwise) that the intermediary shall (a) directly/ indirectly lend or invest in other persons or entities identified in any manner 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

Undisclosed income

No income has been surrendered or disclosed for which transaction was 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).

N.C. AGGARWAL & CO. NEW DELHI CHARTERED ACCOUNTANTS

Evok Homes Private Limited

X. The provisions related to number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 are not applicable on the company.

XI. There is no Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

XII. Expenses for Corporate Social Responsibility is not applicable to the company since threshold limit does not exceed under section 135 of the Companies Act.

XIII. There is no transaction related to Crypto Currency or Virtual Currency. Hence, Not applicable.

37. Ratios

	Particulars	As at 31 March 2023	As at 31 March 2022	Variances	Remarks
(i)	**Current Ratio (times)**	0.67	1.25	-46%	Increase in Current Liabilities and decrease in Current Assets
	Total Current assets / Total current liabilities (including Short Term borrowings and Current maturities of long-term borrowings)				
(ii)	**Total Debts to Equity Ratio (times)**	0.58	1.12	-48%	Because of decrease in net worth due to net loss
	(Non-current borrowings including Current maturities of long-term borrowings + Current Borrowings + Trade Deposits) / Net worth*)				
	* Net worth = Equity Share Capital + Securities premium account + Capital reserve + General reserve + Retained earnings + Actuarial gain / (loss)				
(iii)	**Debt Service Coverage Ratio (times)**	(13.51)	NA	NA	No borrowing except Preference Share capital. Hence, not applicable
	(Profit after Tax + Depreciation + Interest on loan / Interest on loan + loan repayment)				
(iv)	**Return on Equity (times)**	(1.48)	0.24	516%	Profit and net worth declined over the period
	(Profit for the year / Net worth*)				
	* Net worth = Equity Share Capital + Securities premium account + Capital reserve + General reserve + Retained earnings + Actuarial gain / (loss)				

N.C. AGGARWAL & CO. NEW DELHI CHARTERED ACCOUNTANTS

Evok Homes Private Limited

(v)	**Inventory Turnover (times)** (Cost of Goods Sold/ Average Inventories)	12.93	17.20	-25%	COGS reduced over the period
(vi)	**Trade Receivables Turnover (times)** (Revenue from Operations / Average Trade receivables)	1.68	6.26	-73%	Sales decreased over period of time
(vii)	**Trade Payables Turnover (times)** (Cost of Goods Sold / Average Trade payables)	1.28	3.95	-68%	COGS reduced over the period
(viii)	**Net Capital Turnover (times)** (Revenue from Operations / Average Working Capital)	(8.20)	13.91	-159%	Revenue growth less than WC growth
(ix)	**Net Profit Ratio** (Profit for the year / Revenue from Operations)	(0.52)	0.01	-5291%	Profit declined over the period
(x)	**Return on Capital Employed (times)** (Profit for the year / Capital employed*) * Capital employed = Net worth + Borrowings + Deferred tax liability	1.29	0.12	976%	Profit declined over the period
(xi)	**Return on Investments** (Profit for the year / Revenue from Operations)	NA	NA	NA	

38. Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.

Notes 1 to 38 form an integral part of these financial statements.
In terms of our report attached.

For and on behalf of the Board of Directors

For N. C. Aggarwal & Co.
Chartered Accountant
Firm's Registration No.003273N

G. K. Aggarwal
Partner
Membership No: 086622

Girdhari Lal Sultania
Director
DIN-00060931

Niranjan Kumar Goenka
Director
DIN-00060864

Place: Gurugram
Date: May 22, 2023

EVOK HOMES PRIVATE LIMITED

N.C. AGGARWAL & CO. CHARTERED ACCOUNTANTS NEW DELHI