LODHA
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Chartered Accountants

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ANNEXURE- 26

INDEPENDENT AUDITOR'S REPORT

To the Members of Hindware Limited

Report on Audit of the Standalone Financial Statements

Opinion

We have audited the Standalone financial statements of Hindware Limited ("the Company"), which comprise the standalone Balance Sheet as at 31st March 2024, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the material accounting policies and other explanatory information (herein after referred to as " Standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IND AS ") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2024, its Profit, total Comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

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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 Board's report, but does not include the standalone financial statements and our auditor's report thereon. Our opinion on the standalone 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 standalone 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, if we conclude that there is a material misstatement therein, we are required to report that fact.

We have nothing to report in this regard.

Responsibility of Management and Those Charged with Governance for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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

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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 standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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Materiality is the magnitude of misstatements in the standalone 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 standalone financial statements.

Report on Other Legal and Regulatory Requirements

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

2. As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 2 (h)(vi) below on reporting under Rule 11(g) of The Companies (Audit and Auditors) Rules, 2014 (as amended) (" the Rules").

c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including other comprehensive income, the Standalone Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Indian Accounting Standard) Rules, 2015 as amended.

e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 2(h)(vi) below on reporting under rule 11(g) of the rules.

g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 45 to the standalone financial statements;

ii. The Company has made provision, as required under the applicable law or Indian Accounting Standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.;

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

iv.

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

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

(c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) above as required by Rule 11(e) of Companies (Audit & Auditors) Rules, 2014, as amended, contains any material mis-statement.

v.

(a) The final dividend proposed in the previous financial year, declared and paid by the Company during the year, is in compliance with section 123 of the Companies Act, 2013.

(b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members in the ensuing General meeting. The amount of dividend proposed is in accordance with section 123 of the Companies Act, 2013.

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vi. Based on our examination, which included test checks, the Company has a widely used ERP as its accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has operated throughout the financial year for all relevant transactions recorded in the said software except (a) the audit trail feature was not enabled throughout the year for certain relevant tables at the application level ; and (b) that the audit trail (edit log) for certain information at database level (which records only modified values) was not enabled during the year. During the course of performing our audit procedures, we did not notice any instance of the audit trail feature being tampered with in respect of the accounting software during the year the audit trail feature was enabled.

i) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 read with Schedule V to the Act.

For LODHA & CO LLP
Chartered Accountants
Firm's Registration No.301051E / E300284

Shyamal Kumar
Partner
Membership No: 509325
UDIN: 24509325BKABTL3455
Place: New Delhi
Date: 20th May 2024

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ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of the Hindware Limited on the financial statements as of and for the year ended 31st March 2024)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work in progress and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) As per the physical verification program, certain Property, Plant and Equipment were physically verified during the year by the Management, program designed to cover all the items over a period of three years in a phased manner. Accordingly during the year, certain items have been physically verified which, in our opinion, provides for physical verification at reasonable intervals having regards to the size of the company and the nature of its property plant and equipment. Based on information and records provided, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the property tax receipts and lease agreements and/ or registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties disclosed (except properties where the Company is the lessee and lease agreements are duly executed in the favour of the Company) in the financial statements and included in property, plant and equipment and are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its property, plant and equipment (including right of use assets) and intangible assets during the year.

(e) According to the information and explanations given to us and records provided, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) As per the physical verification program, the inventories of the Company (except stock lying with the third parties and in transit, for which confirmations have been received/material received) were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies noticed of 10% or more in the aggregate for each class of inventories where noticed on such physical verification of inventories when compared with books of account.



(b) According to the information and explanations given to us and as per the records verified, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with the banks in lieu of the sanctioned working capital facility, which are in agreement with the books of account other than those as set out below:-

(₹ in lakh)

Name of the Bank / financial institution	Working capital/ Cash credit limit sanctioned (₹ in Lakhs)	Nature of current assets offered as security	Quarter ended	Amount disclosed as per Stock Statement	Amount as per books of accounts	Differences	Remarks/ Reason, if any #
Standard Chartered Bank, Citi Bank ,The Hongkong and Shanghai Banking Corporation Limited, HDFC Bank Limited ,Axis Bank Limited and The Federal Bank Limited.	57,500	Stock, trade receivables, advance to suppliers	30th June 2023	62,664.00	63,927.00	1,263.00	Difference inter-alia arise on factors, like: i. Regrouping / reclassification of ledger heads; ii. Line items on the date of submission of stock statement of each calendar month are subject to reconciliation's and adjustments thereon; iii. Regrouping, settlements of sales schemes items in ledger, not considered for purpose of calculation in Stock Statement iv. Information to the banks are provided based on provisional numbers.
			30th September 2023	64,955.00	66,730.00	(1,775.00)	
			31st December 2023	64,743.00	67,514.00	(2,771.00)	
			31st March 2024	59,838.00	60,312.00	(474.00)	

(Refer Note No. 25)

(iii)(a) The Company has neither made any investment nor provided any guarantee or security to companies, firms, Limited Liability Partnerships or any other parties during the year. In respect of loan given to parties, details are as follows :-

(₹ in lakh)

	Loans
A. Aggregate amount granted/provided during the year:	
Loan to Holding Company	2,000.00
B. Balance outstanding as at balance sheet date in respect of above cases:	
Loan to Holding Company	4,500.00

(b) The company has not made investments during the year.

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(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) No loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.

(iv) According to the information, explanations and representations provided by the management and based upon audit procedures performed, we are of the opinion that in respect of loans granted, investments made and guarantees and securities provided, the Company has complied with the provisions of the Section 185 and 186 of the Companies Act, 2013.

(v) The company has neither accepted any deposit from the public nor accepted any amounts which are deemed to be deposit within the meaning of section 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report under this clause is not applicable to the company.

(vi) The Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act, for the business carried out by the Company. Accordingly, paragraph 3(vi) of the order is not applicable.

(vii) (a) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues with the appropriate authorities (though there has been a slight delay in few cases) to the extent applicable.

There were no undisputed statutory dues payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at 31st March 2024, for a period of more than six months from the date they became payable, except for undisputed dues relating to Professional Tax of Rs. 0.01 Lakh and Provident Fund of Rs. 0.54 Lakh.



(b) According to the records and information & explanations given to us, details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March 2024 on account of disputes are given below :

Name of Statute	Nature of Due	Period	Amount involved (In Lakhs)	Forum Where Matter Is Pending
Delhi Sales Tax Act, 1975	Sales Tax	2004-05 to 2010-11	41.69	Additional commissioner
Delhi Sales Tax Act, 1975	Sales Tax	2010 to 2011 to 2014-15	73.05	Additional commissioner
Bihar Vat Act	Sales Tax	2016-17	14.29	Additional commissioner
CST Act	CST	2015-16	54.59	Special Commissioner, Delhi
Gujarat CST	VAT	2016-17	40.41	Joint Commissioner Appeal, Gujrat
Gujarat CST	VAT	2016-17	5.59	Deputy Commissioner Appeal, CCT, Ahmedabad, Gijarat
Jharkhand VAT	VAT	2014-15	14.29	In the court of Additional Commissioner Commercial Taxes, Jharkhand, Ranchi.
Delhi Sales Tax Act, 1975	CST	2016-17	70.83	Department of Trade and Taxes, New Delhi
Delhi Sales Tax Act, 1975	VAT	2016-17	1.65	The Department of Trade and Taxes, Government of NCT of Delhi
Delhi Sales Tax Act, 1975	CST	2017-18	28.55	The Department of Trade and Taxes, Government of NCT of Delhi
Delhi Sales Tax Act, 1975	VAT	2017-18	1.84	Objecting Authority, Department of Trade and Taxes, New Delhi
Chandigarh CST	CST	2014-15	41.14	Deputy Excise And Taxation Commissioner(Appeal), Chandigarh
Gujarat GST Act 2017	GST	2020-21	0.86	Adjudicating Authority
Delhi GST Act 2017	GST	2017-18	138.78	Joint Commissioner , Delhi
Punjab GST Act 2017	GST	2017-18	44.53	Excise And Taxation Officer cum State Tax Officer, Punjab

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.



(ix)(a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) To the best of our knowledge and belief and information and records provided, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company and based on the representations of the Company, we report that the Company has neither taken any funds from any entity or person during the year nor it has raised funds through issue of shares or borrowings on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its Subsidiaries or joint ventures or associate companies.

(x)(a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi)(a) Based on the audit procedures performed and on the basis of information and explanations given by the management, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company and hence reporting under clause 3(xii) of the Order is not applicable.



(xiii) According to the information and explanations and records made available by the management of the Company and audit procedures performed, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable Indian accounting standards.

(xiv)(a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports issued to the Company during the year and till date in determining the nature timing and extent of our audit procedure.

(xv) On the basis of records made available to us and according to information and explanations given to us, the Company has not entered into non-cash transactions with the directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934 and hence reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable. As per the information and representation provided by the management, the group does not have any Core Investment Company(CIC) within the group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016).

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) 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 and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company and/ or certificate with respect to meeting financial obligations by the Company as and when they fall due. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



(xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

(xxi) The Company has not prepared the Consolidated Financial Statements by availing the exemption mentioned in the Notification 742(E) dated 27th July 2016 issued by Ministry of Corporate Affairs and paragraph 4(a) of Ind AS 110 "Consolidated Financial Statements" and accordingly reporting under clause 3(xxi) of the Order is not applicable.

For LODHA & CO LLP
Chartered Accountants
FRN: 301051E / E300284

Shyamal Kumar
Partner
Membership No. 509325
Place: New Delhi
Dated: 20th May 2024



ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)
Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Hindware Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls
The Board of director of the company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility
Our responsibility is to express an opinion on the internal financial controls over financial reporting of the company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.
Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the company.



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **LODHA & CO LLP**
Chartered Accountants
FRN: 301051E /E300284

Shyamal Kumar
Partner
Membership No: 509325
Place: New Delhi
Dated: 20th May 2024

LODHA & CO LLP ★ Chartered Accountants ★ New Delhi

Hindware Limited

Balance Sheet as at 31st March 2024

(₹ in lakh)

	Particulars	Note	As at 31 March 2024	As at 31 March 2023
	ASSETS			
1	**Non-current assets**			
	(a) Property, plant and equipment	4a	66,705.32	62,001.59
	(b) Right-to-use Asset	4a	16,912.10	19,712.13
	(c) Capital work-in-progress	4b	5,317.53	3,108.63
	(d) Goodwill	4c	191.00	191.00
	(e) Other intangible assets	5	159.88	163.98
	(f) Other intangible assets under development	6	135.00	-
	(g) Financial assets			
	(i) Investments	7	32.91	59.85
	(ii) Loans	8	4,500.00	2,500.00
	(iii) Other financial asset	9	706.31	588.13
	(h) Income-tax assets (net)	11	255.58	264.94
	(i) Deferred tax assets (net)	23	1,714.91	1,632.47
	(j) Other non-current assets	10	5,648.99	1,543.96
	Total non-current assets		**1,02,279.53**	**91,766.68**
2	**Current assets**			
	(a) Inventories	12	47,608.10	56,271.52
	(b) Financial assets			
	(i) Trade receivables	13	34,986.74	23,992.46
	(ii) Cash and cash equivalents	14	1,840.74	784.12
	(iii) Other financial assets	15	1,042.68	1,034.93
	(c) Other current assets	16	9,395.51	6,870.14
	Total current assets		**94,873.77**	**88,953.17**
	Total assets		**1,97,153.30**	**1,80,719.85**
	EQUITY AND LIABILITIES			
1	**Equity**			
	(a) Equity share capital	17	989.00	989.00
	(b) Other equity	18	47,277.09	39,958.11
	Total equity		**48,266.09**	**40,947.11**
2	**Liabilities**			
	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	19	33,319.72	31,980.23
	(ii) Lease liabilities	20	13,606.73	15,728.71
	(iii) Other financial liabilities	21	5,307.42	4,566.24
	(b) Provisions	22	1,271.40	1,135.75
	(c) Other non-current liabilities	24	441.96	374.16
	Total non-current liabilities		**53,947.23**	**53,785.09**
	Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	25	40,444.42	30,271.76
	(ii) Lease liabilities	26	2,243.65	2,415.79
	(iii) Trade payables	27		
	- Due to micro and small enterprise		4,595.72	3,969.62
	- Due to others		19,461.41	17,907.12
	(iv) Other financial liabilities	28	20,299.66	23,513.25
	(b) Other current liabilities	29	7,759.77	7,597.38
	(c) Provisions	30	135.35	312.73
	Total current liabilities		**94,939.98**	**85,987.65**
	Total liabilities		**1,48,887.21**	**1,39,772.74**
	Total equity and liabilities		**1,97,153.30**	**1,80,719.85**

LODHA & CO LLP New Delhi Chartered Accountants

HINDWARE LIMITED

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

For and on behalf of the Board of Directors

For **Lodha & CO LLP**
Chartered Accountants
Firm Registration No.:301051E/E300284

Shyamal Kumar
Partner
M. No. 509325
Place : New Delhi
Date : 20 May 2024

G.L. Sultania
Director
DIN: 00060931

Payal M Puri
Company Secretary
ACS No.: 16068

Sandip Somany
Chairman and Managing Director
DIN: 00053597

Sandeep Sikka
Chief Financial Officer

Place : Gurugram
Date : 20 May 2024

LODHA & CO LLP ★ New Delhi ★ Chartered Accountants

HINDWARE LIMITED ★

Hindware Limited

Standalone statement of Profit and Loss for the year ended 31st March 2024

(₹ in lakh)

	Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
I	**Income**			
	Revenue from operations	31	2,35,464.45	2,31,514.33
	Other income	32	3,007.68	3,004.63
	Total income		**2,38,472.13**	**2,34,518.96**
II	**Expenses**			
	Cost of materials consumed	33	62,763.58	75,470.34
	Purchases of stock-in-trade	34	58,584.66	59,593.85
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	35	3,580.04	(6,652.10)
	Employee benefits expense	36	35,870.74	33,683.05
	Finance costs	37	7,801.70	5,914.50
	Depreciation and amortisation expense	38	10,153.57	8,281.81
	Other expenses	39	45,786.67	46,495.85
	Total expenses		**2,24,540.96**	**2,22,787.30**
III	**Profit before Exceptional item and tax (I-II)**		**13,931.17**	**11,731.66**
IV	**Profit before tax**		**13,931.17**	**11,731.66**
V	**Tax expense**	40		
	(1) (a) Current tax		3,583.48	3,015.68
	(b) Earlier year income tax		113.39	-
	(2) Deferred tax		(74.70)	(84.43)
	Total tax expense		**3,622.17**	**2,931.25**
VI	**Profit for the year (IV-V)**		**10,309.00**	**8,800.41**
VII	**Other comprehensive income**			
	(i) Items that will not be reclassified to profit or loss			
	- Remeasurement of the defined benefit plan		(30.76)	(126.70)
	(ii) Income-tax relating to these items		7.74	31.89
	Other comprehensive income, net of tax		**(23.02)**	**(94.81)**
VIII	**Total comprehensive income for the year (VI + VII)**		**10,285.98**	**8,705.60**
IX	**Earnings per equity share (of ₹ 2/- each)**			
	Basic and diluted	44	20.85	17.93





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

For and on behalf of the Board of Directors

For Lodha & CO LLP
Chartered Accountants
Firm Registration No.:301051E/E300284

G.L. Sultania
Director
DIN: 00060931

Sandip Somany
Chairman and Managing Director
DIN: 00053597

Shyamal Kumar
Partner
M. No. 509325
Place : New Delhi
Date : 20 May 2024

Payal M Puri
Company Secretary
ACS No.: 16068

Sandeep Sikka
Chief Financial Officer

Place : Gurugram
Date : 20 May 2024

LODHA & CO LLP ★ New Delhi ★ Chartered Accountants

HINDWARE LIMITED ★

Hindware Limited

Standalone cash flow statement for the year ended 31st March 2024

(₹ in lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Cash flows from operating activities		
Profit before exceptional items and tax	13,931.17	11,731.66
Adjustments for:		
Finance costs	7,801.70	5,914.50
Interest income	(345.07)	(234.33)
Gain on disposal of property, plant and equipment	(19.30)	(22.16)
Loss on disposal of property, plant and equipment	1.91	7.58
Net (gain) arising on current investments	-	(1.30)
Sundry balances and liabilities no longer required, written back	(2,816.05)	(4,267.46)
Provision for expected credit loss	479.48	835.02
Provision for doubtful advances	17.37	83.45
Bad debts written off	0.92	-
Provision for diminuation in investments	27.14	-
Depreciation and amortisation expenses	10,153.57	8,281.81
Lease concession / liability written back	(55.80)	(44.14)
Net foreign exchange Loss / (Gain)	15.23	(93.76)
Operating profit before working capital changes	**29,192.27**	**22,190.87**
Working capital adjustments :		
(Increase)/decrease in trade and other receivables	(11,542.65)	(7,919.16)
(Increase)/decrease in inventories	8,663.42	(3,110.05)
(Increase)/decrease in other assets	(2,528.70)	530.00
Increase/(decrease) in trade and other payables	3,105.54	7,883.04
Increase/(decrease) in provisions	(41.73)	(231.13)
	(2,344.12)	(2,847.30)
Cash generated from / (used in) operations	**26,848.15**	**19,343.57**
Income taxes paid	(3,687.51)	(3,508.27)
Income taxes refund	-	143.45
Net cash generated from / (used in) operating activities	**23,160.64**	**15,978.75**
Cash flows from investing activities:		
Payments to acquire financial assets	(0.20)	(20.00)
Proceeds on sale of financial assets	-	2,710.36
Interest income	297.91	208.51
Amount paid to AGI Greenpac Limited under slump sale	(1,215.52)	(52,867.17)
Loan to related party	(2,000.00)	(800.00)
Payments for property, plant and equipment	(17,747.65)	(18,057.84)
Proceeds from disposal of property, plant and equipment	144.80	111.14
Net Cash generated from / (used in) investing activities	**(20,520.66)**	**(68,715.00)**
Cash flows from financing activities:		
Proceeds from Issue of Share Capital	-	9.00
Proceeds from borrowings	11,956.61	45,690.00
Repayment of borrowings	(8,333.12)	(5,380.23)
Movement in short term borrowings (net)	7,888.66	21,909.64
Principal payment of lease liability	(2,329.35)	(2,230.79)
Interest payment of lease liability	(1,127.08)	(1,257.84)
Dividends paid to owners of the Company	(2,967.00)	(2,940.00)
Interest paid	(6,672.08)	(4,621.00)
Net Cash generated from / (used in) financing activities	**(1,583.36)**	**51,178.78**
Net increase / (decrease) in cash and cash equivalents:	**1,056.62**	**(1,557.47)**
Cash and cash equivalents at the beginning of the year	784.12	2,341.59
Cash and cash equivalents at the end of the year	**1,840.74**	**784.12**

LODHA & CO LLP New Delhi Chartered Accountants

HINDWARE LIMITED

Hindware Limited

Standalone cash flow statement for the year ended 31st March 2024

The movement in liabilities from financing activities:

Particulars	As at 31st March, 2023	Cash flow	Non-cash flow changes - Other		As at 31st March, 2024
			Foreign exchange	Other	
Long term borrowings	40,313.36	3,623.49	-	-	43,936.85
Short term borrowings	21,938.63	7,888.66	-	-	29,827.29
Total liabilities from financing activities	**62,251.99**	**11,512.15**	**-**	**-**	**73,764.14**

Particulars	As at 31st March, 2022	Cash flow	Non-cash flow changes - Other		As at 31st March, 2023
			Foreign exchange	Other	
Long term borrowings	3.59	40,309.77	-	-	40,313.36
Short term borrowings	28.99	21,909.64	-	-	21,938.63
Total liabilities from financing activities	**32.58**	**62,219.41**	**-**	**-**	**62,251.99**

LODHA & CO LLP New Delhi Chartered Accountants

HINDWARE LIMITED

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As per our report of even date attached

For and on behalf of the Board of Directors

For Lodha & CO LLP
Chartered Accountants
Firm Registration No.:301051E/E300284

G.L. Sultania
Director
DIN: 00060931

Sandip Somany
Chairman and Managing Director
DIN: 00053597

Shyamal Kumar
Partner
M. No. 509325
Place : New Delhi
Date : 20 May 2024

Payal M Puri
Company Secretary
ACS No.: 16068

Sandeep Sikka
Chief Financial Officer

Place : Gurugram
Date : 20 May 2024

LODHA & CO LLP ★ Chartered Accountants ★ New Delhi

HINDWARE LIMITED ★

Hindware Limited

Statement of changes in equity for the year ended 31st March 2024

a. Equity share capital

(₹ in lakh)

Particulars	Number of shares	Amount
Issued and paid up capital		
Balance as at 1 April 2022	**2,45,00,000**	**490.00**
Changes in equity share capital during the year*	2,54,00,000	499.00
Balance as at 31 March 2023	**4,99,00,000**	**989.00**
Changes in equity share capital during the year	-	-
Balance as at 31 March 2024	**4,99,00,000**	**989.00**

b. Other equity

(₹ in lakh)

Particulars	Reserves and surplus				Total
	Securities Premium Account	General Reserve	Retained Earnings	Actuarial gain / (loss)	
Balance as at 1 April 2022	**3,433.05**	**1,323.86**	**29,718.98**	**206.62**	**34,682.51**
Profit for the year	-	-	8,800.41	-	**8,800.41**
Other comprehensive income for the year (net of income tax)	-	-	-	(94.81)	**(94.81)**
Total comprehensive income for the year	**-**	**-**	**8,800.41**	**(94.81)**	**8,705.60**
Payment of Dividend	-	-	(2,940.00)	-	**(2,940.00)**
Bonus Issued during the period *	(490.00)	-	-	-	**(490.00)**
Balance as at 31 March 2023	**2,943.05**	**1,323.86**	**35,579.39**	**111.81**	**39,958.11**
Profit for the year	-	-	10,309.00	-	**10,309.00**
Other comprehensive income for the year (net of income tax)	-	-	-	(23.02)	**(23.02)**
Total comprehensive income for the year	**-**	**-**	**10,309.00**	**(23.02)**	**10,285.98**
Payment of Dividend	-	-	(2,967.00)	-	**(2,967.00)**
Bonus Issued during the period	-	-	-	-	**-**
Balance as at 31st March 2024	**2,943.05**	**1,323.86**	**42,921.39**	**88.79**	**47,277.09**

* During the financial year 2022-23, 2,45,00,000 of equity shares of ₹ 2 each fully paid up were allotted as fully paid up bonus shares (of ₹490.00 lakh) and 9,00,000 equity shares of ₹ 2 each were allotted as partly paid-up, to eligible employees of the Company (₹9.00 lakh partly paid up @ ₹ 1 each per share paid up)

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LODHA & CO LLP New Delhi Chartered Accountants

HINDWARE LIMITED

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

For and on behalf of the Board of Directors

For Lodha & CO LLP
Chartered Accountants
Firm Registration No.:301051E/E300284

G.L. Sultania
Director
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Shyamal Kumar
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M. No. 509325
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Chief Financial Officer

Place : Gurugram
Date : 20 May 2024

LODHA & CO LLP ★ New Delhi ★ Chartered Accountants

HINDWARE LIMITED

Material accounting policies and other explanatory information to the standalone financial statements for the year ended 31 March 2024

1. Corporate information

Hindware Limited (the 'Company') is a public limited company incorporated in India under the Companies Act 2013. The registered office of the Company is located in Kolkata and the corporate office is in Gurugram. The Company is engaged into the business of Manufacturing and trading of Building products. The Company is subsidiary of Hindware Home Innovation Limited.

These financial statements were approved and authorized for issue in accordance with the resolution of the Company's Board of Directors on 20th May 2024.

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

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

3. Material accounting policies and other explanatory information

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

The standalone financial statements of the Company have been prepared in accordance with Ind AS notified by the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. (as amended) and presentation requirement of division II of the schedule IIII of the companies act 2013. Accordingly, the standalone financial statements for the year ended 31 March 2024 are prepared complying applicable Ind AS.

3.2 Historical cost convention

These standalone financial statements have been prepared on a historical cost convention except where certain financial assets and liabilities have been measured at fair value. (refer accounting policy of financial instruments)

3.3 Business combinations

Business combinations involving entities under common control are accounted for using the pooling of interest's method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonise accounting policies. Any excess or shortfall of the consideration paid over the share capital of transferor entity or business is recognised as capital reserve under equity.

The Company accounts for business combinations using the acquisition method of accounting, and accordingly, the identifiable assets acquired and the liabilities assumed in the business are recorded at their acquisition date fair values (except certain assets and liabilities which are required to be measured as per the applicable standard) The consideration transferred for the acquisition of a business is aggregation of the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Company in exchange for control of the business.

The consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Any contingent consideration transferred is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is subsequently measured at fair value with changes in fair value recognised in statements of profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

LODHA & CO LLP New Delhi Chartered Accountants

HINDWARE LIMITED

3.4 Goodwill

Goodwill represents the future economic benefits arising from a business combination that are not individually identified and separately recognised. Goodwill is carried at cost less accumulated impairment losses.

3.5 Revenue Recognition

Revenue from contracts with customers are recognized when the performance obligation towards customer have been made i.e on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services.

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

Sale of products:

Revenue from the sale of products is recognized when the Company has transferred control of the goods to the buyer and the buyer obtains the benefits from the goods, the potential cash flows and the amount of revenue (the transaction price) can be measured reliably, and it is probable that the Company will collect the consideration to which it is entitled to in exchange for the goods.

Sales-related warranties associated with the goods are integral to sales price and cannot be purchased separately, hence they serve as an assurance that the products sold comply with agreed-upon specifications. Accordingly, the Company accounts for warranties in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Rendering of services:

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

Interest and dividends

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

3.6 Leases

The Company's lease asset classes primarily consist of leases for Land and Buildings. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(i) The contract involves the use of an identified asset

(ii) The Company has substantially all of the economic benefits from use of the asset through the period of the lease and

(iii) The Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight line basis over the term of the lease.

LODHA & CO LLP New Delhi Chartered Accountants

HINDWARE LIMITED

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.
Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

3.7 Foreign currency transactions and translations

Initial recognition

The Company's standalone financial statements are presented in INR, which is also the Company's functional currency. Transactions in foreign currencies are recorded on initial recognition in the functional currency at the exchange rates prevailing on the date of the transaction.

Measurement at the balance sheet date

Foreign currency monetary items of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Treatment of exchange difference

Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognised as income or expenses in the period in which they arise.

3.8 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 capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale.

All other borrowing costs are expensed in the period in which they are incurred and reported in finance cost.

3.9 Employee benefits

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

Defined contribution plans

The Company's contribution to provident fund and pension fund is considered as defined contribution plan and is charged as an expense as they fall due based on the amount of contribution required to be made and when services are rendered by the employees. The Company has no legal or constructive obligation to pay contribution in addition to its fixed contribution.





Defined benefit plans

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using 'the Projected Unit Credit method', with actuarial valuations being carried out at each Balance Sheet date. Re-measurements, comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to the statement of profit and loss in subsequent periods. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under:

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits

Compensated absences which are allowed to carried forward over a period in excess of 12 months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date out of which the obligations are expected to be settled.

3.10 Taxation

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

Current tax

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

Deferred tax

Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilised against future taxable income.

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

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

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HINDWARE LIMITED

3.11 Operating cycle

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

3.12 Operating expenses

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

3.13 (a) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Property, plant and equipment are stated at their original cost including freight, duties, taxes and other incidental expenses relating to acquisition and installation.

The carrying amount of assets, including those assets that are not yet available for use, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, recoverable amount of asset is determined. An impairment loss is recognised in the statement of profit and loss whenever the carrying amount of an asset exceeds its recoverable amount. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined if no impairment loss had been recognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(b) Intangible assets

Intangible are stated at cost less accumulated amortisation and impairment losses, (if any). Cost related to technical assistance for new projects are capitalized.

(c) Capital work-in-progress

Expenditure incurred during the period of construction, including all direct and indirect expenses, incidental and related to construction, is carried forward and on completion, the costs are allocated to the respective property, plant and equipment. Capital work-in-progress includes capital inventory.

3.14 Depreciation and amortisation

Depreciation is charged on a pro-rata basis on the straight line method at rates prescribed in Schedule II to the Companies Act, 2013 and is charged to the statement of profit and loss. Freehold land is not depreciated. The estimated useful life of the items of property, plant and equipment are as follows:

Asset class	**Useful life**
Property, plant and equipment	
Plant and machinery	7.5-40 years** #
Buildings	10-70 years^
Furniture and fixtures	up to 10 years
Office equipment	up to 5 years
Computer	3-6 years
Vehicles	8 years*
Intangible assets	
Software	6 years

LODHA & CO LLP New Delhi Chartered Accountants

HINDWARE LIMITED

* Vehicles are being depreciated using written down value method as per life of 8 years mentioned in Schedule II of the Act
** Moulds, included in Plant and machinery, are depreciated over a lesser useful life than mentioned in above table depending on the actual use of the asset
# Plant and machinery of the pipe division are depreciated over a life of 10 to 20 years which is different from life prescribed in Schedule II of the Act, based on independent chartered engineer certificate
^Temporary sheds, included in buildings are depreciated over a lesser useful life than mentioned in above table depending on the actual use of the asset

3.15 Impairment of property, plant and equipment and intangible assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable and impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash generating units). If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost and the same is accordingly reversed in the statement of profit and loss.

3.16 Investment in Associates, Joint Ventures and Subsidiaries

The Company has accounted for its investment in subsidiaries, associates and joint venture at cost less impairment, if any

3.17 Investment in Mutual Funds

Investments in Mutual Funds are accounted for at cost. Any subsequent fair value gain or loss is recognized through Profit or Loss Account.

3.18 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and demand deposits, together with other short-term, highly liquid investments maturing within 90 days from the date of acquisition. Cash and cash equivalent are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

3.19 Cash flow statement

Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

3.20 Inventories

Inventories are stated at the lower of cost and net realisable value. The cost of inventories comprises of all costs of purchase, (net of tax credits where applicable) costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Costs of inventories are determined on weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses.

3.21 Provisions and contingencies

A provision is recognised in the standalone financial statements where there exists a present obligation as a result of a past event, the amount of which can be reliably estimated, and it is probable that an outflow of resources would be necessitated in order to settle the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised but are disclosed in the notes unless the

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outflow of resources is considered to be remote. Contingent assets are neither recognised nor disclosed in the standalone financial statements.

3.22 Equity, reserves and dividend payments

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Retained earnings include current and prior period retained profits. All transactions with owners of the Company are recorded separately within equity.

Dividend distribution payable to equity shareholders are included in other liabilities when the dividends have been approved in a general meeting prior to the reporting date.

3.23 Earnings per share

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

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

3.24 Fair value measurement

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

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

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

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

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

3.25 Financial instruments

I. Financial assets

a. Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset, which are not at fair value through profit and loss, are added to fair value on initial recognition. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit and loss. However, trade receivable that do not contain a significant financing component are measured at transaction price.

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b. Subsequent measurement

(i) Financial assets carried at amortised cost

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

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

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

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

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

c. Impairment of financial assets

(i) The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its assets measured at amortised cost and assets measured at fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 41 details how the Company determines whether there has been a significant increase in credit risk.

(ii) Investments in subsidiaries, associates and joint ventures are carried at cost/deemed cost applied on transition to Ind AS, less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and an impairment provision is recognised, if required immediately to its recoverable amount, being the higher of value in use or fair value less costs to sell. On disposal of such investments, difference between the net disposal proceeds and carrying amount is recognised in the statement of profit and loss

d. Derecognition of financial assets

A financial asset is derecognised when:

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

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

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

II. Financial liabilities

a. Initial recognition and subsequent measurement

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

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

III. Fair value of financial instruments

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

IV. Offsetting of financial instruments

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

3.26 Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in statement of profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedging relationship and the nature of the hedged item.

3.27 Material accounting judgements, estimates and assumptions

The preparation of the Company's standalone financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

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

(i) Estimation of defined benefit obligation

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

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(ii) Estimation of current tax and deferred tax

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

(iii) Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain property, plant and equipment.

(iv) Impairment of trade receivables

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 recognised based on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

(v) Fair value measurement

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

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Notes forming part of Financial Statements

Note 4a - Property, plant and equipment

(₹ in lakh)

Description of assets	Right to use - Land	Right to use - Building	Land- Freehold	Buildings	Lease hold improvement	Plant and equipment	Office equipment	Furniture and fixtures	Computers	Vehicles	Total
I. Gross block											
Balance as at 1 April 2022	**2,355.00**	**17,676.51**	**4,328.62**	**9,796.29**	**25.06**	**28,633.95**	**744.26**	**7,232.17**	**1,139.14**	**1,558.39**	**73,489.39**
Additions	221.84	5,070.19	4,581.40	916.75	979.13	9,309.55	182.33	3,649.67	377.41	732.11	**26,020.38**
Disposals/adjustment	-	(1,746.60)	-	-	-	(1.19)	(2.34)	-	(115.96)	(119.73)	**(1,985.82)**
Balance as at 31 March 2023	**2,576.84**	**21,000.10**	**8,910.02**	**10,713.04**	**1,004.19**	**37,942.31**	**924.25**	**10,881.84**	**1,400.59**	**2,170.77**	**97,523.95**
Additions	-	767.44	-	575.66	16.73	7,078.28	40.27	3,669.07	371.29	272.88	**12,791.62**
Disposals/adjustment	-	(1,380.48)	-	-	-	(18.66)	(7.82)	-	(114.80)	(150.18)	**(1,671.94)**
Balance as at 31 March 2024	**2,576.84**	**20,387.06**	**8,910.02**	**11,288.70**	**1,020.92**	**45,001.93**	**956.70**	**14,550.91**	**1,657.08**	**2,293.47**	**1,08,643.63**
II. Accumulated depreciation and amortisation											
Balance as at 1 April 2022	-	**1,409.29**	-		8.44	**1,638.38**	**316.59**	**3,741.74**	**743.37**	**414.35**	**8,272.16**
Depreciation and amortisation charge for the year	29.28	2,947.77	-	267.85	31.17	2,599.13	171.79	1,445.09	260.62	449.55	**8,202.25**
Disposals/adjustment		(521.53)	-			(1.03)	(1.49)	-	(97.42)	(42.71)	**(664.18)**
Balance as at 31 March 2023	**29.28**	**3,835.53**	**-**	**267.85**	**39.61**	**4,236.48**	**486.89**	**5,186.83**	**906.57**	**821.19**	**15,810.23**
Depreciation and amortisation charge for the year	29.28	2,871.52	-	316.99	114.30	3,431.57	155.38	2,453.04	269.44	452.32	**10,093.84**
Disposals/adjustment	-	(713.81)	-	-	-	(3.76)	(7.15)	-	(89.70)	(63.44)	**(877.86)**
Balance as at 31 March 2024	**58.56**	**5,993.24**	**-**	**584.84**	**153.91**	**7,664.29**	**635.12**	**7,639.87**	**1,086.31**	**1,210.07**	**25,026.21**
Net block (I-II)											
Balance as at 31 March 2024	**2,518.28**	**14,393.82**	**8,910.02**	**10,703.86**	**867.01**	**37,337.64**	**321.58**	**6,911.04**	**570.77**	**1,083.40**	**83,617.42**
Balance as at 31 March 2023	**2,547.56**	**17,164.57**	**8,910.02**	**10,445.19**	**964.58**	**33,705.83**	**437.36**	**5,695.01**	**494.02**	**1,349.58**	**81,713.72**

Refer note 19 for details of property, plant and equipment hypothecated as security by the Company

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Notes forming part of Financial Statements

Note 4b - Capital work-in-progress

(₹ in lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Capital work in progress*	5,317.53	3,108.63
	5,317.53	**3,108.63**

*Following expenditure incurred during construction period pending allocation/capitalisation :-

Particulars	As at 31 March 2024	As at 31 March 2023
Balance brought forward from previous year	13.98	-
Stores and spares consumed	0.15	-
Power and fuel	0.67	0.20
Travelling and Conveyance	1.21	-
Employee benefits expense	31.78	10.29
Finance costs	65.30	-
Rates and taxes	0.50	1.25
Repair and maintenance	5.05	0.50
Miscellaneous expenses	5.67	1.74
Total	**124.31**	**13.98**

Details and Ageing of CWIP is as follows:-

As at 31 March 2024

(₹ in lakh)

Particulars	Amount in CWIP for a period of				Total
	less than year	1 to 2 years	2 to 3 years	more than 3 years	
Project in progress	5,050.89	266.64	-	-	5,317.53

As at 31 March 2023

(₹ in lakh)

Particulars	Amount in CWIP for a period of				Total
	less than year	1 to 2 years	2 to 3 years	more than 3 years	
Project in progress	3,101.39	0.07	7.17	-	3,108.63

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Notes forming part of Financial Statements

Note 4b - Capital work-in-progress(Continued)

(ii) The expected completion of projects whose completion is over due is as follows: *

Particulars	As at 31st March 2024				
	less than 1 year	1 to 2 years	2 to 3 years	more than 3 years	Total
Shuttle Kiln	917.43	-	-	-	**917.43**
New Worker Colony Blocks	205.65	-	-	-	**205.65**
Other Miscellaneous projects	114.34	-	-	-	**114.34**
Total	**1,237.42**	**-**	**-**	**-**	**1,237.42**

Particulars	As at 31st March 2023				
	less than 1 year	1 to 2 years	2 to 3 years	more than 3 years	Total
Shuttle Kiln	930.84	-	-	-	**930.84**
Enervit Firing System	290.53	-	-	-	**290.53**
Pressure Casting Machine	232.62	-	-	-	**232.62**
Robotic Glazing System	359.26	-	-	-	**359.26**
New Worker Colony Blocks	224.83	-	-	-	**224.83**
Other Miscellaneous projects	114.11	-	-	-	**114.11**
Total	**2,152.19**	**-**	**-**	**-**	**2,152.19**

* Projects are in final stage of completion

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Notes forming part of Financial Statements

Note 4c - Goodwill

(₹ in lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Goodwill	191.00	191.00
	191.00	**191.00**

Reconciliation of the carrying amount of goodwill at the beginning and end of the reporting period

(₹ in lakh)

Particulars	Amount
Balance as at 1 April 2022	**191.00**
Impairment for the year	-
Balance as at 31 March 2023	**191.00**
Impairment for the year	-
Balance as at 31 March 2024	**191.00**

The Company tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired.

The recoverable amounts of the cash generating units ("CGU") is determined from value in use calculation. The key assumptions for the value in use calculations are those regarding the discount rates, growth rates and expected changes to selling prices and direct costs during the period. These assumptions have been determined in light of the economic environment which has resulted in more conservative estimates about the future. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGU. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market.

The Company has conducted a sensitivity analysis on the impairment test of CGU carrying value. Change in the discount rate and growth rate by +/- 1% points would not impact in carrying value of goodwill (with other factors remains constant).

Value in use has been determined by discounting the future cash flows generated from the continuing use of the unit. The calculation of the value in use is based on the following key assumptions :

Particulars	As at 31 March 2024	As at 31 March 2023
Discount rate	15.75%	14.86%
Terminal value of growth rate	4.00%	4.00%

The estimated recoverable amount of goodwill is not lower than the carrying amount at year end , consequently the company has not provided for any impairment loss.

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Note 5 - Other intangible assets

(₹ in lakh)

Description of assets	Computer software	Total
I. Gross block		
Balance as at 1 April 2022	**682.86**	**682.86**
Additions	23.37	**23.37**
Disposals/adjustment	-	**-**
Balance as at 31 March 2023	**706.23**	**706.23**
Additions	55.63	**55.63**
Disposals/adjustment	**-**	**-**
Balance as at 31 March 2024	**761.86**	**761.86**
II. Accumulated amortisation		
Balance as at 1 April 2022	**462.69**	**462.69**
Amortisation charge for the year	79.56	**79.56**
Disposals/adjustment	-	**-**
Balance as at 31 March 2023	**542.25**	**542.25**
Amortisation charge for the year	59.73	**59.73**
Disposals/adjustment	-	-
Balance as at 31 March 2024	**601.98**	**601.98**
Net block (I-II)		
Balance as at 31 March 2024	**159.88**	**159.88**
Balance as at 31 March 2023	**163.98**	**163.98**

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Notes forming part of Financial Statements

Note 6 - Intangibles under development

(₹ in lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Other intangible assets under development	135.00	-
	135.00	**-**

Details and Ageing of other intangibles under development

As at 31st March 2024

(₹ in lakh)

Particulars	Amount for a period of				Total
	less than year	1 to 2 years	2 to 3 years	more than 3 years	
Intangible under development	135.00	-	-	-	135.00

There are no projects which are overdue / over-run as at 31 March 2024 as well as 31 March 2023

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Notes forming part of Financial Statements

Note 7 - Non current investments

(₹ in lakh)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number	Amount	Number	Amount
I. Unquoted investments (fully paid-up) (At cost)				
Investments in equity instruments				
Neycer India Limited (face value ₹ 10 each)	125	0.01	125	0.01
Water Management & Plumbing Skill Council	10,000	1.00	10,000	1.00
Investment in Subsidiaries measured at cost				
Halis International Limited, Mauritius (Equity share, face value USD 1 each)	17,05,000	782.50	17,05,000	782.50
Less : Provision for impairment of investments		(782.50) -		(782.50) -
Truflo Pipes Ltd (Equity Share, face value of ₹ 10 each)	2,00,000	20.00	2,00,000	20.00
Halis International Limited, Mauritius (Preference Share, face value USD 1 each)	21,06,000	1,228.15	21,06,000	1,228.15
Less : Provision for impairment of investments		(1,216.45) 11.70		(1,189.31) 38.84
Unquoted investments		32.71		59.85
Investment carried at amortized cost				
Unquoted				
National Savings Certificates*		0.20		
Total investments carried at cost		**32.91**		**59.85**
Other disclosures				
Aggregate amount of unquoted investments		2,031.86		2,031.66
Aggregate amount of impairment in value of investments		1,998.95		1,971.81

* Deposited with government authorities

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Notes forming part of Financial Statements

Note 8 - Non-current financial assets - loans

(₹ in lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
(unsecured and considered good unless otherwise specified, as considered by the management)		
Loans to related party *	4,500.00	2,500.00
	4,500.00	**2,500.00**

*Given to Hindware Home Innovation Limited (Holding Company) for normal business operations

Note 9 - Other non-current financial assets

(₹ in lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
(unsecured and considered good unless otherwise specified, as considered by the management)		
Other bank balances		
- Deposit account with other banks for more than 1 year^	23.34	23.34
Other financial assets		
Security deposits	682.97	564.79
	706.31	**588.13**

^Deposited with government departments / courts as security ₹ 23.34 lakh (Previous year ₹ 23.34 lakh)

Note 10 - Other non-current assets

(₹ in lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
(unsecured and considered good, unless stated otherwise, as considered by the management)		
Capital advances	5,566.78	1,437.96
Considered doubtful	15.15	15.15
Less : Provision for doubtful advances	(15.15)	(15.15)
Prepaid expenses	23.38	26.90
Balances with government authorities*	58.33	77.60
Others	0.50	1.50
	5,648.99	**1,543.96**

* Deposits against demand under dispute

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Notes forming part of Financial Statements

Note 11 - Income-tax assets (net)

(₹ in lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Advance income tax asset	255.58	264.94

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Notes forming part of Financial Statements

Note 12 - Inventories

(₹ in lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
(valued at cost or net realisable value, whichever is lower)		
Raw materials @	11,237.92	15,192.85
Work-in-progress	3,264.70	3,377.17
Finished goods	6,094.07	9,830.04
Stock in trade @	24,920.53	24,652.13
Stores and spares	1,029.90	2,189.72
Packing material	918.70	912.33
Oils, fuels, lubricants and others	142.28	117.28
	47,608.10	**56,271.52**
@Included above, goods-in-transit:		
Raw materials	939.98	-
Stock in trade	8.64	286.20
	948.62	**286.20**

Refer note 25 for information on inventory hypothecated as security by the Company

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Notes forming part of Financial Statements

Note 13 - Trade receivables

(₹ in lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
(i) Trade receivables considered good - Secured	1,952.55	1,536.38
(ii) Trade receivables considered good - Unsecured*	33,034.19	22,456.08
(iv) Trade receivables with credit impaired	4,251.44	3,771.96
	39,238.18	**27,764.42**
Less: Allowance for bad & doubtful debts	4,251.44	3,771.96
	34,986.74	**23,992.46**

* Including of AGI Greenpac Limited of ₹ 0.39 Lakh (previous year Nil)

Ageing As at 31 March 2024

(₹ in lakh)

Particulars	Outstanding for following period from due date of payment						Total
	Not Due	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	16,523.40	15,793.31	1,227.61	887.98	205.12	-	34,637.42
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	59.48	69.17	2,190.03	2,318.68
(iv) Disputed Trade Receivables– considered good	-	-	-	20.44	328.88	-	349.32
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	2.27	155.74	1,774.75	1,932.76
Total	16,523.40	15,793.31	1,227.61	970.17	758.91	3,964.78	39,238.18
Less: Allowance for bad & doubtful debts	-	-	-	61.75	224.91	3,964.78	4,251.44

Ageing As at 31 March 2023

(₹ in lakh)

Particulars	Outstanding for following period from due date of payment						Total
	Not Due	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	12,375.59	9,430.43	692.48	605.10	95.36	-	23,198.96
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	39.23	26.74	1,613.95	1,679.92
(iv) Disputed Trade Receivables– considered good	-	0.14	24.25	421.56	347.55	-	793.50
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	8.57	92.95	120.85	1,869.67	2,092.04
Total	12,375.59	9,430.57	725.30	1,158.84	590.50	3,483.62	27,764.42
Less: Allowance for bad & doubtful debts	-	-	8.57	132.18	147.59	3,483.62	3,771.96

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

(₹ in lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	3,771.96	2,936.94
Expected credit losses provided for during the year (refer note 39)	479.48	835.02
	4,251.44	**3,771.96**

Trade receivables are hypothecated against the borrowings obtained by the Company as referred in note 25

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HINDWARE LIMITED

Note 14 - Cash and cash equivalents

(₹ in lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Balances with banks	1,804.13	501.35
Cheques in hand	5.25	276.38
Cash in hand	3.99	5.21
Remittance in transit	27.37	1.18
	1,840.74	**784.12**

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

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HINDWARE LIMITED

Note 15 - Current financial assets - Other financial assets

(₹ in lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
(unsecured and considered good by the management)		
Security deposits-Current*	40.56	45.96
Interest accrued on deposits, loans and advances #	53.01	20.89
Other receivable ^	949.11	968.08
	1,042.68	**1,034.93**

* Including of AGI Greenpac Limited of ₹ 40.56 lakh (previous year ₹ 40.56 lakh)
# Including of Hindware Home Innovation Limited of ₹ 34.69 lakh (previous year ₹ 17.71 lakh)

^ Including of AGI Greenpac Limited of ₹ 602.68 lakh (previous year ₹ 720.56 lakh), Hindware Home Innovation Limited of ₹ 63.55 lakh (previous year ₹ 25.49 lakh) and Hintastica Private Limited of ₹ 7.10 lakh (previous year ₹ 113.36 lakh)

Note 16 - Other current assets

(₹ in lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
(unsecured and considered good by the management)		
Prepaid expenses	697.13	312.62
Balances with government authorities	4,826.74	5,022.20
Others		
- Advance to suppliers	2,435.84	1,061.26
Considered doubtful	41.36	41.36
less : Provision against Advance to Vendors	(41.36)	(41.36)
- Employee advances	221.69	259.43
- Other current assets	1,214.11	214.63
Considered doubtful	785.07	767.70
less : Provision against Advance to Vendors	(785.07)	(767.70)
	9,395.51	**6,870.14**

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HINDWARE LIMITED ★

Hindware Limited
Notes forming part of Financial Statements

Note 17 - Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of shares	(₹ in lakh)	No. of shares	(₹ in lakh)
Authorised:				
Equity shares of ₹ 2 each	7,50,00,000	1,500.00	7,50,00,000	1,500.00
Issued:				
Equity shares of ₹ 2 each	4,99,00,000	989.00	4,99,00,000	989.00
Subscribed and paid-up:				
Equity shares of ₹ 2 each as fully paid-up	4,90,00,000	980.00	4,90,00,000	980.00
Equity shares of ₹ 2 each (partly paid-up ₹ 1 each) (refer note (f) below)	9,00,000	9.00	9,00,000	9.00
	4,99,00,000	**989.00**	**4,99,00,000**	**989.00**

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

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number	(₹ in lakh)	Number	(₹ in lakh)
Equity shares outstanding at the beginning of the year	4,99,00,000	989.00	2,45,00,000	490.00
Add: Bonus Shares issued during the year (refer note (e) below)	-	-	2,45,00,000	490.00
Add: Shares issued during the year (refer note (f) below)	-	-	9,00,000	9.00
Equity shares outstanding at the end of the year	**4,99,00,000**	**989.00**	**4,99,00,000**	**989.00**

(b) Statement of changes in promoters stake
Shares held by promoters^ at the end of the year

S.no	Promoter name	No of shares as on 31 March 2024	% of total holding	No of shares as on 31 March 2023	% of total holding	% change during the year
1	Hindware Home Innovation Limited #	4,89,99,509	98.1954%	4,89,99,412	98.1952%	0.00%
2	Sandip Somany *	98	0.0002%	98	0.0002%	0.00%
3	Niranjan Kumar Goenka*	98	0.0002%	98	0.0002%	0.00%
4	Girdhari Lal Sultania*	98	0.0002%	98	0.0002%	0.00%
5	Ajay Kumar Dokania*	98	0.0002%	98	0.0002%	0.00%
6	Manoj Kumar Agarwal*#	-	0.0000%	98	0.0002%	0.00%
7	Ravi Kedia*	98	0.0002%	98	0.0002%	0.00%
8	Deepak Singh*#	1	0.0000%	-	0.0000%	0.00%
Total		**4,90,00,000**	**98.20%**	**4,90,00,000**	**98.20%**	**0.00%**

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

98 equity Shares of the company held by Manoj Kumar Agarwal (as nominee of Hindware Home Innovation Limited) was transferred to Hindware Home Innovation Limited Further, Hindware Home Innovation Limited transfered 1 equity share of the Company to Deepak Singh (as a nominee of Hindware Home Innovation Limited).

* Nominee of Hindware Home Innovation Limited

(c) Terms and rights attached to equity shares
The Company has only one class of equity shares having par value of ₹ 2 each. The holder of the equity share is entitled to dividend right and voting right in the same proportion as the capital paid-up on such equity share bears to the total paid-up equity share capital of the Company. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to the number of equity shares held by the shareholders.

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HINDWARE LIMITED

Hindware Limited
Notes forming part of Financial Statements

Note 17 - Equity share capital (contd.)

(d) List of shareholders holding more than 5% of the equity share capital of the Company as at: *

Particulars	31 March 2024		31 March 2023	
	Number	% of holding	Number	% of holding
Hindware Home Innovation Limited** (including nominee)	4,90,00,000	98.20	4,90,00,000	98.20

** Information is furnished as per shareholder register as at the year end.*
** Holding company

(e) Pursuant to the approval of Shareholders obtained in their Annual General meeting held on 30th June 2022 The Board of Directors of the company in their meeting held on 4th August 2022 had approved and alloted 2,45,00,000 bonus equity shares of ₹ 2/- each fully paid up (₹490 lakh) (in the proportion of 1 equity shares for every 1 equity share held), out of balance available in the Securities Premium Account. Accordingly, the paid up shares capital of the Company increased from ₹490 lakh to ₹980 lakh (from 2,45,00,000 to 4,90,00,000).

(f) Pursuant to the approval of Shareholders obtained in their Extra Ordinary General meeting held on 30th November 2022 The Board of Directors of the company in their meeting held on 3rd February 2023 had approved, issued and alloted 9,00,000 equity shares of ₹ 2/- each at ₹452 per share (including ₹ 450 per share as premium) on receipt of ₹ 1 per share as application money from its eligible employees on preferential basis (none of them being the promoters or part of the promoters group), thus with effect from 3rd February 2023 Hindware Home Innovation Limited holding now stands reduced to 98.20%. Consequently the company ceases to be wholly owned subsidiary of Hindware Home Innovation Limited.

(g) Aggregate value of Issued, Subscribed and Paid-up Share Capital as on the Balance Sheet date for the period of preceding five years includes:
- Aggregate 2,40,00,000 Equity shares of ₹2 each allotted during the year ended March 2021, as fully paid-up bonus shares without payment being received in cash.
- Aggregate 2,45,00,000 Equity shares of ₹2 each allotted during the year ended March 2023, as fully paid-up bonus shares without payment being received in cash.

Except above, there are no buyback and/or issue of shares other than in cash.

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HINDWARE LIMITED

Hindware Limited
Notes forming part of Financial Statements

Note 18- Other equity

(₹ in lakh)

Particulars	Reserves and surplus				Total
	Securities Premium Account	General Reserve	Retained Earnings	Actuarial gain / (loss)	
Balance as on 1st April 2022	**3,433.05**	**1,323.86**	**29,718.98**	**206.62**	**34,682.51**
Profit for the year	-	-	8,800.41	-	**8,800.41**
Other comprehensive income for the year (net of income tax)	-	-	-	(94.81)	**(94.81)**
Total comprehensive income for the year	-	-	**8,800.41**	**(94.81)**	**8,705.60**
Payment of Dividend	-	-	(2,940.00)	-	**(2,940.00)**
Bonus Issued during the period	**(490.00)**	-	-	-	**(490.00)**
Balance as at 31 March 2023	**2,943.05**	**1,323.86**	**35,579.39**	**111.81**	**39,958.11**
Profit for the year	-	-	10,309.00	-	**10,309.00**
Other comprehensive income for the year (net of income tax)	-	-	-	(23.02)	**(23.02)**
Total comprehensive income for the year	-	-	**10,309.00**	**(23.02)**	**10,285.98**
Payment of Dividend	-	-	(2,967.00)	-	**(2,967.00)**
Bonus Issued during the period	-	-	-	-	**-**
Balance as at 31 March 2024	**2,943.05**	**1,323.86**	**42,921.39**	**88.79**	**47,277.09**

Nature and purpose of other reserve:

1. Securities premium account is used to record the premium on issue of shares. The same is utilised in accordance with the provisions of the Companies Act, 2013
2. General reserves was created by transferring certain amount out of profits at the time of distribution of dividend in the past

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HINDWARE LIMITED

Note 19 - Non current financial liabilities - Borrowings

(₹ in lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Measured at amortised cost		
Secured:		
Term loan from bank:		
Rupee loan^	43,936.85	40,313.36
	43,936.85	**40,313.36**
Less: Current maturities of long term borrowing (refer note 25)	10,617.13	8,333.13
	33,319.72	**31,980.23**

Loans are secured by way of hypothecation of first pari-passu charge on movable fixed assets both present and future of the Company. Further, this is secured by first pari-passu charge by way of mortgage on immovable fixed assets located at Bibinagar and Kaharani plants of the Company.

-Term Loans aggregating to ₹ 3250.00 lakh (previous year ₹ 4,250.00 lakh) are repayable in 13 equal quaterly instalments from April 2024 to April 2027.
-Term Loans aggregating to ₹ 5000.00 lakh (previous year ₹ 1,645.00 lakh) are repayable in 24 equal quaterly instalments from May 2024 to Feb 2030.
-Term Loans aggregating to ₹ 6320.00 lakh (previous year ₹ 8,320.00 lakh) are repayable in 9 instalments from May 2024 to May 2026.
-Term Loans aggregating to ₹ 20765.24 lakh (previous year ₹ 26,098.36 lakh) are repayable in 11 instalments from April 2024 to Oct 2026.
'-Term Loans aggregating to ₹ 4361.61 lakh (previous year ₹ Nil) are repayable in 24 instalments from February 2025 to Nov 2030.
'-Term Loans aggregating to ₹ 1740.00 lakh (previous year ₹ Nil) are repayable in 24 instalments from June 2026 to Mar 2032.

Loan will be secured by exclusive charge by way of mortgage on immovable fixed assets proposwed for purchase at World Trade Tower, New Delhi.
-Term Loans aggregating to ₹ 2500.00 lakh (previous year ₹ Nil) are repayable in 24 instalments from June 2025 to Mar 2031.

^ Interest rate ranging from REPO + 230bps to 3 month T- Bill + 235 bps

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HINDWARE LIMITED

Note 20 - Non-current financial liabilities - Lease liability

(₹ in lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Lease liability (Refer note 49)	13,606.73	15,728.71
	13,606.73	**15,728.71**

Note 21 - Non-current financial liabilities - Other financial liabilities

(₹ in lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Trade deposits	5,307.42	4,566.24
	5,307.42	**4,566.24**

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Note 22 - Non-current liabilities - Provisions

(₹ in lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for employee benefit		
Long-term employee benefits		
Provision for compensated absences	782.43	669.62
Provision for long service award	87.89	85.05
Provision for warranty	401.08	381.08
	1,271.40	**1,135.75**

Details of movement in provision for warranty (including current portion) (₹ in lakh)

Particulars	Amount
Balance as on 1st April 2022	**356.07**
Additional provisions recognised (included in Other expenses)	25.01
Utilised during the year	-
Balance as at 31 March 2023	**381.08**
Additional provisions recognised (included in Other expenses)	20.00
Utilised during the year	-
Balance as at 31 March 2024	**401.08**

Warranty claims:

The provision for warranty claims represent the present value of best estimate of the future outflow of economic benefits that will be required under the Company obligations for warranties under the local sale of goods. The estimate has been made based on historical warranty trends and may vary as a result of new materials, altered manufacturing process or other events. Assumptions used to calculate the provision for warranties were based on current sales levels and current information available about returns based on warranty period of certain products up to 12 years.

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Hindware Limited
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Note 23 - Deferred tax assets (net)

(₹ in lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax liability arising on account of		
Difference between book balance and tax balance of property, plant and equipment and Right-to-use asset (net of lease liability)	122.87	-
	122.87	**-**
Deferred tax asset arising on account of		
Difference between book balance and tax balance of property, plant and equipment and Right-to-use asset (net of lease liability)	-	113.35
Provision for doubtful debts and loans and advances	1,281.81	1,156.76
Provision for employee benefits	228.19	276.67
Others	327.78	85.69
	1,837.78	**1,632.47**
Deferred tax assets (net)	**1,714.91**	**1,632.47**

Deferred tax assets (net) in relation to:

(₹ in lakh)

Particulars	As at 1 April 2023	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at 31 March 2024
Deferred tax liability arising on account of				
Difference between book balance and tax balance of property, plant and equipment and Right-to-use asset (net of lease liability)	-	122.87	-	**122.87**
Sub total	**-**	**122.87**	**-**	**122.87**
Deferred tax asset arising on account of				
Difference between book balance and tax balance of property, plant and equipment and Right-to-use asset (net of lease liability)	113.35	(113.35)	-	**-**
Provision for doubtful debts and loans and advances	1,156.76	125.05	-	**1,281.81**
Provision for employee benefits	276.67	(56.22)	7.74	**228.19**
Others	85.69	242.09	-	**327.78**
Sub total	**1,632.47**	**197.57**	**7.74**	**1,837.78**
Net deferred tax assets	**1,632.47**	**74.70**	**7.74**	**1,714.91**

Deferred tax assets (net) in relation to:

(₹ in lakh)

Particulars	As at 1 April 2022	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at 31 March 2023
Deferred tax asset arising on account of				
Difference between book balance and tax balance of property, plant and equipment and Right-to-use asset (net of lease liability)	382.36	(269.01)	-	**113.35**
Provision for doubtful debts and loans and advances	926.24	230.52	-	**1,156.76**
Provision for employee benefits	199.42	45.36	31.89	**276.67**
Others	8.13	77.56	-	**85.69**
Sub total	**1,516.15**	**84.43**	**31.89**	**1,632.47**
Net deferred tax assets	**1,516.15**	**84.43**	**31.89**	**1,632.47**

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Note 24 - Other non-current liabilities

(₹ in lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Employee related payables	441.96	374.16
	441.96	**374.16**

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Note 25 - Current financial liabilities - Borrowings

(₹ in lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Secured borrowings		
From banks		
Cash credit - loans repayable on demand	906.93	694.14
Working capital demand loan	28,920.36	21,244.49
	29,827.29	**21,938.63**
Current maturities of long-term borrowings (refer note 19)	10,617.13	8,333.13
	10,617.13	**8,333.13**
	40,444.42	**30,271.76**

Details of security and term of repayment of each type of borrowing:

a) The interest rate for Short term borrowing ranges from 1 Month T-Bill + 116 bps to 3 month MCLR + 65 bps.

b) Working Capital and Cash credit facilities are secured by hypothecation of Inventories, finished / semi-finished goods / receivables of the Company. The Working Capital facilities and cash credit facilities are repayable on demand.

c) The Company has been sanctioned a working capital limit in excess of ₹ 5 crore, in aggregate, at points of time during the year, from bank on the basis of security of current assets. The Company has filed quarterly returns or statements with the banks in lieu of the sanctioned working capital facilities, which are in agreement with the books of account other than those as set out below.

(₹ in lakh)

Name of the Bank / financial institution	Working capital/ Cash credit limit sanctioned	Nature of current assets offered as security	Quarter ended	Amount disclosed as per Stock Statement	Amount as per books of accounts	Differences	Remarks if any
Standard Chartered Bank ,Citi Bank ,The Hongkong and Shanghai Banking Corporation Limited, HDFC Bank Limited ,Axis Bank Limited and The Federal Bank Limited.	57500	Stock, trade receivables, advance to suppliers	June 30,2023	62,664.00	63,927.00	1,263.00	Difference inter-alia arise on factors, like: i. Regrouping / reclassification of ledger heads ; ii. Line items on the date of submission of stock statement of each calendar month are subject to reconciliation's and adjustments thereon ; iii. Regrouping, settlements of sales schemes items in ledger, not considered for purpose of calculation in Stock Statement iv. Information to the banks are provided based on provisional numbers.
			September 30,2023	64,955.00	66,730.00	(1,775.00)	
			December 31,2023	64,743.00	67,514.00	(2,771.00)	
			March 31,2024	59,838.00	60,312.00	(474.00)	

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Hindware Limited
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Note 26 - Current financial liabilities - Lease liability

(₹ in lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Lease liability (Refer note 49)	2,243.65	2,415.79
	2,243.65	**2,415.79**

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Hindware Limited
Notes forming part of Financial Statements

Note 27 - Trade payables

(₹ in lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Due to Micro and Small Enterprises	4,595.72	3,969.62
Other than due to Micro and Small Enterprises *	19,461.41	17,907.12
	24,057.13	**21,876.74**

* Including of AGI Greenpac Limited of ₹ 130.18 lakh (previous year ₹ 239.95 lakh) , Hindware Home Innovation Limited ₹ 0.04 lakh (previous year Nil) and Hintastica Private Limited ₹ 0.24 lakh (previous year Nil)

Ageing As at 31 March 2024

Particulars		Outstanding for following period from due date of payment						
		Unbilled	Not Due	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
i	MSME	2.49	4,279.67	307.40	6.16	-	-	4,595.72
ii	Others	1,144.97	7,689.86	10,571.43	24.59	19.81	10.75	19,461.41
iii	Disputed-MSME		-	-	-	-	-	-
iv	Disputed-Others		-	-	-	-	-	-

Ageing As at 31 March 2023

Particulars		Outstanding for following period from due date of payment						
		Unbilled	Not Due	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
i	MSME	11.55	3,275.90	633.75	41.46	-	6.96	3,969.62
ii	Others	320.94	9,350.29	8,150.30	16.99	9.97	58.63	17,907.12
iii	Disputed-MSME	-	-	-	-	-	-	-
iv	Disputed-Others	-	-	-	-	-	-	-

Disclosure under MSME Act, 2006

Dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act (MSMED), 2006 to the extent identified and information available with the Company pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006, details as certified by the management are mentioned below:

(₹ in lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Principal amount due remaining unpaid to any supplier	111.03	212.20
Interest due thereon remaining unpaid to any supplier	-	0.58
Interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers beyond the appointed day during the year	46.28	1.90
Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	19.34	9.21
Interest accrued and remaining unpaid	25.92	88.23

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Hindware Limited
Notes forming part of Financial Statements

Note 28 - Current financial liabilities - Other financial liabilities

(₹ in lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Interest accrued but not due on borrowings	103.53	35.68
Earnest money deposits	10.64	24.64
Security deposits/retention money payable	201.34	466.53
Others		
Towards capital creditors	779.79	40.25
Employee related payables	5,263.88	4,290.88
Towards expenses payable *	3,621.52	4,308.07
Commission payable to directors	272.10	122.21
Gratuity payable (net of obligation)	676.61	645.29
Other payables ^	9,370.25	13,579.70
	20,299.66	**23,513.25**

* Including payable to AGI Greenpac Limited ₹ 737.41 lakh (previous year ₹ 839.51 lakh) , Hindware Home Innovation Limited Nil (previous year 29.64 lakh)

^ Including payable to AGI Greenpac Limited Nil (previous year ₹ 1,215.52 lakh)

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HINDWARE LIMITED

Hindware Limited
Notes forming part of Financial Statements

Note 29 - Other current liabilities

(₹ in lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Advances received from customers	662.09	819.17
Payable towards statutory dues	7,097.68	6,778.21
	7,759.77	**7,597.38**

Note 30 - Current liabilities - Provisions

(₹ in lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
Provision for compensated absences	124.25	302.96
Provision for long service award	11.10	9.77
	135.35	**312.73**

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HINDWARE LIMITED

Hindware Limited
Notes forming part of Financial Statements

Note 31 - Revenue from operations

(₹ in lakh)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Sale of goods	2,30,157.18	2,24,796.90
Sale from rendering of services	8.37	14.01
Other operating revenue @	5,298.90	6,703.42
	2,35,464.45	**2,31,514.33**
Segment wise revenue information		
a) Building Products	2,35,464.45	2,31,514.33
b) Others	-	-
Total	**2,35,464.45**	**2,31,514.33**
Total income from operations	**2,35,464.45**	**2,31,514.33**
ii) Unsatisfied Performance Obligation		
Aggregated amount of Transaction Price allocated to the contracts that are fully or partially unsatisfied at the end of the reporting period		
i) Sale of Goods	662.09	819.17
iii) Reconciliation of contract price vis a vis revenue recognised in profit and loss statement is as follows:-		
Contract Price		
a) Sale of goods & services	4,15,776.00	4,04,204.05
b) Sale of Service	8.37	14.01
c) Other operating revenue	5,298.90	6,703.42
Adjustment:-		
Discount/Rebate	1,85,618.82	1,79,407.15
Revenue recognised in the statement of profit and loss account	**2,35,464.45**	**2,31,514.33**
@ Other operating revenues comprise of:		
Sundry balances and liabilities no longer required, written back	2,816.05	4,267.46
Insurance claims received	23.59	28.63
Scrap sales	524.65	530.76
Miscellaneous receipts	1,934.61	1,876.57
	5,298.90	**6,703.42**

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HINDWARE LIMITED

Note 32 - Other income

(₹ in lakh)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest income on financial assets	345.07	234.33
Excess balances and liabilities written back	5.00	5.86
Rental income	0.57	0.66
Profit on sale of current investments (net)	-	1.30
Profit on sale of property, plant and equipment	19.30	22.16
Gain on foreign exchange fluctuations	49.59	98.15
Management fee	2,504.81	2,590.11
Miscellaneous income	83.34	52.06
	3,007.68	**3,004.63**

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HINDWARE LIMITED

Hindware Limited

Notes forming part of Financial Statements

Note 33 - Cost of materials consumed

(₹ in lakh)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening stock	15,192.85	20,199.63
Add: Purchases	58,808.65	70,463.56
Less: Closing stock	11,237.92	15,192.85
	62,763.58	**75,470.34**

Note 34 - Purchases of traded goods

(₹ in lakh)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Sanitaryware and other products(net)	58,584.66	59,593.85
	58,584.66	**59,593.85**

Note 35 - Changes in inventories of finished goods, stock-in-trade and work-in-progress

(₹ in lakh)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Inventories at the end of the year:		
Finished goods (A)	6,094.07	9,830.04
Work-in-progress	3,264.70	3,377.17
Stock-in-trade	24,920.53	24,652.13
	34,279.30	**37,859.34**
Inventories at the beginning of the year:		
Finished goods (B)	9,830.04	7,126.77
Work-in-progress	3,377.17	3,639.30
Stock-in-trade	24,652.13	20,441.17
	37,859.34	**31,207.24**
Changes in stock (C=A-B)	**3,580.04**	**(6,652.10)**

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HINDWARE LIMITED

Hindware Limited
Notes forming part of Financial Statements

Note 36 - Employee benefits expense

(₹ in lakh)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries, wages and bonus	32,769.28	30,605.53
Contribution to provident funds and other funds	1,729.81	1,989.13
Staff welfare expenses	1,371.65	1,088.39
	35,870.74	**33,683.05**

Note 37 - Finance cost

(₹ in lakh)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest expense on financial liabilities	6,630.99	4,602.01
Interest on lease liability (Refer note 49)	1,127.08	1,257.84
Other interest expense	43.63	54.65
	7,801.70	**5,914.50**

Note 38 - Depreciation and amortisation

(₹ in lakh)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation and amortisation of Property, plant and equipment (Refer note 4a)	7,193.04	5,225.20
Amortisation of other intangible assets (Refer note 5)	59.73	79.56
Depreciation on right to use - Building (Refer note 4a)	2,900.80	2,977.05
	10,153.57	**8,281.81**

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HINDWARE LIMITED

Hindware Limited
Notes forming part of Financial Statements

Note 39 - Other expenses

(₹ in lakh)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Power and fuel	9,176.34	10,954.88
Consumption of stores and spares	1,738.34	1,902.72
Consumption of packing material	3,172.16	3,937.19
Consumption of loose tools	-	-
Consumption of oil, fuel and lubricants	106.28	118.35
Repairs and maintenance:		
Buildings	130.61	111.01
Plant and machinery	214.66	250.28
Others	1,123.60	815.39
Rent (including lease charges)	547.18	671.85
Rates and taxes	74.65	129.18
Directors sitting fees	8.45	4.30
Independent Directors Commission	144.06	122.21
Expenditure on ceramic and applied research centre	141.32	166.15
Insurance	1,135.69	599.73
Travelling and conveyance	4,704.92	4,120.72
Commission on sales	-	162.96
Freight and forwarding charges	17.89	201.63
Advertisement and publicity	7,914.71	6,900.97
Transportation and forwarding	9,087.26	8,645.91
Sales promotion expenses *	2,340.52	853.98
Other selling expenses	729.66	877.67
Provision for expected credit loss (refer note 13)	479.48	835.02
Provision for doubtful advances/debts	17.37	83.45
Bad debts written off	0.92	-
Corporate social responsibility expenditure (refer note 50)	257.64	213.87
Charity and donation	0.25	0.25
Loss on sale of property, plant and equipment	1.91	7.58
Legal & proffesional service	1,170.54	2,284.16
Provision for diminuation in investments	27.14	-
Management fees	61.86	292.15
Miscellaneous expenses	1,261.26	1,232.29
	45,786.67	**46,495.85**

* Including of warranty expenses

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HINDWARE LIMITED

Hindware Limited
Notes forming part of Financial Statements

Note 40 - Current tax and deferred tax

(a) Income tax expense through profit and loss

(₹ in lakh)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Current tax:		
Current income tax charge (including Minimum alternate tax)	3,583.48	3,015.68
Earlier year income tax	113.39	-
	3,696.87	**3,015.68**
Deferred tax:		
In respect of current year origination and reversal of temporary differences	(74.70)	(84.43)
Total tax expense recognised in profit and loss account	**3,622.17**	**2,931.25**

(b) Income tax on other comprehensive income

(₹ in lakh)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Current tax		
Re-measurement of defined benefit obligations	7.74	31.89
	7.74	**31.89**

(c) Numerical reconciliation between average effective tax rate and applicable tax rate :

The major components of tax expense and the reconciliation of the expected tax expense based on the domestic effective tax rate of the Company at 25.168% (31 March 2023: 25.168%) and the reported tax expense in the statement of profit and loss are as follows:

(₹ in lakh)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit / (loss) before tax	**13,931.17**	**11,731.66**
Domestic tax rate for the Company	25.168%	25.168%
Income tax computed for the Company	3,506.20	2,952.62
Tax effect of :		
- Non deductible expenses	77.24	58.78
- Earlier year income tax	113.39	-
Others	(74.66)	(80.15)
Income-tax recognised in statement of profit and loss	**3,622.17**	**2,931.25**

(d) There is no change in statutory enacted income tax rate during the year

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HINDWARE LIMITED

Note 41 - Financial instruments and risk review

Capital management

The Company manages its capital to be able to continue as a going concern while maximising the returns to shareholders through optimisation of the debt and equity balance. The capital structure consists of debt which includes the borrowings as disclosed in note 19 and 25; cash and cash equivalents as disclosed in note 14 and equity attributable to equity holders of the Company, comprising issued share capital, reserves and retained earnings as disclosed in the Statement of changes in equity. For the purpose of calculating gearing ratio, debt is defined as non current and current borrowings (excluding derivatives). Equity includes all capital and reserves of the Company attributable to equity holders of the Company. The Company is not subject to externally imposed capital requirements. The Board reviews the capital structure and cost of capital on an annual basis but has not set specific targets for gearing ratios. The risks associated with each class of capital are also considered as part of the risk reviews presented to the Board of Directors.

The following table summarises the capital of the Company

(₹ in lakh)

	Note	As at 31 March 2024	As at 31 March 2023
Equity		**48,266.09**	**40,947.11**
Liquid assets (cash and cash equivalent) (a)	14	**1,840.74**	**784.12**
Current borrowings	25	29,827.29	21,938.63
Non- current borrowings	19	33,319.72	31,980.23
Current maturities of non current borrowings	25	10,617.13	8,333.13
Total debt (b)		**73,764.14**	**62,251.99**
Net debt [c = (b) - (a)]		71,923.40	61,467.87
Total capital (equity + net debt)		**1,20,189.49**	**1,02,414.98**
Gearing ratio			
Debt to equity		153%	152%
Net debt to equity ratio		149%	150%

Categories of financial instruments

Categories of financial assets/ (liabilities)

(₹ in lakh)

Particulars	Notes	31 March 2024			31 March 2023		
		Carrying value	Gain/(loss) to income	Gain/(loss) to equity	Carrying value	Gain/(loss) to income	Gain/(loss) to equity
Financial assets measured at amortised costs							
Trade receivable	13	34,986.74	-	-	23,992.46	-	-
Loans	8	4,500.00	-	-	2,500.00	-	-
Other financial assets	9,15	1,748.99	-	-	1,623.06	-	-
Cash and bank balances	14	1,840.74	-	-	784.12	-	-
Investments	7	32.91	-	-	59.85	-	-
Total Financial assets measured at amortised costs		**43,109.38**	-	-	**28,959.49**	-	-
Total financial assets		**43,109.38**	-	-	**28,959.49**	-	-
Financial liabilities measured at amortised cost							
Current payables	25,27,28	84,801.21	-	-	75,661.75	-	-
Lease liabilities	20,26	15,850.38			18,144.50		
Non-current payables	21	5,307.42	-	-	4,566.24	-	-
Non-current borrowings	19	33,319.72	-	-	31,980.23	-	-
Financial liabilities measured at amortised cost		**1,39,278.73**	-	-	**1,30,352.72**	-	-
Total financial assets/(liabilities)		**(96,169.35)**	-	-	**(1,01,393.23)**	-	-

Financial risk management objective

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

The use of any derivative is approved by the management, which provide guidelines on the acceptable levels of interest rate risk, credit risk, foreign exchange risk and liquidity risk and the range of hedging requirement against these risks.

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HINDWARE LIMITED

Note 41 - Financial instruments and risk review (contd.)

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 financial loss. The Company is exposed to credit risk for receivables, cash and cash equivalents, short term investments, financial guarantee and derivative financial instruments.

Cash and cash equivalents and short term investments

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

Trade receivables

The Company extends credits to customer in normal course of the business. The Company considers the factors such as credit track record in the market of each customer and past dealings for extension of credit to the customer. The Company monitors the payment track record of each customer and 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 at several jurisdiction and industries and operate in large independent markets. The Company also takes advances and security deposits from customers which mitigate the credit risk to an extent.

The average credit period taken on sales of goods is 30 to 60 days. Generally, no interest has been charged on the receivables. Allowances against doubtful debts are recognised against trade receivables based on estimated irrecoverable amounts determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position.
Before accepting any new customer, the Company uses an internal credit system to assess the potential customer's credit quality and defines credit limits by customer. Limits attributed to customers are reviewed periodically. There are no customers who represent more than 10 per cent of total net revenue from operations
The Company does not hold any collateral or other credit enhancements over any of its trade receivables nor does it have a legal right of offset against any amounts owed by the Company to the counterparty.

Expected credit loss :

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

Ageing	Expected credit loss (%)
Not due for payment	0
Up to 6 months	0
From 6 months to 1 year	0
From 1 year to 3 years	10 to 100
More than 3 years	100

Ageing of trade receivables (₹ in lakh)

Period	As at 31 March 2024	As at 31 March 2023
Not due for payment	16,523.40	12,375.59
Up to 6 months	15,793.31	9,430.57
From 6 months to 1 year	1,227.61	725.30
From 1 year to 3 years	1,729.08	1,749.34
More than 3 years	3,964.78	3,483.62

Ageing of impaired trade receivables

Period	As at 31 March 2024	As at 31 March 2023
Up to 6 months	-	-
From 6 months to 1 year *	-	8.57
From 1 year to 3 years	286.66	279.77
More than 3 years	3,964.78	3,483.62

* Based upon lifetime expected credit loss

Liquidity risk:

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

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies on a mix of borrowings, capital infusion and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure that it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities so that it does not breach borrowing limits.

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HINDWARE LIMITED

Note 41 - Financial instruments and risk review (contd.)

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

(₹ in lakh)

Particulars	Notes	As at 31 March 2024			
		not later than one year	later than one year and not later than five years	later than five years	Total
Financial liabilities					
Borrowings - bank loans	19,25	40,444.42	28,779.71	4,540.01	73,764.14
Current payables	26,27,28	47,574.36			47,574.36
Non-current payables	20,21	-	10,257.77	11,650.40	21,908.17
Total		**88,018.78**	**39,037.48**	**16,190.41**	**1,43,246.67**

(₹ in lakh)

Particulars	Notes	As at 31 March 2023			
		not later than one year	later than one year and not later than five years	later than five years	Total
Financial liabilities					
Borrowings - bank loans	19,25	30,271.76	31,431.91	548.32	62,251.99
Current payables	26,27,28	48,931.79			48,931.79
Non-current payables	20,21	-	11,028.77	13,141.97	24,170.75
Total		**79,203.55**	**42,460.68**	**13,690.30**	**1,35,354.53**

Market risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

Currency risk

The Company undertakes various transactions denominated in foreign currencies, consequently, exposure to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts.

The Company transacts business primarily in Indian Rupee, USD and Euro . The Company has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk. Certain transactions of the Company act as a natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure to foreign exchange risk, the Company adopted a policy of selective hedging based on risk perception of the management. Foreign exchange hedging contracts are carried at fair value.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

(in lakh)

Particulars	Currency	As at 31 March 2024	As at 31 March 2023
Trade receivables	USD	1.58	3.17
	EUR	-	-
Trade payables	USD	87.34	146.95
	EUR	0.32	1.95
	CNY	0.20	-

Currency rate	As at 31 March 2024	As at 31 March 2023
USD	83.3739	82.2169
EUR	90.2178	89.6076
CNY	11.6725	-

Of the above foreign currency exposures, following exposures are not hedged:

(in lakh)

Particulars	Currency	As at 31 March 2024	As at 31 March 2023
Trade receivables	USD	1.58	3.17
	EUR	-	-
Trade payables	USD	87.34	146.95
	EUR	0.32	1.95
	CNY	0.20	-

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LODHA & CO LLP New Delhi Chartered Accountants

HINDWARE LIMITED

Note 41 - Financial instruments and risk review (contd.)

Sensitivity analysis

The following table demonstrates the sensitivity of profit and equity in USD and Euro to the Indian Rupee with all other variables held constant. The impact on the Company's profit before tax and other comprehensive income due to changes in the fair value of monetary assets and liabilities is given below:

(₹ in lakh)

Currency	Change in currency exchange rate	Effect on profit before tax 31 March 2024	Effect on profit before tax 31 March 2023
USD	5%	(357.50)	(591.04)
	-5%	357.50	591.04
EUR	5%	(1.46)	(8.76)
	-5%	1.46	8.76
CNY	5%	(0.12)	-
	-5%	0.12	-

This is mainly attributable to the exposure outstanding on foreign currency receivables and payables in the Company at the end of each reporting period.

Interest rate risk

The Company's exposure to the risk of changes in market interest rates relates primarily to long term debts. Its objective in managing its interest rate risk is to ensure that it always maintain sufficient head room to cover interest payment from anticipated cash flows which is regularly reviewed by the board/nominated committee as well.

The following table demonstrates the sensitivity in the interest rate with all other variables held constant. The impact on the Company's profit before tax and other comprehensive income due to changes in the interest rates is given below :

(₹ in lakh)

Particulars	Change in interest rate	Effect on profit before tax 31 March 2024	Effect on profit before tax 31 March 2023
Long term borrowings from bank	0.50%	(219.68)	(201.57)
	-0.50%	219.68	201.57

Commodity risk

The Company is exposed to the movement in the price of key traded goods in the domestic and international markets. The Company has in place policies to manage exposure to fluctuation the prices of key traded goods. The Company enter into contracts for procurement of traded goods, most of the transactions are short term fixed price contract and a few transactions are long term fixed price contracts.

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HINDWARE LIMITED ★

Hindware Limited
Notes forming part of Financial Statements

Note 42 - Employee benefits

A. Defined contribution plan

The Company operates defined contribution retirement benefit plans for all employees. The Provident Fund contributions are made to Regional Provident Fund, the Company has no further obligations beyond its monthly contributions.

The Company's contribution to Provident Fund and Superannuation Fund aggregating to ₹ 1416.05 lakh (previous year ₹ 1,172.86 lakh) has been recognised in the Statement of Profit and Loss under the head Employee Benefits Expense.

B. Defined benefit plans

Gratuity

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company Scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the group gratuity Scheme administered by the Birla Sun Life Insurance Company Limited.

Details of the Company's defined benefit plans are as follows:

(₹ in lakh)

Particulars	Gratuity (Funded plan)	
	31 March 2024	31 March 2023
Current service cost	350.12	296.47
Net interest expense/(income)	35.98	(0.22)
Plan Ammendment	-	431.74
Components of defined benefit costs recognised in profit or loss	386.10	727.99
Net actuarial (gain)/loss	171.27	38.55
Expected return on plan assets excluding interest income	(140.51)	88.15
Components of defined benefit costs recognised in other comprehensive income	30.76	126.70
I. Net asset/(liability) recognised in the balance sheet as at 31 March		
1. Present value of defined benefit obligation	3,331.52	2,876.93
2. Fair value of plan assets	2,654.91	2,231.64
3. Deficit	676.61	645.29
4. Current portion of the above	676.61	645.29
II. Change in the obligation during the year ended 31 March		
1. Present value of defined benefit obligation at the beginning of the year	2,876.93	2,170.41
2. Expenses recognised in the statements of profit and loss		
- Current service cost	350.12	296.47
- Interest expense	191.52	149.15
- Plan Ammendment	-	431.74
3. Recognised in other comprehensive income		
- Actuarial (gain)/loss arising from experience adjustments	95.87	12.54
- Actuarial (gain)/loss arising from financial assumption	75.41	26.01
4. Benefit payments	(258.33)	(209.39)
6. Present value of defined benefit obligation at the end of the year	**3,331.52**	**2,876.93**

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HINDWARE LIMITED

Note 42 - Employee benefits (contd.)

(₹ in lakh)

Particulars	Gratuity (Funded plan)	
	31 March 2024	31 March 2023
III. Change in fair value of assets		
1. Fair value of plan assets at the beginning of the year	2,231.64	2,065.95
2. Recognised in the statement profit and loss		
- Expected return on plan assets	155.54	149.37
3. Recognised in other comprehensive income	-	
- Actual return on plan assets in excess of the expected return	140.51	(88.15)
4. Contributions by employer (including benefit payments recoverable)	385.55	313.86
5. Benefit payments	(258.33)	(209.39)
7. Fair value of plan assets at the end of the year	**2,654.91**	**2,231.64**

IV. The major categories of plan assets

The Company made annual contribution to the Birla Sun Life Insurance Company Limited ('BSL') of an amount advised by the BSL. The Company was informed by BSL that the planned assets are held in growth/fixed interest bonds.

V. Actuarial assumptions	**31 March 2024**	**31 March 2023**
1. Discount rate	6.97%	7.23%
2. Expected rate of increase in compensation level	6.50%	6.50%
3. Expected rate of return on plan assets	6.97%	7.23%
4. Attrition rate	1.00%	1.00%
5. Mortality table	IIAM 2012-15	IALM 2012-14
6. Superannuation age	58	58

VI. Sensitivity analysis

(₹ in lakh)

Particulars	31 March 2024		31 March 2023	
	Change in assumption	Effect on gratuity obligation	Change in assumption	Effect on gratuity obligation
Discount rate	0.50%	(147.82)	0.50%	(125.92)
	-0.50%	160.51	-0.50%	136.63
Expected rate of increase in compensation level	0.50%	159.91	0.50%	136.34
	-0.50%	(148.62)	-0.50%	(126.75)

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.

VII. Experience adjustments :

(₹ in lakh)

Particulars	Year Ended				
	31st March 2024	31st March 2023	31st March 2022	31st March 2021	31st March 2020
1. Defined benefit obligation	3,331.52	2,876.93	2,170.41	563.86	557.45
2. Fair value of plan assets	2,654.91	2,231.64	2,065.95	496.17	430.05
3. Surplus/(deficit) unfunded asset	(676.61)	(645.29)	(104.46)	(67.69)	(127.40)
4. Experience adjustment on plan liabilities gain/(loss)	(95.87)	(12.54)	53.53	20.97	39.68

The expected rate of return on plan assets is based on the average long term rate of return expected on investments of the fund during the estimated term of obligation.

The estimate of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

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HINDWARE LIMITED

Note 42 - Employee benefits (contd.)

C. Other long-term benefits - Compensated absences (unfunded)

(₹ in lakh)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Amounts recognised in the balance sheet		
Non current (Refer note 22)	782.43	669.62
Current (Refer note 30)	124.25	302.96
	906.68	**972.58**
Amounts recognised in the statement of profit and loss		
Current service cost	207.76	183.94
Interest cost	71.58	61.19
Actuarial (gain)/loss	(111.74)	117.68
Total included in employee benefits expense	**167.60**	**362.81**
Reconciliation of opening and closing balances of benefit obligations		
Change in benefit obligation		
Defined benefit obligation at the beginning of the year	972.58	852.34
Interest cost	71.58	61.19
Current service cost	207.76	183.94
Benefits paid	(233.50)	(242.57)
Actuarial (gain)/loss	(111.74)	117.68
Defined benefit obligation at the end of the year	**906.68**	**972.58**

The average duration of remaining working life at the end of the reporting period is 15.12 years (Previous year 15.31 years)

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HINDWARE LIMITED

Note 43 - Segment Information

The Company operates in a single segment i.e. Building Products.

Note 44 - Earnings per share

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit / (loss) for the year attributable to owners of the Company (₹ in lakh)	10,309.00	8,800.41
Weighted average number of equity shares (nos.)	4,94,50,000	4,90,70,274
Nominal value per share (₹)	2.00	2.00
Earnings per share - basic and diluted (₹)	20.85	17.93

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

Note - 45 Contingent liabilities not provided for in respect of:

(₹ in lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
a) Demands made by the sales tax authorities against which appeals have been filed	614.79	425.44
b) Claims against the Company not acknowledged as debts	238.28	206.20

Note - 46 Capital and other commitments

(₹ in lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
a) Commitments relating to contracts remaining to be executed on capital account and other commitments not provided for	10,628.58	4,711.83

Note - 47 Payment to statutory auditors (excluding goods and service tax)

(₹ in lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
As auditors	13.87	13.87
For taxation matters	2.57	2.49
Other services	3.03	2.42
For reimbursement of expenses	0.18	0.41
	19.65	**19.19**

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HINDWARE LIMITED

Note 48 - Related party transactions

In accordance with the requirement of Indian Accounting Standard (Ind AS) 24 "Related Party Disclosures" name of the related party, related party relationship, transactions and outstanding balances including commitments where control exist and with whom transactions have taken place during the reported period are as follows:

List of related parties

Relationship	**Name of related party (as identified by the management)**
Key management personnel (KMP)	**Executive directors** Mr. Sandip Somany (Chairman & Managing Director)
	Executives / Key Managerial Personnel Mr. Sandeep Sikka (CFO) Ms Payal M Puri (CS)
	Non-executive directors Mr. G.L. Sultania Mr. Ashok Jaipuria Mr. Salil Bhandari Dr. Rainer Siegfried Simon Ms. Alpana Parida
Relative of Key management personnel	Ms. Sumita Somany (Wife of Mr. Sandip Somany)
Holding company	Hindware Home Innovation Limited
Subsidiaries	Halis International Limited, Mauritius Queo Bathroom Innovations Limited, UK (subsidiary of Halis International Limited) Truflo Pipes Limited
Fellow Subsidiaries	Evok Homes Private Limited Luxxis Heating Solutions Private Limited (Struk off w.e.f 7th March 2023)
Entities where significant influence is exercised by KMP/KMP of holding company/ and/or their relatives	Hintastica Private Limited (Joint venture of holding company)
Others	AGI Greenpac Limited (Formerly known as HSIL Limited) (Subsidiary of Somany Impresa Limited)
Corporate Social Responsibility	HSIL Corporate Social Responsibility Foundation
Post employment benefit plan	Brilloca Employee Gratuity Fund

The following transactions were carried out with related parties in the ordinary course of business and on arm's length basis.

(₹ in lakh)

Particulars	**Holding/Subsidiary/Fellow Subsidiaries**		**Entities where significant influence is exercised by KMP/KMP of holding company/ and/or their relatives and other related parties**	
	31 March 2024	**31 March 2023**	**31 March 2024**	**31 March 2023**
Transactions during the year				
Management fees received from				
Hindware Home Innovation Limited	123.28	227.80	-	-
Hintastica Private Limited	-	-	49.82	93.53
AGI Greenpac Limited	-	-	2,331.71	2,261.43
Management fees paid to				
Hindware Home Innovation Limited	59.52	284.80	-	-
Hintastica Private Limited	-	-	2.34	-
Rent paid to				
Hindware Home Innovation Limited	-	33.60	-	-
AGI Greenpac Limited	-	-	2,046.74	2,069.85
Loan given to				
Hindware Home Innovation Limited	2,000.00	800.00	-	-
Interest received from				
Hindware Home Innovation Limited	314.02	210.62	-	-

LODHA & CO LLP Chartered Accountants New Delhi

HINDWARE LIMITED

Hindware Limited
Notes forming part of Financial Statements
Note 48 - Related party transactions (contd.)

(₹ in lakh)

Particulars	Holding/Subsidiary/Fellow Subsidiaries		Entities where significant influence is exercised by KMP and/or their relatives and other related parties	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Sale of fixed assets to				
Hintastica Private Limited	-	-	-	2.67
Investment in Subsidiary				
Truflo Pipes Limited	-	20.00	-	-
Purchase under slump sale (including closing date adjustment)				
AGI Greenpac Limited	-	-	-	2,671.98
Purchase (net) of goods from				
Hindware Home Innovation Limited	3.08	7.90	-	-
Evok Homes Private Limited	-	1.30	-	-
Hintastica Private Limited	-	-	0.30	-
AGI Greenpac Limited	-	-	2,717.64	7,067.95
Sale of goods and services to				
AGI Greenpac Limited	-	-	3.12	7.14
Reimbursement of expenses paid to				
Hindware Home Innovation Limited	1.60	129.49	-	
Hintastica Private Limited	-	-	60.33	-
AGI Greenpac Limited	-	-	376.66	1,025.69
Reimbursement of expenses received from				
Hindware Home Innovation Limited	6.72	-	-	-
AGI Greenpac Limited	-	-	58.03	-
Security Deposit received back from				
AGI Greenpac Limited	-	-	-	21.55
Contribution made				
Brilloca Employee Gratuity Fund	-	-	385.55	313.86
Corporate Social Responsibility				
HSIL Corporate Social Responsibility Foundation	-	-	257.64	213.87
Balances outstanding as at the end of the year - Receivable				
Hindware Home Innovation Limited				
Loan receivable	4,500.00	2,500.00	-	-
Others	98.20	13.56	-	-
Hintastica Private Limited		-	6.86	113.36
Balances outstanding as at the end of the year - Payable				
AGI Greenpac Limited				
- Slump sale	-	-	-	1,215.52
- Others	-	-	223.96	318.33

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HINDWARE LIMITED ★

Note 48 - Related party transactions (Contd.)

Key Managerial Personnel (KMP)

The remuneration and other transactions with members of key managerial personnel and their relatives during the year are as follows:

(₹ in lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Short-term employee benefits #	2,007.77	1,440.27
Post-employment benefits		
- Defined contribution plan $	175.33	154.02
- Defined benefit plan *	-	-
Issue of Shares (Refer Note 17 (f))	-	2.00
Total	**2,183.10**	**1,596.29**

Including bonus, sitting fee, commission on accrual basis and value of perquisites.

$ including provident fund, leave encashment paid and any other benefit.

* As the liability for gratuity and leave encashment are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key managerial personnel are not included above.

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HINDWARE LIMITED

Hindware Limited
Notes forming part of Financial Statements

Note 49 Leases

The company recorded the lease liability at the present value of the future lease payments discounted at the incremental borrowing rate and the right of use asset. Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

Break-up of current and non-current lease liabilities as at:

(₹ in lakh)

Particulars	**As at 31 March 2024**	**As at 31 March 2023**
Current lease liabilities	2,243.65	2,415.79
Non current lease liabilities	13,606.73	15,728.71
Total	**15,850.38**	**18,144.50**

Movement in lease liabilities during the year ended:

(₹ in lakh)

Particulars	**As at 31 March 2024**	**As at 31 March 2023**
Balance at the beginning	18,144.50	16,574.32
Addition	757.68	5,053.88
Finance cost accrued during the period	1,127.08	1,257.84
Deletions /adjustment	(722.45)	(1,252.91)
Payment of lease liabilities	(3,456.43)	(3,488.63)
Lease concession	-	-
Balance at the end	**15,850.38**	**18,144.50**

Details regarding the contractual maturities of lease liabilities on an undiscounted basis:

(₹ in lakh)

Particulars	**As at 31 March 2024**	**As at 31 March 2023**
Less than one year	3,217.57	3,541.80
One to five years	10,257.77	11,028.77
More than five years	6,342.98	8,575.74
Total	**19,818.32**	**23,146.31**

Rental expense recorded for short-term leases was ₹ 547.18 lakh (previous period ₹ 671.85 lakh) for the year ended 31st March 2024

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HINDWARE LIMITED

Hindware Limited
Notes forming part of Financial Statements

Note: 50 Corporate social responsibility

In accordance with the provisions of section 135 of the Act, the Board of Directors of the Company had constituted a Corporate Social Responsibility (CSR) Committee. In terms, with the provisions of the said Act, the Company was to spend a sum of ₹ 255.36 lakh (previous year ₹ 213.87 lakh) towards CSR activities during the year ended 31 March 2024. The CSR Committee has been examining and evaluating suitable proposals for deployment of funds towards CSR initiatives, however, the committee expects finalization of such proposals in due course. During the year ended 31 March 2024, the Company has contributed the following sums towards CSR initiatives. (Refer note 39)

(₹ in lakh)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
(i) Amount required to be spent on CSR activities during the year (a)	255.36	213.87
(ii) Amount on expenditure incurred on:		
(a) On construction/acquisition of any asset	72.41	71.27
(b) On purposes other than (i) above	185.23	142.60
(iii) Shortfall at the end of the year	-	-

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HINDWARE LIMITED

Hindware Limited
Notes forming part of Financial Statements

Note 51 - Financial instrument by category

(₹ in lakh)

Particulars	31 March 2024			31 March 2023		
	FVOCI	FVTPL	Amortised cost	FVOCI	FVTPL	Amortised cost
Non current financial assets						
Investments	-	-	32.91		-	59.85
Loans	-	-	4,500.00	-	-	2,500.00
Other financial assets	-	-	706.31	-	-	588.13
Current financial assets						
Trade receivable	-	-	34,986.74	-	-	23,992.46
Cash and cash equivalents	-	-	1,840.74	-	-	784.12
Other financial assets	-	-	1,042.68	-	-	1,034.93
Total financial assets	**-**	**-**	**43,109.38**	**-**	**-**	**28,959.49**
Non Current financial liabilities						
Non-current borrowings	-	-	33,319.72	-	-	31,980.23
Lease liabilities			13,606.73			15,728.71
Other financial liabilities	-	-	5,307.42	-	-	4,566.24
Current financial liabilities						
Current borrowings	-	-	40,444.42	-	-	30,271.76
Lease liabilities			2,243.65			2,415.79
Trade payables	-	-	24,057.13	-	-	21,876.74
Other financial liabilities	-	-	20,299.66	-	-	23,513.25
Total financial liabilities	**-**	**-**	**1,39,278.73**	**-**	**-**	**1,30,352.72**

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HINDWARE LIMITED

Hindware Limited
Notes forming part of Financial Statements

Note 52 - Disclosure under section 186(4) of the Companies Act, 2013

(₹ in lakh)

Particulars	As at 31 March 2024			As at 31 March 2023		
	Truflo Pipes Ltd (Wholly owned subsidiary)	Hindware Home Innovation Limited (Holding Company)	Halis International Limited, Mauritius (Wholly owned subsidiary)	Truflo Pipes Ltd (Wholly owned subsidiary)	Hindware Home Innovation Limited (Holding Company)	Halis International Limited, Mauritius (Wholly owned subsidiary)
Guarantee						
Guarantees given as at the beginning of the financial year	-	-	-	-	-	-
Guarantees given during the financial year	-	-	-	-	-	-
Guarantee closed during the year	-	-	-	-	-	-
Guarantees given as at the end of the financial year	-	-	-	-	-	-
Investments						
Investments at the beginning of the financial year (net)	20.00	-	38.84	-	-	38.84
Additions during the financial year	-	-	-	20.00	-	-
Provision for diminution in the value of during the year	-	-	27.14	-	-	-
Investment at the end of the financial year (net)	20.00	-	11.70	20.00	-	38.84
Loans and advances						
Loans at the beginning of the financial year	-	2,500.00	-	-	1,700.00	-
Additions during the financial year	-	2,000.00	-	-	800.00	-
Return back during the year	-	-	-	-	-	-
Loans at the end of the financial year	-	4,500.00	-	-	2,500.00	-

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LODHA & CO LLP New Delhi Chartered Accountants

HINDWARE LIMITED

Hindware Limited
Notes forming part of Financial Statements

Note 53 - Disclosures of Struck-off companies

(₹ in lakhs)

S. No.	Name of Struck-off company (as per MCA)	Nature of transaction with struck-off company	Balance as on 31st March'2024	Balance as on 31st March'2023	Relationship with the struck-off company
1	S V Electronics Limited	Purchase of goods	-	(0.00)	Vendor
2	Red Pearl Ventures Private Limited	Sale of goods	0.13	0.13	Customer
3	Build Bath Private Limited	Sale of goods	1.20	1.20	Customer
4	R.L. Dalal & Company Private Limited	Sale of goods	0.03	0.03	Customer
5	GCL Enterprises Private Limited	Sale of goods	(0.05)	-	Customer

Note 54 - Social security code

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Indian Parliament's approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently, on November 13, 2020, draft rules were published and stakeholders' suggestions were invited. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Note 55 :- Dividend

The Board of Directors have recommended a final dividend of 50% i.e. ₹ 1/- (previous year ₹6 /-) per fully paid up equity share of face value ₹2/- each and ₹ 0.50/- (previous year ₹3 /-) per partly paid up equity share of face value ₹2/- each (paid up value ₹1/- per equity share) for the year ended 31st March 2024. The dividend is in proportion to the amount paid-up on each equity share of face value of ₹2/- each and is subject to the approval of shareholders in the ensuing Annual General Meeting.

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LODHA & CO LLP New Delhi Chartered Accountants

HINDWARE LIMITED

Hindware Limited

Notes forming part of Financial Statements

Note 56 :- Ratios disclosure

Particulars		As at 31 March 2024	As at 31 March 2023	Variance	Remarks
(i)	**Current Ratio (times)** Total Current assets / Total current liabilities	1.00	1.03	-3.40%	
(ii)	**Total Debt to Equity Ratio (times)** (Non-current borrowings + Current Borrowings + Trade Deposits) / Net worth*) * Net worth = Equity Share Capital + Securities premium account + General reserve + Retained earnings + Actuarial gain / (loss)	1.64	1.63	0.39%	
(iii)	**Debt Service Coverage Ratio (times)** (Profit after Tax + Depreciation + Interest on loan + loss / (gain) on sale of Property Plant and Equipment/ Interest on loan + principal scheduled repayment of loan + lease repayment)	1.53	1.70	-10.36%	
(iv)	**Return on Equity (%)** (Profit for the year / Average Net worth*) * Net worth = Equity Share Capital + Securities premium account + General reserve + Retained earnings + Actuarial gain / (loss)	23.11%	23.12%	-0.05%	
(v)	**Inventory Turnover (times)** (Cost of Goods Sold / Average Inventories)	2.50	2.46	1.88%	
(vi)	**Trade Receivables Turnover (times)** (Net Sales / Average Trade receivables)	7.82	11.13	-29.69%	Due to increase in trade receivables
(vii)	**Trade Payables Turnover (times)** (Total Purchases / Average Trade payables)	5.73	7.56	-24.19%	
(viii)	**Net Capital Turnover (times)** Net Sales / Average Working Capital) (Working Capital = Current assets - Current liabilities)	158.77	-24.90	-737.73%	Previous year opening working capital was increased due to Business Combination
(ix)	**Net Profit Ratio (%)** (Profit for the year / Net Sales)	4.48%	3.91%	14.42%	
(x)	**Return on Capital Employed (%)** (Earnings before interest and tax / Capital employed*) * Capital employed = Tangible Net worth + Borrowings + Deferred tax liability + Trade deposits - Intangible assets	17.11%	16.43%	4.17%	

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LODHA & CO LLP New Delhi Chartered Accountants

HINDWARE LIMITED

Hindware Limited
Notes forming part of Financial Statements

Note 57 :- GST

The annual return of GST for FY 2023-24 is under process of filing with statutory authorities. The management believes that there will not be any material impact over financial statements after financial submission/filing. The date of filing of GST returns are 31st December, 2024

Note 57 :- Audit Trail

With effect from April 1, 2023, the Ministry of Corporate Affairs (MCA) has made it mandatory for every company incorporated in India, which uses accounting software for maintaining its books of account, to use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company has a widely used ERP as its accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has operated throughout the financial year for all relevant transactions recorded in the said software except (a) the audit trail feature was not enabled throughout the year for certain relevant tables at the application level ; and (b) the audit trail (edit log) for certain information at database level (which records only modified values) was not enabled during the year.

Note 58

Gain on foreign exchange fluctuation amounting to ₹ 98.15 lakh in previous year has been regrouped under Other Income from Other Operating Revenue. The same is not having any impact on profit and loss account.

Note 58 - Other Disclosures

(a) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period

(b) The Company have not traded or invested in crypto currency or virtual currency during the financial year

(c) There are no loans or advances in the nature of loans granted to Promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are: (a) repayable on demand; or (b) without specifying any terms or period of repayment

(d) The Company has complied with the requirements of the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017

(e) The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 to 1988) and Rules made thereunder

(f) The Company has not been declared as wilful defaulter by any bank or financial institution or other lender or government or any government authority

(g) Utilisation of borrowed funds and share premium

I. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(ii) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

II. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the

(i) 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

(ii) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

(h) There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.

(i) Previous period figures have been regrouped /re-arranged wherever considered necessary to confirm to the current year's classification.

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LODHA & CO LLP ★ New Delhi ★ Chartered Accountants

HINDWARE LIMITED ★

As per our report of even date attached

For Lodha & CO LLP
Chartered Accountants
Firm Registration No.:301051E/E300284

Shyamal Kumar
Partner
M. No. 509325
Place : New Delhi
Date : 20 May 2024

For and on behalf of the Board of Directors

G.L. Sultania
Director
DIN: 00060931

Sandip Somany
Chairman and Managing Director
DIN: 00053597

Payal M Puri
Company Secretary
ACS No.: 16068

Sandeep Sikka
Chief Financial Officer

Place : Gurugram
Date : 20 May 2024

LODHA & CO LLP New Delhi Chartered Accountants

HINDWARE LIMITED

HINDWARE LIMITED
Regd. Office: 2, Red Cross Place, Kolkata-700 001
CIN: U74999WB2017PLC223307
Phone: 033-22487407/5668,
E-mail: ngoenka@hindware.co.in
Website: www.hindware.com

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the Seventh Annual Report and the Company's Audited Financial Statements for the financial year ended on 31 March 2024.

FINANCIAL RESULTS:

The Company's financial performance, for the year ended 31 March 2024 is summarised below:

(Rs. in lakhs#)

Financial Results	**2023-2024**	**2022-2023**
Revenue from Operations	2,35,464	2,31,514
Add: Other Income	3,008	3,005
Total Income	**2,38,472**	**2,34,519**
Profit before tax	**13,931**	**11,732**
Less: Tax expenses		
- Current year tax	3,584	3,016
- Earlier year tax	113	-
- Deferred tax	(75)	(84)
Net tax	3,622	2,932
Profit after tax (i)	**10,309**	**8,800**
Other Comprehensive Income (net of tax)	(23)	(95)
Total Comprehensive Income	**10,286**	**8,705**
Add: balance brought forward (ii)	35,579	29,719
Amount available for appropriation [(i) + (ii)]	**45,888**	**38,519**
APPROPRIATIONS :		
Dividend paid on equity shares	2967	2,940
Balance carried forward	**42,921**	**35,579**

(#Figures have been rounded off to the extent Rs. in lakhs)

OPERATIONAL REVIEW

Your Company achieved revenue from operations of Rs. 2,35,464 lakhs in FY 2023-2024 as against Rs. 2,31,514 lakhs in FY 2022-2023. This has resulted in EBITDA of Rs. 31,886 lakhs in FY 2023-2024 compare to Rs. 25,928 lakhs in FY 2022-2023.

KEY INITIATIVES

Sanitary ware and Faucets

- Forayed into new categories with the launch of Thermostat Diverters, Integrated Consoles and Multi-function showers in premium segment.
- Strengthened Economy Portfolio with launch of Fabio and Studio Faucet Ranges.
- Bridged portfolio gaps in Showers, Health Faucets and Drains.
- First Brand to launch AQUAPRO - Water saving nozzles that save up to 98% water.

- Introduced mid-premium fluidic design Agnese.
- Experimented in e-commerce with new categories in the form of Pet showers, Kitchen Sinks, Temp display faucets etc.
- Launched 8 One Piece (mainly with Syphonic flushing) & 2 Wall Mount EWCs.
- Added one new color range Pine Matte in WM and OTC Wash Basin Category & one new One Piece in Black Matte Color.
- Launched 4 new OTC basins.
- Launched over 60+ new SKU's in Sanitaryware.
- Also upgraded our existing Concealed cistern with Sensor Based Technology and with Pneumatic Flushing technology.
- 486 distributors in DMS (Distribution Management System) are exit. Complete visibility of Width of Distribution, Secondary Sales, Outlet base, Distributor Stocks, Pin code wise presence visibility made available.
- Hindware hosted 1400 plumbers and 70 mason meets, engaging with over of 22,000 plumbers and masons.

Tiles

- Delivered a Business growth of 19%.
- Enhanced our Market presence by opening 46 New Exclusive Brand stores.
- Entered new segment of Surfaces i.e. 15mm slabs in 800x 2400 mm size. This is an alternative to Granite for Kitchen/Bathroom counter tops.
- Launched multiple new innovations such as GSVT tiles, Posh series (scratch free surfaces) in 1200 x 18000 mm etc.
- Entered Tile Adhesive market by introducing 5 variants of Tiles adhesives along with Grouts & Tile cleaners.
- Started operations at 3 new CFAs - Jaipur, Ahmedabad & Muzaffarpur to improve customer service.
- Enhanced Digital integration of Brand Stores by introducing geotagging, 360 degree QR codes for better customer experience.
- Initiated working in Govt Departments & successfully got our product approved in 32 major Govt. departments handling Construction business.

Pipes

- Roorkee plant is under construction and is expected to get completed by end of December 2024;
- PTMT Injection moulding machines and part of moulds are received at Isnapur and soon the trials will start;
- Connected and engaged with more than 1,20,000 plumbers;
- Expanded the channel partner network to 350 distributors

CHANGE IN NATURE OF BUSINESS

During the period under review, there were no changes in nature of business of the Company.

PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANY

During the year under review, no new subsidiary has been incorporated. As on 31st March, 2024, the Company has one wholly owned subsidiary Company viz. Truflo Pipes Limited.

CONSOLIDATION OF FINANCIAL STATEMENTS

In accordance with the provision of Section 129 of the Companies Act, 2013 read with Rules made thereunder (including the Companies (Accounts) Rules, 2014 (as amended) and applicable Ind AS; if ultimate or any intermediate holding company of the entity files consolidated financial statements with the Registrar which are in compliance with the

applicable Accounting Standards then an entity that is a parent is exempted from preparation and submission of consolidated financial statements with the Registrar.

Accordingly, the Company is exempted from preparation of consolidated financial statements as its holding company i.e. Hindware Home Innovation Limited (Formerly known as Somany Home Innovation Limited) prepared consolidated financial statements for all the wholly owned subsidiaries /subsidiaries and are available on website of the Company.

Further, a statement containing the salient features of the financial statements of our subsidiaries in the prescribed format AOC-1 is enclosed as **Annexure A.**

DIVIDEND

Your Directors have recommended a dividend of Rs. 1/- (i.e. 50%) (previous year Dividend of Rs. 6/- i.e. 300%) on fully paid up equity shares of Rs. 2/- each for the financial year ended 31 March 2024, amounting to Rs. 490 lakhs and a dividend of Rs. 0.50 each (i.e. 25%) on partly paid up equity shares of Rs. 2/- each (paid up Rs. 1/- each) for the financial year ended 31 March 2024, amounting to Rs. 4.50 lakhs. The dividend payout is subject to approval of members at the ensuing Annual General Meeting. The dividend will be paid to those shareholders whose names appears in the Register of Members of the Company as on 31 July 2024 or to those Shareholders whose particulars will be provided by the Depositories, on that date.

TRANSFER TO RESERVES

The Board proposes not to transfer any amount to the General Reserve out of the profit for the year under review.

AUDITORS AND AUDITORS' REPORT

Statutory Auditors

At the 6th Annual General Meeting of the Company held on 21 June, 2023, the shareholders approved the re-appointment of M/s. Lodha & Co (now known as Lodha & Co. LLP), Chartered Accountants, as Statutory Auditors of the Company having Firm's Registration No. 301051E to hold the office till the conclusion of the 11th Annual General Meeting of the Company.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and therefore do not require any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Board under Section 143(12) of the Companies Act, 2013 and the rules made thereunder.

Secretarial Auditor

The Board had appointed M/s. DMK Associates, Company Secretaries, New Delhi, (Ms. Monika Kohli, Practicing Company Secretary CP No.4936) to conduct Secretarial Audit for the financial year 2023-2024, pursuant to the provisions of Section 204 of the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Secretarial Audit Report in Form MR – 3 for the financial year 2023-2024 is enclosed as **Annexure B** to this Report. The Secretarial Audit Report does not contain any observation or adverse remark.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings And Outgo, as required under section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is enclosed as **Annexure C** to this Report.

SHARE CAPITAL

The Paid-up Equity Share Capital of the Company as on 31 March 2024 was Rs. 98,900,000 Consists of 49,000,000 equity shares of Rs. 2/- each and 900,000 partly paid equity shares of Rs.2/- each (paid up Rs. 1/- each).

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Girdhari Lal Sultania, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

The present term of Mr. Sandip Somany as Chairman and Managing Director of the Company will expire by efflux of time on 14 October 2024. The Board is seeking shareholder's approval at ensuing Annual General Meeting (AGM) for re-appointment of Mr. Sandip Somany, as Chairman and Managing Director of the Company for a further period of five consecutive years, commencing from 15 October 2024 upto 14th October 2029. Profile of Mr. Sandip Somany is given in the Statement under Section 102 of the Companies Act, 2013 to the Notice of the ensuing AGM of the Company.

Mr. Ashok Jaipuria, Mr. Salil Kumar Bhandari and Dr. Rainer Siegfried Simon hold office upto 11 November 2024 as Independent Directors of the Company and will be due for re-appointment for their second term of five consecutive years. The Notice of the ensuing AGM proposes Special Resolutions for re-appointment of aforesaid Independent Directors on the Board of the Company in terms of Section in terms of Section 149,150, 152 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Schedule IV of the Companies Act, 2013.

Ms. Alpana Parida hold office upto 26 March, 2025 as Independent Director of the Company and will be due for re-appointment for her second term of five consecutive years. The Notice of the ensuing AGM proposes Special Resolution for re-appointment of aforesaid Independent Director on the Board of the Company in terms of Section in terms of Section 149,150, 152 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Schedule IV of the Companies Act, 2013..

Further, Mr. Shashvat Somany is appointed as an Additional Director of the Company designated as Non-Executive Non-Independent Director with effect from 20 May 2024 till the ensuing AGM of the Company. The Board of Directors is seeking shareholder's approval at ensuing AGM for appointment of Mr. Shashvat Somany as Non-Executive Non-Independent Director who will be liable to retire by rotation in terms of Section in terms of Section 152 and 161 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable provisions of the Companies Act, 2013.

BOARD EVALUATION

Pursuant to the provisions of the Act, Independent Directors in a separate meeting evaluated the performance of Non-Independent Directors, performance of Board as a whole and performance of the Chairman taking into account the views of the Executive Directors and Non-executive Directors. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Boards

functioning such as adequacy of the composition of the Board, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its shareholders etc.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013. In the opinion of the Board, they fulfil the conditions of independence as specified in the Act and are independent of the management.

The Independent Directors of the Company are persons of integrity and comprise of appropriate skills/expertise/competencies (including proficiency) and have rich and varied experience in diversified domains for effective functioning of the Board of Directors of the Company.

NUMBER OF BOARD MEETINGS

During the year under review, four Board Meetings were convened and held i.e. on 10 May, 2023, 3 August 2023, 31 October 2023, and 2 February 2024.

AUDIT COMMITTEE

During the year under review, four Audit Committee meetings were convened and held i.e 10 May, 2023, 3 August, 2023, 31 October 2023 and 2 February 2024.

NOMINATION AND REMUNERATION POLICY

The Company has in place a Nomination and Remuneration Policy for appointment of Directors, Key Managerial Personnel, Senior Management and fixation of their remuneration as per the Act.

The Nomination and Remuneration Policy is available on Company's website at the link: https://hindware.com/who-we are/docs/Hindware_Nomination_and_Remuneration_Policy_Version.pdf.

DISCLOSURE UNDER SECRETARIAL STANDARDS

The Directors state that during the year 2023-24, the Company has complied with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis. The disclosure in Form AOC-2 is enclosed as **Annexure D** to this report.

Your Directors draw attention of the members to Note 48 to the financial statements which set out related party disclosures.

ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act, 2013, the copy of Annual Return in prescribed format may be accessed on the Company's website i.e. www.hindware.com.

VIGIL MECHANISM (WHISTLE BLOWER POLICY)

In accordance with section 177(9) of the Act and the Rules made thereunder, the Company has in place a Whistle Blower Policy to establish a vigil mechanism for Directors/Employees and other stakeholders of the Company to report concerns affecting the smooth and efficient running of operations of the Company. This Policy documents the Company's commitment to maintain an open work environment in which employees, consultants and contractors are able to report instances of unethical or undesirable conduct, actual, suspected fraud or violation of the Company's Code of Conduct.

The Vigil Mechanism (Whistle Blower Policy) is available on Company's website at the link:https://hindware.com/who-we-are/images/Hindware%20Limited_Vigil%20-Whistle-Blower-Policy-Version-II.pdf.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has a Corporate Social Responsibility Committee in place as per the provisions of Section 135 of the Act, comprising of Mr. Salil Kumar Bhandari, Chairman, Mr. Sandip Somany, Mr. Ashok Jaipuria and Mr. Girdhari Lal Sultania as other members of the Committee.

The Company's Corporate Social Responsibility Policy (CSR Policy) duly approved by the Board, indicates the activities to be undertaken by the Company to fulfil the expectation of our Stakeholders and to continuously improve our social, environmental and economical performance while ensuring sustainability and operational success of our Company. The Company would also undertake other need based initiatives in compliance with Schedule VII to the Act.

The guiding principles for all CSR initiatives of the Company are as follows:

- Establishing a guideline for compliance with the provisions of Regulations to dedicate a percentage of Company's profits for social projects;
- Ensuring the implementation of CSR initiatives in letter and spirit through appropriate procedures and reporting; and
- Creating opportunities for employees to participate in socially responsible initiatives.

The CSR Policy may be accessed on the Company's website at the link:
https://hindware.com/who-we-are/docs/hindware-csr-policy-brilloca-version-II.pdf.

The Annual Report on CSR Activities for the financial year 2023-2024 is enclosed as **Annexure E** to this report.

INTERNAL CONTROLS

The Internal Audit team monitors and evaluates the efficacy and adequacy of Internal Control Systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action(s) in their respective area(s) and thereby strengthen the controls.

Significant audit observations and corrective action(s) thereon are presented to the Board members. The members of the Board reviews the reports submitted by the Internal Auditors in each of its meeting.

INTERNAL FINANCIAL CONTROLS

In line with best practices applicable to organizations of a similar size, nature and complexity, the Company's internal control framework has been designed with reference to financial statements. This defined and adequate Internal Financial Controls are tested from time to time for necessary improvement.

RISK MANAGEMENT

A robust governance structure has been developed across the Organization. Risk Management framework developed which identifies and assesses operational, financial and compliance risks and monitors the effectiveness and efficiency of risk mitigation and control measures. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continual basis.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors in terms of Section 134(3)(c) of the Companies Act, 2013 state that:

a) in the preparation of the annual accounts for the year ended 31 March 2024, the applicable accounting standards read with requirements set out under Schedule III to the Act, had been followed and there are no material departures from the same;
b) the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2024 and of the profit of the Company for the period ended on that date;
c) the Directors had taken proper and sufficient care for the 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 fraud and other irregularities;
d) the Directors had prepared the annual accounts on a 'going concern' basis; and
e) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Particulars of loans, guarantees and investments covered under Section 186 of the Act forms part of the notes to the Financial Statements (Please refer Note Nos. 7 and 8).

PARTICULARS OF EMPLOYEES

Being an unlisted Company, the provisions of section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company.

Further, disclosures relating to remuneration and other details as required under Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are available with the Company. Having regard to the provisions of the first proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the members of the Company. Any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place a Sexual Harassment Policy in compliance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Company has an Internal Complaints Committee (ICC) to redress complaints regarding sexual harassment. The Directors further state that during the year under review, there were no complaints filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Your Company has not accepted any fixed deposits within the meaning of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

2. Your Company has not issued equity shares with differential rights as to dividend, voting or otherwise or issued shares (including sweat equity shares) to employees of the Company under any scheme or Issue of employees' stock option to employees of the Company under any scheme under the Companies (Share Capital and Debentures) Rules, 2014.

3. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

4. The Company is not required to maintain cost records as specified in section 148(1) of the Companies Act, 2013.

5. Neither any application is made nor any proceeding is pending against the Company under the Insolvency and Bankruptcy Code, 2016.

6. The Company has not defaulted in the repayment of loans to the Banks or Financial Institutions. Accordingly, disclosure relating to one-time settlement with the Banks of Financial Institutions is not applicable.

ACKNOWLEDGEMENT

Your Directors would like to express their appreciation for assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by all employees of the Company.

For and on behalf of the Board of Directors

Sandip Somany
Chairman and Managing Director

Place: Gurugram
Date: 20 May 2024

Hindware Limited

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rule, 2014)

Statement containing salient features of the financial statement of subsidiary/associate companies/joint ventures

Part "A" : Subsidiaries

(₹ in lakh

Sr. No.	Name of Subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Share capital	Reserves & surplus	Total assets	Total liabilities	Investments (Other than subsidiary)	Turnover (including other operating income)	Profit before taxation	Provision for taxation	Profit after taxation	Other comprehensive income	Total comprehensive income for the year	Proposed dividend	% of shareholdin (including stepdown subsidiary holdin
1	Halis International Ltd. (Subsidiary of Hindware Ltd.)	NA	USD 1 = INR 83.3739	2,010.62	(2,005.43)	7.70	2.50		-	(7.16)	-	(7.16)	0.05	(7.11)		100
2	Queo Bathroom Innovations Ltd. (Subsidiary of Halis International Ltd.)		GBP 1 = INR 105.2935	5.35	7.12	16.68	4.21		-	(6.20)		(6.20)	(0.09)	(6.29)		100
3	Truflo Pipes Limited (Subsidiary of Hindware Ltd.)		N.A	20.00	(3.10)	19.69	2.79			(1.90)		(1.90)		(1.90)		100

Note 1 : Name of subsidiaries which are yet to commence operations : Truflo Pipes Limited

Note 2 : Name of subsidiaries which have been liquidated or sold during the year : NIL

Part "B" : Associates and Joint Ventures

Statement pursuant to section 129 (3) of the Companies Act, 2013 related to associate companies/joint ventures

(₹ in lacs)

Sr. No.	Name of Associates/Joint Ventures	1. Latest audited Balance Sheet Date	2. Share of Associate/Joint Venture held by the company on the year end			3.Description of how there is significant influence	4. Reason why the associate/joint venture is not consolidated	5. Net worth attributable to Shareholding as per latest audited Balance Sheet	6.Profit/Loss for the year	
			No.	Amount of investment in Associates/Joint Venture	Extend of Holding %				i. Considered in Consolidation	i. Not considered in Consolidation
Nil										

Note 1 : Name of associates or joint ventures which are yet to commence operations : NIL

Note 2 : Name of associates or joint ventures which have been liquidated or sold during the year : NIL

HINDWARE LIMITED

ANNEXURE-A

For and on behalf of the Board of Directors

Director
DIN: 00060931

Sandip Somany
Chairman and Managing Director
DIN: 00053597

Payal M Puri
Company Secretary
ACS No.: 16068

Chief Financial Officer

HINDWARE LIMITED

Place : Gurugram
Date : 20 May 2024

ANNEXURE - B

Form No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members,
M/s HINDWARE LIMITED
(Formerly Known as Brilloca Limited)
CIN: U74999WB2017PLC223307
2, Red Cross Place,
Kolkata, West Bengal 700001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Hindware Limited (Formerly known as Brilloca Limited)** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has during the audit period covering the financial year ended on 31 March, 2024 (**"Audit Period"**) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter along with **Annexure 1** attached to this report:-

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March, 2024 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder **(Not applicable to the Company during the Audit Period);**

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder**(Not applicable to the Company during the Audit Period);**

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and

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91-011-42432721 +91-9871315000, +91-9810480983

External Commercial Borrowings (ECB); **(No FDI and ECB were taken and no ODI was made by the company during the Audit Period)**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended till date; **(Not applicable to the Company during the Audit Period being an unlisted company);**

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended till date; **(Not applicable to the Company during the Audit Period being an unlisted company);**

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended till date; **(Not applicable to the Company during the Audit Period being an unlisted company);**

d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended till date; **(Not applicable to the Company during the Audit Period being an unlisted company);**

e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations,2021 as amended till date; **(Not applicable to the Company during the Audit Period);**

f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended till date; **(Not applicable to the Company during the Audit Period being an unlisted company);**

g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client as amended till date; **(Not applicable to the Company during the Audit Period being an unlisted company);**

h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 as amended till date; and **(Not applicable to the Company during the Audit Period being an unlisted company);**

i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 as amended till date; **(Not applicable to the Company during the Audit Period being an unlisted company).**

(vi) **OTHER LAWS**

As confirmed by the management, there is no specific law applicable to the Company during the audit period.

DMK ASSOCIATES COMPANY S

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India.

(ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time. **(Not applicable to the Company during the Audit Period being an unlisted company).**

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines to the extent applicable, Standards, etc. as mentioned above.

Based on the information received and records maintained, we further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-executive, Women and Independent Directors. No changes in the composition of the Board of Directors took place during the period under review.
2. Adequate notice of at least seven days was given to all Directors to schedule the Board Meetings along with agenda and detailed notes on agenda and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting in compliance of the Act.
3. Majority decision is carried through and recorded in the minutes of the Meetings. Further as informed, no dissent was given by any director in respect of resolutions passed in the Board and committee meetings.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has not incurred any specific event/ action that can have major bearing on the Company's affairs in pursuance of above referred laws, rules, regulations, guidelines, standards etc.

For DMK ASSOCIATES
COMPANY SECRETARIES

Date : 20.05.2024
Place: New Delhi
UDIN: F005480F000400798

DMK ASSOCIATES ★ CS ★ COMPANY SECRETARIES FRN: P2006DE003100

(MONIKA KOHLI)
B. Com (H), FCS, LL.B. I.P.
PARTNER
FCS 5480, C P 4936
Peer Review No. 779/2020

ANNEXURE 1

To

The Members,
M/s HINDWARE LIMITED
(Formerly Known as Brilloca Limited)
CIN: U74999WB2017PLC223307
2, Red Cross Place, Kolkata
West Bengal 700001

Sub: Our Secretarial Audit for the Financial Year ended 31 March 2024 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our Audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. We believe that the processes and practices, we followed provide a reasonable basis our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules, and regulations and happening of events etc.

5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. Our examination was limited to the verification of the procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For DMK ASSOCIATES
COMPANY SECRETARIES

Date : 20.05.2024
Place: New Delhi
UDIN: F005480F000400798

(MONIKA KOHLI)
B. Com (H), FCS, LL.B. I.P.
PARTNER
FCS 5480, C P 4936
Peer Review No. 779/2020

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ANNEXURE- C

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

(A) Conservation of Energy

(i) The steps taken or impact on conservation of energy

Energy conservation is Company's main focus area which is achieved & sustained by better energy management. Company ensures optimum use of energy by close monitoring of consumptions at different equipment level in the plants for which online systems have been installed to monitor & collect all the information. Company does all endeavours to minimize the consumption & achieve sustainability. Hindware's focus on product yield improvement & minimizing wastages results in optimum use of resources. The plant teams keep themselves updated with any technological upgradation/innovations in ceramic manufacturing processes & choose the most energy efficient equipments for upgradation or new installation in the plant.

Some of the initiatives taken during the year towards energy, environment and water conservation are as under:

Sanitaryware plants

- Reduction of Environment control systems in One of our cast shop through redistributing of casting lines.
- Installation of curtains in cast shops to eliminate heat losses and for effective heat distribution.
- Conversion of Flow urinal and Senso Art urinal from bench to battery to increase productivity and better energy utilization.
- Replacement of existing ceiling fans with high energy efficient BLDC fans in production shops.
- Improvement of Once Fire Efficiency by using Six sigma methodology. This improvement has resulted in substantial improvement of KWH/ Ton & KCAL/ Ton.
- Increase loading in Shuttle kiln by modifying car decks (increasing number of decks).
- Installation of Variable Frequency Drives in Kiln K-19 for power optimization.
- Modification of de dusting booth to reduce power rating from 30 HP to 6 HP.
- Introduction of double casting for EWC items.
- Providing false ceiling in NC1 & NC2 to reduce fuel consumption.

Faucets Plant

- Retrofitting of Dual fuel kit on 500 KVA diesel generator set (Green energy project);
- Use of BLDC 53 nos. of fans in place of conventional AC fans.
- Insulation of induction furnace to prevent heat dissipation.
- VFD installation on Dust collector high power consuming motor
- Use of 4 GDC casting machines on one furnace instead of 3 GDC casting machines
- Effective cleaning of solar panel with help of eco-friendly cleaner to improve solar power generation by 5 %

Pipes Plants

- As a sustainable motive organisation, energy efficiency has been one of the top priorities for the Company. All the Pipes business factory related activities are energy-efficient like production process, machine efficiency, procurement of new machines and incorporating all sustainable parameters for our new factories;
- 100% LED lighting used till 31st March 2024, for lighting purpose in both Unit-1 and Unit–2 has resulted in saving **567000 units** of energy **amounting to Rs.42.24 lakhs** against Conventional lighting ;
- While designing the factory building, the Pipes business has taken measures to control the quantity of light being let in **naturally using daylight harvesting method** and its distribution throughout the shop floor without depending on the artificial lighting;
- On account of day lighting & 100% LED, we have saved **approximately Rs. 122 lakhs** which is equivalent to **1650000 units** till 31st March 2024. This saving is combined saving of Unit–1 and Unit-2;

(ii) The steps taken by the Company for utilising alternate sources of energy

Sanitaryware plants

Installed solar power plants at Bahadurgarh Sanitaryware Plant (Plant 1) – 1220 kWp, Bibinagar Sanitaryware Plant (Plant 2) - 1500 kWp.

Faucets Plant

Installation of solar power plants at Kaharani Faucets Plant – 798 kWp.

Pipes Plants

Installed roof solar power of capacity of 640 KWH. This has yielded generation of **852708 units** in the year 2023 which is equivalent to **INR 36.24 Lakh.**

(iii) The capital investment on energy conservation equipments:

(Rs. in lakh)

S. No.	Capital Equipment	Capital investments on energy conservation equipments	Energy saving / annum (units in KWH)	Financial saving
	Sanitaryware: Bahadurgarh Plant (Plant 1)			
1	Installation of Energy efficient blunger	16.00	132000	9.90
2	Replacement of existing ceiling fans with high energy efficient BLDC fans	38.04	246133	18.46
3	Installation of imported energy efficient air compressor	22.00	Additional requirement	
	Sanitaryware: Bibinagar Plant (Plant 2)			
1	APFC panel installation for controlling power factor	0.5	26600	2.79
2	30 HP Centrifugal blower replaced with 6HP axial fans in De Dusting booth of old ware dryer	1.5	11880	1.24
3	Reduction of ECS (10 & 12) in NC3 by re distributing casting teams	0.25	33280	3.49
4	Installation of VFD in Exhaust and Recuperation blowers in kiln K-19	4.0	78750	6.25
	Faucets: Kahrani Plant			
1	Installation of VFD on Polishing dust collector	5.0	51960	4.15
2	Installation of 53 BLDC fan	5.24	9588	2.00
3	Installation of Dual Fit kit on 500 KVA DG	12.5	N/A	0.025
4	Use of 4 GDC casting machines on one furnace instead of 3 GDC casting machines	0.50	60000	5.40

	Pipes Plant : Isnapur
Pipes business has not replaced any equipment. These all were built in to the factory design and equipment specifications. IE3 motors and LED lighting was part of the design. 1. Savings on different heads have yielded below amounts since start of the plant. 2. On account of IE3 motors in the year 2023 – Rs. 3957000 3. On account of LED lighting unit1& 2 in year 2023 – Rs. 2928000 4. On account of Roof top Solar in the year 2023 – Rs. 3624000 Note: In addition to existing solar system, we have signed an agreement with BE ONSITE SOLAR ENERGY PVT. LTD to Install and maintain 2.2MW roof top solar system during December 2023 for next 20 years, at this juncture which is under installation and will be completed by 1st Quarter FY 2024. This will help us in substantial power saving. The actual savings can be seen from July 2024 onwards	

(B) Technology Absorption

(i) The efforts made towards technology absorption

The Company has been making continuous efforts to absorb the latest technological developments and has taken following steps:

Sanitaryware Plants

- Introduction of Pressure casting system in the plants to increase productivity & save space resulting in less rejections, manpower & energy saving;
- Introduction of latest energy efficient shuttle kilns. Being batch kiln, these provide flexibility of operation hence further saving of energy;
- Installation of robotic spraying system to improve productivity & yield.
- Introduction of Solar heating in casting shops.
- Retrofitting of dual fuel kit on 1500 KVA diesel generator set (green energy project)
- MOU with EESL for collaboration in the areas of energy efficiency and renewable energy.
- Introduction of Turbo blunger with pneumatic conveying system in place of conventional high speed blungers.
- Conversion gearth gear ball mill to Belt drive ball mill.
- Plant team always focus on the development of new water conserving products & improvement on existing products yield by change in design & process.

Faucets Plant

- Industry 4.0 implementation for digitization of Faucet Plant resulting in OEE improvement & driving efficiencies in the area of energy consumption.
- Commissioning of two nos.(4-Spindle, Each) peeling machines resulting in better per person output in Grinding and Polishing section.
- Development and Launch of AquaPro Water saving products
- Secured Patent for SLBM on Agnese Range

Pipes Plants

- Installed fully automatic machine in Column pipe section where, this machine connected with two CNC machines, does both side threading, socket assembly, drilling and riveting.
- Installed semiautomatic machine in column pipe section where this machine does Coupler fixing, drilling and riveting operation.
- Installed new fully automatic short length connecting SWR pipes, where machine does desired pre-set length cutting and both side simultaneous socketing.
- Triple layered Foam core pipe machine (Co extrusion) is under installation and only 4 to 5 companies in India have this machine. This will reduce at least 15% to 20% in raw material consumption in UGD segment and will help customer with reduced cost and ease of installation.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution

Sanitaryware Plants

- Productivity improvement & Environment protection by control, reduce & reuse of the process waste;
- Conservation of natural resources in form of raw materials & water; and
- Cost, energy-saving due to introduction of latest technologies and enhanced productivity by automation, introduction of robotic systems.

Faucets Plants

- Development of improved designs and water-efficient products and introduction of automated feature in some of the products
- Cost, energy-saving due to introduction of latest technologies and enhanced productivity by automation, increasing robot productivity and APM productivity;
- Developed buffs for 4-head polishing machine indigenously with better quality and output; and
- Through Surface peeling of components, product aesthetics have improved and has also resulted in cost optimization.

Pipes Plants

- We used to depend on manual labour for making SWR short-length pipes and its ringfit sockets which are mainly used in bathroom plumbing lines. By Installing fully automated shorth length cutting and socketing machine which does desired pre-set length cutting and both side simultaneous socketing. This has saved **multiple operations and 2 manpower per day**
- For precise and accurate brass insertion on permanent jointing side of column pipes, we have Installed fully automatic machine in Column pipe section where, this machine connected with two CNC machines, does both side threading, socket assembly, drilling and riveting. This resulted in elimination of **multiple operations and 3 manpower per day**

(iii) In case of imported technology (imported during last three years reckoned from the beginning of the financial year)

Details of technology imported	Technology import from	Year of import	Status of implementation/ absorption, in case fully absorbed	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof
Sanitaryware - Plant 1 and 2				
Installation of the new screw-type energy-efficient compressor with VFD	Europe	2022	Fully Absorbed	-
Installation of Robotic Glazing system	Europe	2022	Fully Absorbed	-
Replacement of existing felsite lining with high alumina lining in Ball mill	China	2022	Fully Absorbed	-
Installation of Shuttle kiln	Germany	2023	Fully Absorbed	
Installation of Pressure casting	Europe	2023	Fully Absorbed	

Faucets Plant				
6 Axis 4 Head Buffing Machine	China	2022	Fully absorbed	-
8 Spindle Peeling Machine	China	2022	Fully absorbed	-
4 Spindle Peeling Machine - 2 nos	China	2023	Fully absorbed	
Pipes				
High Output Mixer	Italy	2022	Fully Absorbed	
Robot for Brass insertion	Sweden	2022	Fully Absorbed	
High output Mixer	Italy	2023	Fully Absorbed	

*Data pertaining to the financial years till 2021-2022 were taken from AGI Greenpac Limited pursuant to the effect of Slump Sale through Business Transfer Agreement executed between the Company and AGI Greenpac Limited.

The detail of Expenditure incurred on Research and Development:

(Rs in Lakhs)

Particulars	**2023-2024**	**2022-2023**
Capital Expenditure	Nil	Nil
Recurring Expenditure	141	166
Total	141	166
Total R&D expenditure as a % of total revenue	0.06%	0.07%

The details of Foreign Exchange Inflow or Outflow are as follows:

(Rs in Lakhs)

Particulars	**2023-2024**	**2022-2023**
Earning in foreign currency	194	723
Outgo of foreign currency		
- Raw Material, spare part and others	34,434	48,657
- Capital Equipment	334	120

For and on behalf of the Board of Directors

Sandip Somany
Chairman and Managing Director

ANNEXURE - D

Form No. AOC-2

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

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

1. **Details of contracts or arrangements or transactions not at arm's length basis:**

(a) Name(s) of the related party and nature of relationship	(b) Nature of contracts/ arrangements/ transactions	(c) Duration of the contracts/ arrangements/ transactions	(d) Salient terms of the contracts or arrangements or transactions including the value, if any	(e) Justification for entering into such contracts or arrangements or transactions	(f) Date(s) of approval by the Board	(g) Amount paid as advances, if any	(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188
NIL							

2. **Details of material contracts or arrangement or transactions at arm's length basis:**

(a) Name(s) of the related party and nature of relationship	(b) Nature of contracts/ arrangements/ transactions	(c) Duration of the contracts/ arrangements/ transactions	(d) Salient terms of the contracts or arrangements or transactions including the value, if any	(e) Date(s) of approval by the Board, if any	(f) Amount paid as advances, if any
		NIL			

For and on behalf of the Board of Directors

Sandip Somany
Chairman and Managing Director

ANNEXURE- E

FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR FINANCIAL YEAR 2023-2024

1 **Brief outline on CSR Policy of the Company**

Please refer Corporate Social Responsilbitly section in this report and also in Corporate Governance Report. For detailed CSR Policy please refer Company's website at the link : https://hindware.com/who-we-are/docs/hindware-csr-policy-brilloca-version-II.pdf

2 **Composition of CSR Committee**

SL.No	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Salil Kumar Bhandari	Chairman of the Committee and Independent Director of the Company	2	2
2	Mr. Sandip Somany	Member of the Committee and Chairman and Managing Director of the Company	2	2
3	Mr. Ashok Jaipuria	Member of the Committee and Independent Director of the Company	2	1
4	Mr. G.L.Sultania	Member of the Committee and Non-executive Non-Independent Director of the Company	2	2

3 **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.**

4 **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).** N.A

5 **(a) Average net profit of the company as per section 135(5).** **12,768.23 Lakhs**

(b) Two percent of average net profit of the company as per section 135(5) **255.36 Lakhs**

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. NIL

(d) Amount required to be set off for the financial year, if any NIL

(e) Total CSR obligation for the financial year ((b)+(c)-(d)). **255.36 Lakhs**

6 **(a) Amount spent on CSR Projects (Both Ongoing Project and Other than Ongoing Projects)** **257.64 Lakhs**

(b) Amount spent in Administrative Overheads NIL

(c) Amount spent on Impact Assessment, if applicable N.A

(d) Total amount spent for the Financial Year ((a) +(b) +(c)) **257.64 Lakhs**

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
25,764,417	NIL		NIL		

(f) Excess amount for set off, if any

Sl.No	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as	25,536,452
(ii)	Total amount spent for the Financial Year	25,764,417
(iii)	Excess amount spent for the financial year [(ii)-(i)]	227.965
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	227,965

7 **Details of Unspent CSR amount for the preceding three financial years:**

Sl.No	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount	Date of transfer	
1	FY-1						
2	FY-2	NOT APPLICABLE					
3	FY-3						

8 **Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:** **No**

If Yes, enter the number of Capital assets created/ acquired: **Not Applicable**

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

SL.No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
1	2	3	4	5	6		
					CSR Registration Number, if applicable	Name	e Registered address
			Not Applicable				

9 Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

During the year, the Company has spent Rs. 257.64 lakhs towards CSR activities, which is above two per cent of the average net profit of the last three financial years.

Sandip Somany
Chairman and Managing Director

Salil Kumar Bhandari
Chairman of CSR Committee

HINDWARE LIMITED
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Notice is hereby given that the 7th (Seventh) Annual General Meeting of the members of Hindware Limited will be held on Friday, 9 August 2024 at 1:30 p.m. through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS:

1. To consider and adopt:

   The audited financial statements of the Company for the financial year ended 31 March 2024, the reports of the Board of Directors and Auditors thereon.

2. To declare Dividend on Fully Paid-up Equity Shares and on Partly Paid-up Equity Shares for the year ended 31 March 2024.

3. To appoint a Director in place of Mr. Girdhari Lal Sultania (DIN: 00060931) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

4. **To approve appointment of Mr. Shashvat Somany (DIN: 10058462) as Non-Executive Non-Independent Director**

   To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 152 and 161 of the Companies Act, 2013 ("Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and any other applicable provisions of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendation of the Nomination and Remuneration Committee and Board of Directors of the Company, Mr. Shashvat Somany (DIN: 10058462), who was appointed by the Board of Directors as an Additional Director designated as Non-Executive Non-Independent Director of the Company with effect from 20 May 2024 in accordance with the provisions of Section 161 of the Act and who holds office up to the date of this Annual General Meeting of the Company and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Non-Executive Non-Independent Director of the Company, liable to retire by rotation."

   RESOLVED FURTHER THAT the Board of Directors of the Company or any Committee thereof and/or Company Secretary of the Company be and are hereby authorized to perform all such acts and things and to sign all such deeds and documents, as may be considered necessary, desirable or expedient to give effect to this resolution."

5. **To approve re-appointment of Mr. Sandip Somany as Chairman and Managing Director and remuneration payable thereof**

   To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

   "RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with

Schedule V of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and on recommendation of Nomination and Remuneration Committee and Board of Directors of the Company, and subject to such other approvals and/or sanctions as may be necessary, consent of the members of the Company be and is hereby accorded to re-appoint Mr. Sandip Somany (DIN: 00053597) as Chairman and Managing Director of the Company for a further period of 5 (Five) consecutive years, commencing from 15 October 2024 till 14 October 2029, on terms and conditions including remuneration by way of salary, commission, perquisites and/or allowances, contained in a draft Agreement to be entered into between the Company and Mr. Sandip Somany, which Agreement is hereby specifically approved and sanctioned with liberty to the Board of Directors to alter, vary and modify the terms, conditions and stipulations of the said re-appointment provided, however, that the remuneration payable to Mr. Sandip Somany may exceed the limits specified in Schedule V of the said Act or any amendment thereto as may be made from time to time or the laws or guidelines as may for the time being in force.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, notwithstanding anything to the contrary herein contained, during his tenure, the existing remuneration shall be paid as minimum remuneration subject to the provisions of Part II of Schedule V of the Act or any amendments thereto.

RESOLVED FURTHER THAT the Board of Directors of the Company or any Committee thereof and/or Company Secretary of the Company be and are hereby authorized to perform all such acts and things and to sign all such deeds and documents, as may be considered necessary, desirable or expedient to give effect to this resolution."

6. To approve re-appointment of Mr. Ashok Jaipuria as Independent Director of the Company

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Schedule IV of the Companies Act, 2013 ("Act") and any other applicable provisions of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendation of Nomination and Remuneration Committee and Board of Directors of the Company, Mr. Ashok Jaipuria (DIN 00214707), Independent Director of the Company, who holds office upto 11 November 2024 and who is eligible for re-appointment as an Independent Director and who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for his second term of five consecutive years commencing from 12 November, 2024.

RESOLVED FURTHER THAT the Board of Directors of the Company or any Committee thereof and/or Company Secretary of the Company be and are hereby authorized to perform all such acts and things and to sign all such deeds and documents, as may be considered necessary, desirable or expedient to give effect to this resolution."

7. To approve re-appointment of Mr. Salil Kumar Bhandari as Independent Director of the Company

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Schedule IV of

the Companies Act, 2013 ("Act") and any other applicable provisions of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendation of Nomination and Remuneration Committee and Board of Directors of the Company, Mr. Salil Kumar Bhandari (DIN 00017566), Independent Director of the Company, who holds office upto 11 November 2024 and who is eligible for re-appointment as an Independent Director and who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for his second term of five consecutive years commencing from 12 November 2024.

RESOLVED FURTHER THAT the Board of Directors of the Company or any Committee thereof and/or Company Secretary of the Company be and are hereby authorized to perform all such acts and things and to sign all such deeds and documents, as may be considered necessary, desirable or expedient to give effect to this resolution."

8. To approve re-appointment of Dr. Rainer Siegfried Simon as Independent Director of the Company

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Schedule IV of the Companies Act, 2013 ("Act") and any other applicable provisions of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendation of Nomination and Remuneration Committee and Board of Directors of the Company, Dr. Rainer Siegfried Simon (DIN 03543040), Independent Director of the Company, who holds office upto 11 November 2024 and who is eligible for re-appointment as an Independent Director and who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for his second term of five consecutive years commencing from 12 November 2024.

RESOLVED FURTHER THAT the Board of Directors of the Company or any Committee thereof and/or Company Secretary of the Company be and are hereby authorized to perform all such acts and things and to sign all such deeds and documents, as may be considered necessary, desirable or expedient to give effect to this resolution."

9. To approve re-appointment of Ms. Alpana Parida as Independent Director of the Company

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Schedule IV of the Companies Act, 2013 ("Act") and any other applicable provisions of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendation of Nomination and Remuneration Committee and Board of Directors of the Company, Ms. Alpana Parida (DIN 06796621), Independent Director of the Company, who holds office upto 26 March 2025 and who is eligible for re-appointment as an Independent Director and who has submitted a declaration that she meets the criteria of independence under Section 149(6) of the Act and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing her candidature for the office of Director, be and is hereby re-appointed as an

Independent Director of the Company, not liable to retire by rotation, to hold office for her second term of five consecutive years commencing from 27 March 2025.

RESOLVED FURTHER THAT the Board of Directors of the Company or any Committee thereof and/or Company Secretary of the Company be and are hereby authorized to perform all such acts and things and to sign all such deeds and documents, as may be considered necessary, desirable or expedient to give effect to this resolution."

10. TO APPROVE INCREASE IN BORROWING LIMITS OF THE COMPANY UNDER SECTION 180 (1)(C) OF THE COMPANIES ACT, 2013

To consider and, if thought fit, to pass, the following as a **Special Resolution**:

"RESOLVED THAT in supersession of the earlier resolutions passed, the consent of the Company be and is hereby accorded in terms of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, read with the relevant Rules thereof (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof) for borrowing from time to time any sum or sums of monies which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up share capital of the Company, free reserves and securities premium that is to say, reserves not set apart for any specific purpose, provided that the total amount so borrowed shall not at any time exceed Rs.2,500 Crore (Rupees Two Thousand Five Hundred Crore Only).

RESOLVED FURTHER THAT the Board of Directors or Company Secretary of the Company be and are hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

By Order of the Board
For Hindware Limited

Payal M Puri
(Company Secretary & Sr. V.P. Group General Counsel)

Place: Gurugram
Date: 20th May 2024

NOTES:

1. Explanatory Statement, setting out the material facts concerning the items of Special Businesses to be transacted at the Annual General Meeting, pursuant to Section 102 of the Companies Act, 2023, is annexed hereto and forms part of the Notice.

2. Ministry of Corporate Affairs vide its General Circulars 09/2023 dated 25 September 2023 read with General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 02/2022 and 10/2022 dated 8 April 2020, 13 April 2020, 5 May 2020, 13 January 2021, 5 May 2022 and 28 December 2022 respectively, hereinafter referred as "MCA Circulars", has extended relaxations to conduct Annual General Meeting ("AGM") of the Companies due in year 2024 through VC/OAVM. Hence, in compliance with the said MCA Circulars, the 7th (Seventh) AGM of the Company is being conducted through VC/OAVM on Friday 9 August 2024 at 1.30 p.m., which does not require the physical presence of Members at a common venue. The deemed venue for the AGM shall be the Registered Office of the Company.

3. Pursuant to MCA Circulars, since the AGM is conducted through VC/OAVM, where physical presence of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies under Section 105 of the Companies Act, 2013 ("Act") is not available for this AGM hence Proxy Form, Attendance Slip and Route Map of AGM venue are not annexed to this Notice. However, in pursuance of Sections 112 and 113 of the Act, representatives of the Members may be appointed for the purpose of voting through remote e-voting for participation and voting in the AGM through VC/OAVM. Corporate members are required to send the relevant Board Resolution/Authority Letter/POA of the duly authorised signatory who has the authority to attend and vote on their behalf at the AGM.

4. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

5. Members holding partly paid Equity Shares are eligible to attend the AGM and shall have voting rights proportionate to the amount paid up for such partly paid Equity Shares.

6. M/s. Lodha & Co. LLP, Chartered Accountants, Statutory Auditor of the Company having Firm's Registration No. 301051E were reappointed as Statutory Auditors of the Company at the sixth Annual General Meeting of the Company held on 21 June, 2023 for a period of 5 years i.e to hold office for the second term of five consecutive years i.e. from conclusion of the 6th (Sixth) Annual General Meeting till the conclusion of the 11th (Eleventh) Annual General Meeting of the Company at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors including out of pocket expenses and other expenses.

7. The members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.

8. Documents, if any, referred to in the Notice shall be made available at the registered office of the Company during working days between 3.00 p.m. to 5.00 p.m. upto and during the AGM for inspection by the Members and also on the Company's website i.e. ww.hindware.com

9. In case of poll, the Members are requested to convey their vote (assent/dissent) to the resolutions by filling the ballot form, which forms part of this Notice, and send the same to the Company's designated e-mail id payal@hindware.com.

10. The Members are requested to attend the AGM by clicking on the link which will be sent by the Company to respective e-mail ids of the Members.

11. Dividend on Fully paid up equity shares and partly paid up equity shares, will be paid to those shareholders whose names appear in List of Beneficial Owners as on close of business hours of 31 July 2024, furnished by NSDL/CDSL.

12. Members who hold equity shares in the dematerialized form and want to provide/change/ correct the bank account details should send the same immediately to their concerned Depository Participant and not to the Company. The Company will not entertain any direct request from Members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details. While making payment of Dividend, the Registrar and Share Transfer Agent is obliged to use only the data provided by the Depositories, in case of equity shares held in dematerialised form.

13. Members of the Company are informed that pursuant to the provisions of Section 124(5) of the Companies Act, 2013, the amount of dividend which remains unpaid / unclaimed for a period of 7 consecutive years is required to be transferred to the 'Investor Education & Protection Fund' (IEPF) constituted by the Central Government. It is further informed that, as on date, no amount of dividend is unpaid/unclaimed for any financial year so declared by the Company.

14. Pursuant to the Companies (Prospectus and Allotment of Securities) Third Amendment Rules, 2018, the Company has facilitated dematerialisation of all its existing securities by way of registration and admission of its existing securities with the depository. It is further informed that all the shares/securities issued by the Company are held in dematerialised form only.

EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

The Board of Directors ("Board") appointed Mr. Shashvat Somany as an Additional Director of the Company with effect from 20 May 2024 pursuant to the provisions of Section 161 of the Companies Act, 2013 ("Act") and Articles of Association of the Company. Accordingly, Mr. Shashvat will hold office up to the date of the ensuing Annual General Meeting ("AGM") and is eligible to be appointed as a Non-Executive Non-Independent Director of the Company subject to approval of the members at the ensuing AGM.

The Company has received a declaration from Mr. Shashvat that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act. Further, the Company has also received his consent to act as a Director in terms of Section 152 of the Act. The Company has received notice in writing under the provisions of Section 160 of the Act, from a member proposing the candidature of Mr. Shashvat for the office of Director.

Except Mr. Shashvat, being the appointee, or his relatives, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolutions set out at item No. 4.

Brief Profile of Mr. Shashvat forms part of this Notice. This Explanatory Statement together with the accompanying Notice of the AGM may also be regarded as disclosure in accordance with the Secretarial Standard on General Meetings (SS-2) of ICSI.

The Board recommends the resolution set forth in item no. 4 for the approval of the members.

ITEM NO. 5

Mr. Sandip Somany was appointed as Chairman and Managing Director of the Company by the Shareholders of the Company in their Second Extra-Ordinary General Meeting held on 14

November, 2019 for a period of five years w.e.f. 15 October 2019. Accordingly, the present term of Mr. Sandip Somany as Chairman and Managing Director of the Company ("Mr. Somany") will expire by efflux of time on 14th October 2024. Having regard to the long association of Mr. Somany with the Company and taking into account his wide experience of over 39 years and vast knowledge in Ceramic and Glass Industry, the Board of Directors at their meeting held on 20 May 2024, has recommended to re-appoint Mr. Somany as Chairman and Managing Director of the Company for a further period of 5 (five) consecutive years, commencing from 15 October 2024 upto 14 October 2029 on remuneration as recommended by the Nomination and Remuneration Committee. His re-appointment and remuneration fixed by the Board are in accordance with Section 197 of the Companies Act, 2013 ("the Act") read with Schedule V thereto and are subject to the approval of the shareholders for which purpose relevant resolution as set out under item no. 5 of the accompanying Notice is proposed.

The Board of Directors has recommended the following remuneration, pursuant to the recommendation of Nomination and Remuneration Committee, payable to Mr. Somany with the power to the Board to make variation or increase therein as may be thought fit from time to time, during the tenure of his re-appointment which may exceed the limits laid down in the Act read with Schedule V thereto.

The abstract of terms and conditions of the re-appointment and remuneration payable to Mr. Somany, as embodied in the draft Agreement to be entered into by Mr. Somany with the Company for his re-appointment and remuneration payable to him, are as follows:

1. **Period of Appointment :** 5 (Five) years commencing from 15th October, 2024 till 14th October 2029.

2. **Remuneration :**

Salary	:	Rs. 1,08,35,500/- p.m. in the scale of Rs. 1,08,35,500/- - 10,83,550/- -1,62,53,250/-.
Commission	:	At the rate 10% of the net profits of the Company for each financial year computed in the manner laid down in Section 197 of the Companies Act, 2013.
Perquisites, Allowances and Benefits	:	House Rent Allowance together with furnishings, with gas, electricity, water and other amenities, car(s) with driver(s), reimbursement of medical expenses incurred in India or abroad including hospitalisation and surgical charges for self and family and travel relating thereto; and other perquisites, allowances and benefits including but not limited to reimbursement of expenses on servants, telephones, leave travel including foreign travel for self and family, fees of clubs, personal accident insurance, mobile, laptop and internet connection etc. and any other perquisites, allowances and benefits as may be sanctioned by the Board from time to time. The perquisites shall be evaluated as per actual cost or the income tax Rules, as applicable.

Unless the context otherwise requires, perquisites are classified into three categories A, B and C as follows:-

CATEGORY - A

This will comprise of house rent allowance, leave travel concession, medical reimbursement, fees of clubs, personal accident insurance and such other benefits, facilities and allowances

as may be available and allowed to Mr. Somany, as per rules of the Company. These may be provided for as under:-

Housing

i) The expenditure incurred by the Company on hiring furnished accommodation for Mr. Somany will be subject to the ceiling – 60 (Sixty) percent of the Salary, over and above 10 (Ten) per cent payable by Mr. Somany.

ii) In case the accommodation is owned by the Company, 10 (Ten) per cent of the salary of Mr. Somany shall be deducted by the Company.

iii) In case no accommodation is provided by the Company, Mr. Somany shall be entitled to House Rent Allowance subject to the ceiling laid down under Clause (i) above.

Explanation

The Expenditure incurred by the Company on Gas, Electricity, Water and Furnishing shall be valued as per the Income Tax Rules, 1962. This shall, however, be subject to a ceiling of 10 (Ten) per cent of the salary of Mr. Somany.

Medical Reimbursement

All medical expenses incurred for self and his family including hospitalisation, Nursing Home and Surgical charges in India and/or Abroad or both subject to a ceiling of one month's salary in a year or five month's salary over a period of five years.

Leave Travel Concession

For Mr. Somany and his family once in a year incurred in accordance with the Rules of the Company.

Club Fees

Fees of Clubs subject to a maximum of two Clubs. This will not include admission and life membership fees.

Personal Accident Insurance

Of an amount, the annual premium of which does not exceed Rs.10,000/- per annum for Mr. Somany.

Other benefits and Allowances

Any other benefits, facilities and allowances as may be available and allowed to Mr. Somany, as per rules of the Company.

The value of the perquisites for the purpose of calculating the above annual ceiling shall be evaluated as per Income Tax Rules wherever applicable, otherwise at actual.

CATEGORY –B

i) Contributions to Provident Fund and Superannuation/Annuity Fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

ii) Gratuity payable shall be half a month's salary for each completed year of service.

iii) Encashment of Leave at the end of the tenure will be permitted and will not be included in the computation of the ceiling on perquisites.

CATEGORY - C

Provision of car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to Mr. Somany. Mr. Somany shall also be provided

with a Mobile, Laptop and internet connection for the purpose of the Company's business, which will also not form part of perquisites.

Overall Remuneration

Overall limit payable to the Chairman & Managing Director may exceed 11% of the net profits as calculated in accordance with Section 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the said Act, as may be for the time being in force.

Minimum Remuneration

In the event of loss or inadequacy of profits in any financial year during the currency of tenure of office of Mr. Somany, the Company shall pay Mr. Somany the existing remuneration as minimum remuneration by way of salary, perquisites and/ or allowance exceeding the limit laid down in Section II of Part II of Schedule V to the Companies Act, 2013, as applicable to the Company and as may be agreed to by the Board of Directors of the Company and acceptable to Mr. Somany or such other limits, as may be prescribed by the Central Government from time to time as to minimum remuneration.

Sitting Fee

Mr. Somany shall not, so long as he acts as the Whole-time Director, designated as the Chairman and Managing Director of the Company, be paid any sitting fee for attending any meeting of the Board or any Committee thereof.

Other Terms

Mr. Somany shall not, during the continuance of his employment hereunder or at any time thereafter, divulge or disclose to any person or make use whatever for his own or for any other purpose any confidential information or knowledge acquired by him during his employment under the Company as to the business or affairs of the Company or as to any trade secret or secrets, processes of the Company and shall, during the continuance of his employment hereunder, use his best endeavors to prevent any other person from doing so.

The Board of Directors may, in their discretion, revise or modify any of the terms of appointment and remuneration from time to time in accordance with the applicable provisions of the Companies Act and Rules made thereunder.

Termination

Notwithstanding anything contained in this Agreement, either party shall be entitled to determine this Agreement by giving 6 (six) months' notice in writing in that behalf to the other party and on the expiry of the period of such notice, the Agreement shall stand terminated. The Company shall also be entitled without assigning any reason whatsoever, to terminate the Agreement on giving to Mr. Somany 6 (six) months' salary in lieu of six months' notice required to be given under this Clause.

Service of Notice

Any notice to be given hereunder shall be sufficiently given or served in case of Mr. Somany by being delivered either personally to him or left for him at his address last known to the Company or sent by registered post addressed to him at such address and in the case of the Company by being delivered at or sent by registered post addressed to its registered office, any such notice if so posted shall be deemed served on the day following that on which it was posted.

In pursuance of Section II of Part II of Schedule V of the Act, following further information is given:-

1. **General Information**

(a) Nature of industry	Manufacturing, Branding, marketing, sales, distribution, trading, service, etc. of various building products like sanitaryware, faucets, other lifestyle products, UPVC and CPVC pipes, fittings, tiles, etc.,
(b) Date or expected date of commencement of commercial production.	Not Applicable
(c) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable
(d) Financial performance based on given indicators.	Financial year 2023-24 Gross Revenue : Rs. 2,35,464 lakhs Profit after Tax : Rs. 13,931 lakhs Rate of Dividend : Re 1 per fully paid equity shares and Rs. 0.50 per partly paid up equity shares Earning per Share: Rs. 20.85
(e) Export performance and net foreign exchange earnings.	Rs. 193.88 lakhs
(f) Foreign investments or collaborators, if any.	The Company has following wholly owned foreign subsidiaries: 1) Halis International Limited 2) QUEO Bathroom Innovation Limited

2. Information about the appointee:

Background Details	Presently, he is a promoter and Chairman and Managing Director of the AGI Greenpac Limited and Chairman of Hindware Home Innovation Limited and also holds an overall 39 years work experience of ceramics, glass industry and other lifestyle products, UPVC and CPVC pipes, fittings, tiles. He has been the Past President of Federation of Indian Chambers of Commerce and Industry (FICCI), PHD Chamber of Commerce and Industry (PHDCCI), and International Chamber of Commerce (Headquarter in Paris) India Chapter. He is currently the Chairman of Indian Council of Sanitaryware Manufactures (INCOSAMA).
Past Remuneration	Rs.1,00,02,000/- per month plus perquisites as applicable.
Recognition or Awards	He has been associated with a number of premier institutes / organizations: PHD Chamber of Commerce and Industry (PHDCCI) Bureau of Indian Standards (BIS) The Associated Chambers of Commerce and Industry of India Federation of Indian Chambers of Commerce & Industry
Job Profile and his suitability	Presently, he is the Chairman and Managing Director of AGI Greenpac Limited and Chairman of Hindware Home Innovation Limited and he is responsible for steering the operations of the said companies, planning of new business ventures and investments. He possesses a sound knowledge of the ceramic and glass industry including technical processes, national and international markets etc and other lifestyle products, UPVC and CPVC pipes, fittings, tiles.

	He is involved in organizational development, business process re-engineering. Very dexterously, he combines contemporary management techniques with real life practical approach.
Remuneration Proposed	As mentioned in the item no. 5 of Explanatory Statement
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	Considering the responsibility for enhancing the business activities of the Company in future and also considering the levels of remuneration in India and worldwide, the remuneration proposed is considered reasonable.
Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	Does not have any pecuniary relationship with the Company and/or with the managerial personnel of the Company.

3. Other Information

Reasons of loss or inadequate profits	NA
Steps taken or proposed to be taken for improvement	
Expected increase in productivity and profits in measurable terms	

General Information

The Board of Directors are of the view that it is in the interest of the Company to avail the services of Mr. Somany as Chairman and Managing Director of the Company.

Approval of members is sought for re-appointment of Mr. Somany as Chairman and Managing Director and for payment of remuneration including minimum remuneration.

Memorandum of Interest

None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution set out under item no. 5 of the accompanying Notice of 7th Annual General Meeting of the Company.

Inspection of documents

The draft of the proposed Agreement to be entered into between the Company and Mr. Somany is available for inspection by the Members of the Company at its Registered Office, on any working day prior to the date of the meeting during 3.00 p.m to 5.00 p.m and will also be available at the meeting and also at the website of the Company

The Board recommends the Resolution for approval of the Shareholders of the Company.

ITEM NO. 6

Mr. Ashok Jaipuria ("Mr. Jaipuria") was appointed as an Independent Director on the Board of Directors of the Company vide resolution passed by the members at the 3rd Annual General Meeting ("AGM") of the Company held on 30 July, 2020 for a term of 5 (Five) consecutive years w.e.f. 12 November 2019 pursuant to the provisions of Section 149 of the Companies Act,

2013 ("Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014. Accordingly, the tenure of Mr. Jaipuria will expire by efflux of time on 11th November, 2024.

Pursuant to the provisions of Section 149 and other applicable provisions of the Act, an Independent Director shall hold office for a term up to five consecutive years on the Board of a Company and shall be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in Board's report.

Pursuant to the recommendation of Nomination and Remuneration Committee and the Board of Directors of the Company on the basis of performance evaluation of Independent Directors and taking into account the external business environment, his business knowledge, core skills and experience, it is proposed to re-appoint Mr. Jaipuria as an Independent Director, not liable to retire by rotation, for the second term of five consecutive years on the Board of the Company commencing from 12th November, 2024 to 11th November, 2029 by way of a special resolution.

The Company has received a declaration from Mr. Jaipuria confirming that he meets the criteria of independence under the Act. Further, the Company has also received his consent to act as a Director in terms of Section 152 of the Act and a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member proposing the candidature of Mr. Jaipuria for the office of Independent Director.

In the opinion of the Board of Directors, Mr. Jaipuria fulfills the conditions specified in the Act for his re-appointment as an Independent Director of the Company and is independent of the Management.

A copy of the draft letter for the appointment of Mr. Jaipuria as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office on any working day of the Company between 3:00 P.M to 5:00 P.M. and will also be available at the meeting and also available at the Website of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Jaipuria as an Independent Director.

Except Mr. Jaipuria, being the appointee, or his relatives, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution set out at item No. 6 of the accompanying Notice.

Brief Profile of Mr. Jaipuria forms part of this Notice. This Explanatory Statement together with the accompanying Notice of the AGM may also be regarded as Secretarial Standard on General Meetings (SS-2) of ICSI.

The Board recommends the Special Resolution set forth under item no. 6 of the accompanying Notice for approval of the shareholders.

ITEM NO. 7

Mr. Salil Kumar Bhandari ("Mr. Bhandari") was appointed as an Independent Director on the Board of Directors of the Company vide resolution passed by the members at the 3rd Annual General Meeting ("AGM") of the Company held on 30 July, 2020 for a term of 5 (Five) consecutive years w.e.f. 12 November 2019 pursuant to the provisions of Section 149 of the Companies Act, 2013 ("Act") read with the Companies (Appointment and Qualification of

Directors) Rules, 2014. Accordingly, the tenure of Mr. Bhandari will expire by efflux of time on 11th November, 2024.

Pursuant to the provisions of Section 149 and other applicable provisions of the Act, an Independent Director shall hold office for a term up to five consecutive years on the Board of a Company, and shall be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in Board's report.

Pursuant to the recommendation of Nomination and Remuneration Committee and the Board of Directors of the Company on the basis of performance evaluation of Independent Directors and taking into account the external business environment, his business knowledge, core skills and experience, it is proposed to re-appoint Mr. Bhandari as an Independent Director, not liable to retire by rotation, for the second term of five consecutive years on the Board of the Company commencing from 12th November, 2024 to 11th November, 2029 by way of a special resolution.

The Company has received a declaration from Mr. Bhandari confirming that he meets the criteria of independence under the Act. Further, the Company has also received his consent to act as a Director in terms of Section 152 of the Act and a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member proposing the candidature of Mr. Bhandari for the office of Independent Director.

In the opinion of the Board of Directors, Mr. Bhandari fulfills the conditions specified in the Act for his re-appointment as an Independent Director of the Company and is independent of the Management.

A copy of the draft letter for the appointment of Mr. Bhandari as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office on any working day of the Company between 3:00 P.M to 5:00 P.M. and will also be available at the meeting and also available at the Website of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Bhandari as an Independent Director.

Except Mr. Bhandari, being the appointee, or his relatives, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution set out at item No. 7 of the accompanying Notice.

Brief Profile of Mr. Bhandari forms part of this Notice. This Explanatory Statement together with the accompanying Notice of the AGM may also be regarded as Secretarial Standard on General Meetings (SS-2) of ICSI.

The Board recommends the Special Resolution set forth under Item no. 7 of the accompanying Notice for approval of the shareholders.

ITEM NO. 8

Dr. Rainer Siegfried Simon ("Dr. Simon") was appointed as an Independent Director on the Board of Directors of the Company vide resolution passed by the members at the 3rd Annual General Meeting ("AGM") of the Company held on 30 July 2020 for a term of 5 (Five) consecutive years w.e.f. 12 November 2019 pursuant to the provisions of Section 149 of the Companies Act, 2013 ("Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014. Accordingly, the tenure of Dr. Simon will expire by efflux of time on 11th November, 2024.

Pursuant to the provisions of Section 149 and other applicable provisions of the Act, an Independent Director shall hold office for a term up to five consecutive years on the Board of a Company, and shall be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in Board's report.

Pursuant to the recommendation of Nomination and Remuneration Committee and the Board of Directors of the Company on the basis of performance evaluation of Independent Directors and taking into account the external business environment, his business knowledge, core skills and experience, it is proposed to re-appoint Dr. Simon as an Independent Director, not liable to retire by rotation, for the second term of five consecutive years on the Board of the Company commencing from 12th November, 2024 to 11th November, 2029 by way of a special resolution.

The Company has received a declaration from Dr. Simon confirming that he meets the criteria of independence under the Act. Further, the Company has also received his consent to act as a Director in terms of Section 152 of the Act and a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member proposing the candidature of Dr. Simon for the office of Independent Director.

In the opinion of the Board of Directors, Dr. Simon fulfills the conditions specified in the Act for his re-appointment as an Independent Director of the Company and is independent of the Management.

A copy of the draft letter for the appointment of Dr. Simon as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office on any working day of the Company between 3:00 P.M to 5:00 P.M. and will also be available at the meeting and also available at the Website of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Dr. Simon as an Independent Director.

Except Dr. Simon, being the appointee, or his relatives, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution set out at item No. 8 of the accompanying Notice.

Brief Profile of Dr. Simon forms part of this Notice. This Explanatory Statement together with the accompanying Notice of the AGM may also be regarded as Secretarial Standard on General Meetings (SS-2) of ICSI.

The Board recommends the Special Resolution set forth under Item no. 8 of the accompanying Notice for approval of the shareholders.

ITEM NO. 9

Ms. Alpana Parida ("Ms. Parida") was appointed as an Independent Director on the Board of Directors of the Company vide resolution passed by the members at the 3rd Annual General Meeting ("AGM") of the Company held on 30 July 2020 for a term of 5 (Five) consecutive years w.e.f. 27 March 2020 pursuant to the provisions of Section 149 of the Companies Act, 2013 ("Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014. Accordingly, the tenure of Ms. Parida will expire by efflux of time on 26 March 2025.

Pursuant to the provisions of Section 149 and other applicable provisions of the Act, an Independent Director shall hold office for a term up to five consecutive years on the Board of a

Company, and shall be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in Board's report.

Pursuant to the recommendation of Nomination and Remuneration Committee and the Board of Directors of the Company on the basis of performance evaluation of Independent Directors and taking into account the external business environment, his business knowledge, core skills and experience, it is proposed to re-appoint Ms. Parida as an Independent Director, not liable to retire by rotation, for the second term of five consecutive years on the Board of the Company commencing from 27 March 2025 to 26 March 2030 by way of a special resolution.

The Company has received a declaration from Ms. Parida confirming that she meets the criteria of independence under the Act. Further, the Company has also received her consent to act as a Director in terms of Section 152 of the Act and a declaration that she is not disqualified from being appointed as a Director in terms of Section 164 of the Act. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member proposing the candidature of Ms. Parida for the office of Independent Director.

In the opinion of the Board of Directors, Ms. Parida fulfills the conditions specified in the Act for her re-appointment as an Independent Director of the Company and is independent of the Management.

A copy of the draft letter for the appointment of Ms. Parida as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office on any working day of the Company between 3:00 P.M to 5:00 P.M. and will also be available at the meeting and also available at the Website of the Company.

The Board considers that her continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Ms. Parida as an Independent Director.

Except Ms. Parida, being the appointee, or her relatives, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution set out at item No. 9 of the accompanying Notice.

Brief Profile of Ms. Parida forms part of this Notice. This Explanatory Statement together with the accompanying Notice of the AGM may also be regarded as Secretarial Standard on General Meetings (SS-2) of ICSI.

The Board recommends the Special Resolution set forth under item no. 9 of the accompanying Notice for approval of the shareholders.

ITEM NO. 10

The Company vide its Special Resolution passed by the Members of the Company at its 5th Annual General Meeting held on 30 June 2022 ("5th AGM"), had accorded its consent to the Board of Directors to borrow funds to the extent of Rs. 2000 crore in excess of the paid up capital and free reserves of the Company.

In view of Company's consistent requirements for financing the capital expenditure on expansion and modernization programs and partly to augment the long term capital requirements for Company's growing activities and operations, it is necessary to raise the existing borrowing limit of Rs. 2000 Crore to Rs. 2500 Crore.

Thus, pursuant to provisions of Section 180 of the Companies Act, 2013 consent of the members is required by way of a Special Resolution for said enhancement in borrowing limit of the company.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution set out at item No. 10 of the accompanying Notice.

The Board recommends the Special Resolution set out under item no.10 of the accompanying Notice for approval by the shareholders.

ANNEXURE - I

Details of Directors seeking appointment/re-appointment at the 7th Annual General Meeting scheduled to be held on Friday, 9 August 2024.

Mr. Shashvat Somany

Category	Non-Executive Independent Director
Date of Birth (Age)	12 October 1994 (aged about 29 years)
Date of first appointment on the Board	NA
Qualifications	Master of Business Administration with a specialization in Tech & Analytics from London Business School
Experience	More than 4 years
Shareholding in the Company	Nil
Terms and Conditions of appointment/ re-appointment	He will be appointed as Non-Executive Non-Independent Director
Remuneration sought to be paid	Profit related commission and sitting fees for attending meetings of Board of Directors and its Committees thereof.
Remuneration last drawn during Financial period-2023-2024	NA
Relationship with other Directors/ KMP of the Company	He is Son of Mr. Sandip Somany Chairman and Managing Director of the Company
No. of Meetings of the Board attended during the year	NA
Directorships held in other Companies	Nil
Chairmanship/ Membership held in other Companies	Nil

Mr. Ashok Jaipuria

Category	Non-Executive Independent Director
Date of Birth (Age)	11 September 1953 (aged about 70 years)
Date of first appointment on the Board	12 November 2019
Qualifications	Degree in Associate of Arts in Business Administration and Diploma in Marketing Science
Experience	Over 48 years
Shareholding in the Company	Nil
Terms and Conditions of	A copy of draft letter for the re-appointment including terms

appointment/ re-appointment	and condition is available for inspection without any fee by the members at the Company's Registered Office.
Remuneration sought to be paid	Profit related commission and sitting fees for attending meetings of Board of Directors and its Committees thereof.
Remuneration last drawn during Financial period 2023-2024	Rs.29.86 lakhs
Relationship with other Directors/ KMP of the Company	None
No. of Meetings of the Board attended during the year	4(Four) Board Meetings held during the year and 2 (Two) meetings attended.
Directorships held in other Companies	2
Chairmanship/ Membership held in other Companies	Chairmanship 1) Cosmo First Limited Treasury & Banking Operations Committee Risk Management Committee Membership 1) Cosmo First Limited HR, Nomination & Remuneration Committee Corporate Social Responsibility (CSR) Committee

Mr. Salil Kumar Bhandari

Category	Non-Executive Independent Director
Date of Birth (Age)	28 November 1957 (aged about 66 years)
Date of first appointment on the Board	12 November 2019
Qualifications	Fellow member of Institute of Chartered Accountants of India, B. Com. (Hons.), and Diploma in Business Administration
Experience	Over 41 years
Shareholding in the Company	Nil
Terms and Conditions of appointment/ re-appointment	A copy of draft letter for the appointment including terms and condition is available for inspection without any fee by the members at the Company's Registered Office.
Remuneration sought to be paid	Profit related commission and sitting fees for attending meetings of Board of Directors and its Committees thereof.
Remuneration last drawn during Financial period 2023-2024	Rs. 31.91 lakhs
Relationship with other Directors/ KMP of the Company	None
No. of Meetings of the Board attended during the year	4(Four) Board Meetings held during the year and all meetings attended.
Directorships held in other Companies	7
Chairmanship/ Membership held in other Companies	**Chairmanship** **1) Hindware Home Innovation Limited** Audit Committee

	Nomination and Remuneration Committee Stakeholders' Relationship Committee **2) Greenpanel Industries Limited** Audit Committee Nomination and Remuneration Committee **Membership** **1) Ginni International Limited** Nomination and Remuneration Committee **2) Hindware Home Innovation Limited** Risk Management Committee

Dr. Rainer Siegfried Simon

Category	Non-Executive Independent Director
Date of Birth (Age)	7 March 1950 (aged about 74 years)
Date of first appointment on the Board	12 November 2019
Qualifications	A Doctorate and has a degree in Business Administration from St. Gallen University, Switzerland
Experience	More than 37 years
Shareholding in the Company	Nil
Terms and Conditions of appointment/ re-appointment	A copy of draft letter for the appointment including terms and condition is available for inspection without any fee by the members at the Company's Registered Office.
Remuneration sought to be paid	Profit related commission and sitting fees for attending meetings of Board of Directors and its Committees thereof.
Remuneration last drawn during Financial period 2023-2024	Rs. 28.81 lakhs
Relationship with other Directors/ KMP of the Company	None
No. of Meetings of the Board attended during the year	4(Four) Board Meetings held during the year and all meetings attended.
Directorships held in other Companies	Nil
Chairmanship/ Membership held in other Companies	Nil

Ms. Alpana Parida

Category	Non-Executive Independent Director
Date of Birth (Age)	22 January 1963 (aged about 61 years)
Date of first appointment on the Board	27 March 2020
Qualifications	She is graduated from IIM-Ahmedabad in 1985 and has a degree in Economics from St. Stephens, Delhi University
Experience	Over 28 years
Shareholding in the Company	Nil
Terms and Conditions of	A copy of draft letter for the appointment including terms and

appointment/ re-appointment	condition is available for inspection without any fee by the members at the Company's Registered Office.
Remuneration sought to be paid	Profit related commission and sitting fees for attending meetings of Board of Directors and its Committees thereof.
Remuneration last drawn during Financial period 2023-2024	Rs. 31.16 lakhs
Relationship with other Directors/ KMP of the Company	None
No. of Meetings of the Board attended during the year	4(Four) Board Meetings held during the year and all meetings attended.
Directorships held in other Companies	6
Chairmanship/ Membership held in other Companies	**Chairmanship** **1) Cosmo First Ltd** Stakeholder Relationship Committee **2) Nestle India Ltd** Stakeholder Relationship Committee **3) Nexus Select Mall Management Pvt. Ltd** Nomination and Remuneration Committee **Membership** **1) Cosmo First Ltd** Corporate Social Responsibility Committee **2) FSN E-Commerce Ventures Ltd** Nomination and Remuneration Committee **3) Nestle India Ltd** Audit Committee Nomination and Remuneration Committee **4) Nexus Select Mall Management Pvt Ltd** Audit Committee Corporate Social Responsibility Committee

HINDWARE LIMITED

Regd. Office: 2, Red Cross Place, Kolkata-700 001
CIN: U74999WB2017PLC223307
Phone: 033-22487407/5668
E-mail: ngoenka@hindware.co.in | Website : www.hindware.com

BALLOT PAPER

(Pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014)

Sl. No.	PARTICULARS		DETAILS
1.	Name(s) of the first named Shareholder (In Block Letters)	:	
2.	Postal Address	:	
3.	Registered Folio No./DP ID No. & Client ID No.* [*Applicable to Members holding shares in dematerialized form]	:	
4.	Class of share	:	**Equity**

I/We hereby exercise my/our vote in respect of the following Resolutions as set out in the Notice dated 20 May 2024 of the 7th **Annual General Meeting of the Company to be held on Friday, 9 August 2024 at 1:30 p.m.** by recording my/our assent or dissent to the said resolution in the following manner:

Resolution No.	Ordinary Business	No. of Shares held	I/We assent to the Resolution	I/We dissent from the Resolution
1.	To consider and adopt: The audited financial statements of the Company for the financial year ended 31 March 2024, the reports of the Board of Directors and Auditors thereon			
2.	To declare Dividend on Fully Paid-up Equity Shares and on Partly Paid-up Equity Shares for the year ended 31 March 2024			
3.	To appoint a Director in place of Mr. Girdhari Lal Sultania (DIN: 00060931) who retires by rotation and being eligible, offers himself for re-appointment.			
	Special Business			
4.	To approve appointment of Mr. Shashvat Somany (DIN: 10058462) as Non-Executive Non-Independent Director			
5.	To approve re-appointment of Mr. Sandip Somany as Chairman and Managing Director and remuneration payable thereof			

Resolution No.	Special Business	No. of Shares held	I/We assent to the Resolution	I/We dissent from the Resolution
6.	To approve re-appointment of Mr. Ashok Jaipuria as Independent Director of the Company			
7.	To approve re-appointment of Mr. Salil Kumar Bhandari as Independent Director of the Company			
8.	To approve re-appointment Dr. Rainer Siegfried Simon as Independent Director of the Company			
9.	To approve re-appointment Ms. Alpana Parida as Independent Director of the Company			
10.	To approve increase in Borrowing Limits of the Company under Section 180 (1)(c) of the Companies act, 2013			

Place:
Date:

_____
Signature of the Member/Authorised Representative

LODHA
& CO
Chartered Accountants

12, Bhagat Singh Marg, New Delhi - 110 001, India
Telephone : 91 11 23710176 / 23710177 / 23364671 / 2414
Fax : 91 11 23345168 / 23314309
E-mail : delhi@lodhaco.com

INDEPENDENT AUDITOR'S REPORT

To the Members of Hindware Limited (formerly known as Brilloca Limited)

Report on Audit of the Standalone Financial Statements

Opinion

We have audited the Standalone financial statements of Hindware Limited (formerly known as Brilloca Limited) ("the Company"), which comprise the standalone Balance Sheet as at 31st March 2023, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (herein after referred to as " Standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IND AS ") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, its Profit total Comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 Board's report, but does not include the standalone financial statements and our auditor's report thereon. Our opinion on the standalone 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 standalone 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, if we conclude that there is a material misstatement therein, we are required to report that fact.

we have nothing to report in this regard.

Responsibility of Management and Those Charged with Governance for the Standalone 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 standalone financial statements that give a true and fair view of the financial position/, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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

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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 standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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



Materiality is the magnitude of misstatements in the standalone 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 standalone financial statements.

Report on Other Legal and Regulatory Requirements

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

2. As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including other comprehensive income, the Standalone Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Indian Accounting Standard) Rules, 2015 as amended.

e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:



i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 46 to the standalone financial statements;

ii. The Company has made provision, as required under the applicable law or Indian Accounting Standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.;

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

iv.

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

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

(iii) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) above as required by Rule 11(e) of Companies (Audit & Auditors) Rules, 2014, as amended, contains any material mis-statement.

v.

(a) The final dividend proposed in the previous financial year, declared and paid by the Company during the year, is in compliance with section 123 of the Companies Act, 2013 (Note No. 17).

(b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members in the ensuing General meeting. The amount of dividend proposed is in accordance with section 123 of the Companies Act, 2013.

h) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 read with Schedule V to the Act.



i) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from 1st April, 2023, and accordingly, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31st March, 2023.

For LODHA & CO.
Chartered Accountants
Firm's Registration No.301051E





Shyamal Kumar
Partner
Membership No: 509325
UDIN : 23509325BGXJFG7907
Place: New Delhi
Date: 10th May 2023

Annexure – A to the Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of the Hindware Limited (formerly known as Brilloca Limited) on the financial statements as of and for the year ended 31st March 2023)

(i) (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work in progress and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) As per the physical verification program, Property, Plant and Equipment were physically verified during the year by the Management, program designed to cover all the items over a period of three years in a phased manner. Accordingly during the year, certain items have been physically verified which, in our opinion, provides for physical verification at reasonable having regards to the size of the company and the nature of its property plant and equipment. Based on information and records provided, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the property tax receipts and lease agreements and/ or registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties disclosed (except properties where the Company is the lessee and lease agreements are duly executed in the favour of the Company) in the financial statements and included in property, plant and equipment and are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.

(e) According to the information and explanations given to us and records provided, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) As per the physical verification program, the inventories of the Company (except stock lying with the third parties and in transit, for which confirmations have been received/material received) were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies noticed of 10% or more in the aggregate for each class of inventories where noticed on such physical verification of inventories when compared with books of account.



(b) According to the information and explanations given to us and as per the records verified, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with the banks in lieu of the sanctioned working capital facility, which are in agreement with the books of account other than those as set out below:-

(₹ in lakh)

Name of the Bank / financial institution	Working capital/ Cash credit limit sanctioned (₹ in Lakhs)	Nature of current assets/liabilities offered as security	Quarter ended	Amount disclosed as per Stock Statement	Amount as per books of accounts	Differences	Remarks/ Reason, if any
Standard Chartered Bank ,Citi Bank ,The Hongkong and Shanghai Banking Corporation Limited, HDFC Bank Limited ,Axis Bank Limited and The Federal Bank Limited.	56,000	Stock, trade receivables, advance to suppliers, trade payable	30th June 2022	60,594	62,135	1,541	Difference inter-alia arise on factors, like: # i. Regrouping / reclassification of ledger heads; ii. Line items on the date of submission of stock statement of each calendar month are subject to reconciliation's and adjustments thereon; iii. Regrouping, settlements of sales schemes items in ledger, not considered for purpose of calculation in Stock Statement iv. Information to the banks are provided based on provisional numbers.
			30th September 2022	69,251	61,257	7,994	
			31st December 2022	66,386	64,707	1,679	
			31st March 2023	61,917	59,448	2,469	

#(Refer Note No. 24 c)

(iii)(a) The Company has made investments in, provided guarantee or security and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which details are given below:

(₹ in lakh)

	Loans & Investment
A. Aggregate amount granted/provided during the year:	
Investment in subsidiary	20.00
- Others	
Loan to Holding Company	800.00
B. Balance outstanding as at balance sheet date in respect of above cases:	
Investment in subsidiary	20.00
- Others	
Loan to Holding Company	2,500.00

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The Company has not provided guarantee or security to companies, firms, Limited Liability Partnerships or any other parties during the year.

(b) The investments made during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans granted by the Company to holding company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) No loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3 (iii)(f) is not applicable.

(iv) According to the information, explanations and representations provided by the management and based upon audit procedures performed, we are of the opinion that in respect of loans granted, investments made and guarantees and securities provided, the Company has complied with the provisions of the Section 185 and 186 of the Companies Act, 2013.

(v) In our opinion the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits accepted and amounts deemed to be deposits accepted. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal against the Company in this regard.

(vi) The Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act, for the business carried out by the Company. Accordingly, paragraph 3(vi) of the order is not applicable.

(vii) (a) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues with the appropriate authorities to the extent applicable.



There were no undisputed statutory dues payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at 31st March 2023, for a period of more than six months from the date they became payable.

(b) According to the records and information & explanations given to us, details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March 2023 on account of disputes are given below:

Name of Statute	Nature of Due	Period	Amount involved (In Lakhs)	Forum Where Matter Is Pending
Delhi Sales Tax Act, 1975	Sales Tax	2004-05 to 2010-11	41.69	Additional commissioner
Delhi Sales Tax Act, 1975	Sales Tax	2010 to 2011 to 2014-15	73.05	Additional commissioner
Bihar Vat Act	Sales Tax	2016-17	14.29	Additional commissioner
CST Act	CST	2015-16	54.59	Special Commissioner, Delhi
Gujarat_ CST	VAT	2016-17	40.41	Joint Commissioner Appeal, Gujrat
Gujarat_ CST	VAT	2016-17	5.59	Deputy Commissioner Appeal, CCT, Ahmedabad, Gijarat
Jharkhand_VAT	VAT	2014-15	14.29	In the court of Additional Commissioner Commercial Taxes, Jharkhand, Ranchi.
Delhi Sales Tax Act, 1975	CST	2016-17	70.83	Department of Trade and Taxes, New Delhi
Delhi Sales Tax Act, 1975	VAT	2016-17	1.65	The Department of Trade and Taxes, Government of NCT of Delhi
Delhi Sales Tax Act, 1975	CST	2017-18	28.55	The Department of Trade and Taxes, Government of NCT of Delhi
Delhi Sales Tax Act, 1975	VAT	2017-18	1.84	Objecting Authority, Department of Trade and Taxes, New Delhi
Chandigarh_CST	CST	2014-15	41.14	Deputy Excise And Taxation Commissioner(Appeal), Chandigarh

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

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(ix)(a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) To the best of our knowledge and belief and information and records provided, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company and based on the representations of the Company, we report that the Company has neither taken any funds from any entity or person during the year nor it has raised funds through issue of shares or borrowings on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its Subsidiaries or joint ventures or associate companies.

(x)(a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(b) During the year the Company has made private placement of equity share capital on preferential basis (note no-16(f)). The Company has complied with the requirements of Section 42 and 62 of the Companies Act, 2013, and the funds raised have been, prima facie, used by the Company during the year for the purposes for which the funds were raised. The Company has not made any preferential allotment or private placement of (fully or partly or optionally) convertible debentures during the year.

(xi)(a) Based on the audit procedures performed and on the basis of information and explanations given by the management, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company and hence reporting under clause 3(xii) of the Order is not applicable.



(xiii) According to the information and explanations and records made available by the management of the Company and audit procedures performed, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable Indian accounting standards.

(xiv)(a)In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports issued to the Company during the year and till date in determining the nature timing and extent of our audit procedure.

(xv) On the basis of records made available to us and according to information and explanations given to us, the Company has not entered into non-cash transactions with the directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934 and hence reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable. As per the information and representation provided by the management, the group does not have any Core Investment Company(CIC) within the group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016).

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) 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 and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company and/ or certificate with respect to meeting financial obligations by the Company as and when they fall due. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a

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transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

(xxi) The Company has not prepared the Consolidated Financial Statements by availing the exemption mentioned in the Notification 742(E) dated 27th July 2016 issued by Ministry of Corporate Affairs and paragraph 4(a) of Ind AS 110 "Consolidated Financial Statements" and accordingly reporting under clause 3(xxi) of the Order is not applicable.

For **LODHA & CO.**
Chartered Accountants
FRN: 301051E



Shyamal Kumar
Partner
Membership No. 509325
Place: New Delhi
Dated: 10th May 2023

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)
Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Hindware Limited (formerly known as Brilloca Limited)("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls
The Board of director of the company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility
Our responsibility is to express an opinion on the internal financial controls over financial reporting of the company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.
Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the company.



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **LODHA & CO.**
Chartered Accountants
FRN: 301051E



Shyamal Kumar
Partner
Membership No: 509325
Place: New Delhi
Dated: 10th May 2023

Hindware Limited (Formerly Brilloca Limited)
Standalone Balance Sheet as at 31st March 2023

(₹ in lakh)

	Particulars	Note	As at 31 March 2023	As at 31 March 2022
	ASSETS			
1	**Non-current assets**			
	(a) Property, plant and equipment	4a	62,001.59	46,595.01
	(b) Right-to-use Asset	4a	19,712.13	18,622.22
	(c) Capital work-in-progress	4b	3,108.63	5,192.01
	(d) Goodwill	4c	191.00	191.00
	(e) Other intangible assets	5	163.98	220.17
	(f) Financial assets			
	(i) Investments	6	59.85	39.85
	(ii) Loans	7	2,500.00	1,700.00
	(iii) Other financial asset	8	588.13	663.38
	(g) Income-tax assets (net)	30	264.94	-
	(h) Deferred tax assets (net)	22	1,632.47	1,516.15
	(i) Other non-current assets	9	1,543.96	1,472.20
	Total non-current assets		**91,766.68**	**76,211.99**
2	**Current assets**			
	(a) Inventories	10	56,271.52	53,161.47
	(b) Financial assets			
	(i) Investments	11	-	2,709.06
	(ii) Trade receivables	12	23,992.46	16,516.65
	(iii) Cash and cash equivalents	13	784.12	2,341.59
	(iv) Other financial assets	14	1,034.93	1,342.40
	(c) Other current assets	15	6,870.14	7,429.78
	Total current assets		**88,953.17**	**83,500.95**
	Total assets		**1,80,719.85**	**1,59,712.94**
	EQUITY AND LIABILITIES			
1	**Equity**			
	(a) Equity share capital	16	989.00	490.00
	(b) Other equity	17	39,958.11	34,682.51
	Total equity		**40,947.11**	**35,172.51**
2	**Liabilities**			
	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	18	31,980.23	-
	(ii) Lease liabilities	19	15,728.71	15,022.13
	(iii) Other financial liabilities	20	4,566.24	3,660.26
	(b) Provisions	21	1,135.75	1,014.38
	(c) Other non-current liabilities	23	374.16	317.59
	Total non-current liabilities		**53,785.09**	**20,014.36**
	Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	24	30,271.76	32.58
	(ii) Lease liabilities	25	2,415.79	1,552.19
	(iii) Trade payables	26		
	- Due to micro and small enterprise		3,969.62	3,809.94
	- Due to others		17,907.12	13,207.24
	(iv) Other financial liabilities	27	23,513.25	78,743.62
	(b) Other current liabilities	28	7,597.38	6,557.77
	(c) Provisions	29	312.73	538.53
	(d) Current tax liabilities (net)	30	-	84.20
	Total current liabilities		**85,987.65**	**1,04,526.07**
	Total liabilities		**1,39,772.74**	**1,24,540.43**
	Total equity and liabilities		**1,80,719.85**	**1,59,712.94**

LODHA & CO. New Delhi Chartered Accountants

HINDWARE LIMITED

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

For and on behalf of the Board of Directors

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

G.L. Sultania
Director
DIN: 00060931

Sandip Somany
Chairman and Managing Director
DIN: 00053597

Shyamal Kumar
Partner
M. No. 509325
Place : New Delhi
Date : 10 May 2023

Payal M. Puri
Company Secretary
ACS No.: 16068

Sandeep Sikka
Chief Financial Officer

Place : Gurugram
Date : 10 May 2023

Hindware Limited (Formerly Brilloca Limited)

Standalone statement of Profit and Loss for the year ended 31st March 2023 **(₹ in lakh)**

Particulars		Note	Year ended 31 March 2023	Year ended 31 March 2022
I	**Income**			
	Revenue from operations	31	2,31,612.48	1,79,545.63
	Other income	32	2,906.48	2,472.24
	Total income		**2,34,518.96**	**1,82,017.87**
II	**Expenses**			
	Cost of materials consumed	33	75,470.34	-
	Purchases of stock-in-trade	34	59,593.85	1,29,864.62
	Changes in inventories of stock-in-trade	35	(6,652.10)	(5,327.17)
	Employee benefits expense	36	33,683.05	17,586.70
	Finance costs	37	5,914.50	559.71
	Depreciation and amortisation expense	38	8,281.81	2,508.36
	Other expenses	39	46,495.85	21,421.83
	Total expenses		**2,22,787.30**	**1,66,614.05**
III	**Profit before Exceptional item and tax (I-II)**		**11,731.66**	**15,403.82**
IV	**Profit before tax**		**11,731.66**	**15,403.82**
V	**Tax expense**	40		
	(1) (a) Current tax		3,015.68	4,116.96
	(b) Earlier year income tax		-	-
	(2) Deferred tax		(84.43)	(365.45)
	Total tax expense		**2,931.25**	**3,751.51**
VI	**Profit for the year (IV-V)**		**8,800.41**	**11,652.31**
VII	**Other comprehensive income**			
	(i) Items that will not be reclassified to profit or loss			
	- Remeasurement of the defined benefit plan		(126.70)	59.98
	(ii) Income-tax relating to these items		31.89	(15.10)
	Other comprehensive income, net of tax		**(94.81)**	**44.88**
VIII	**Total comprehensive income for the year (VI + VII)**		**8,705.60**	**11,697.19**
IX	**Earnings per equity share (of ₹ 2/- each)**			
	Basic and diluted	45	17.93	23.78

LODHA & CO. New Delhi Chartered Accountants

HINDWARE LIMITED

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

For and on behalf of the Board of Directors

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

G.L. Sultania
Director
DIN: 00060931

Sandip Somany
Chairman and Managing Director
DIN: 00053597

Shyamal Kumar
Partner
M. No. 509325
Place : New Delhi
Date : 10 May 2023

Payal M. Puri
Company Secretary
ACS No.: 16068

Sandeep Sikka
Chief Financial Officer

Place : Gurugram
Date : 10 May 2023

Hindware Limited (Formerly Brilloca Limited)
Standalone cash flow statement for the year ended 31st March 2023

(₹ in lakh)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Cash flows from operating activities		
Profit before exceptional items and tax	11,731.66	15,403.82
Adjustments for:		
Finance costs	5,914.50	559.71
Interest income	(234.33)	(156.08)
Gain on disposal of property, plant and equipment	(22.16)	(9.15)
Loss on disposal of property, plant and equipment	7.58	116.20
Net (gain) arising on current investments	(1.30)	(138.52)
Sundry balances and liabilities no longer required, written back	(4,267.46)	(2,036.26)
Provision for expected credit loss	835.02	823.63
Provision for doubtful advances	83.45	635.75
Provision against diminuation in investment	-	11.66
Depreciation and amortisation expenses	8,281.81	2,508.36
Lease concession / liability written back	(44.14)	(74.78)
Net foreign exchange loss / (gain)	(93.76)	(165.65)
Operating profit before working capital changes	**22,190.87**	**17,478.69**
Working capital adjustments :		
(Increase)/decrease in trade and other receivables	(7,919.16)	6,969.06
(Increase)/decrease in inventories	(3,110.05)	(5,745.00)
(Increase)/decrease in other assets	530.00	1,551.17
Increase/(decrease) in trade and other payables	7,883.04	12,216.74
Increase/(decrease) in provisions	(231.13)	444.82
	(2,847.30)	15,436.79
Cash generated from / (used in) operations	**19,343.57**	**32,915.48**
Income taxes paid	(3,508.27)	(4,812.34)
Income taxes refund	143.45	-
Net cash generated from / (used in) operating activities	**15,978.75**	**28,103.14**
Cash flows from investing activities:		
Payments to acquire financial assets	(20.00)	(26,281.01)
Proceeds on sale of financial assets	2,710.36	26,273.48
Interest income	208.51	144.11
Amount paid to AGI Greenpac Limited under slump sale	(52,867.17)	(10,900.00)
Loan to related party	(800.00)	(700.00)
Payments for property, plant and equipment	(18,057.84)	(3,300.62)
Proceeds from disposal of property, plant and equipment	111.14	24.98
Net Cash generated from / (used in) investing activities	**(68,715.00)**	**(14,739.04)**
Cash flows from financing activities:		
Proceeds from issue of share capital	9.00	-
Proceeds from borrowings	45,690.00	-
Repayment of borrowings	(5,380.23)	(3,328.37)
Movement in short term borrowings (net)	21,909.64	(4,570.36)
Principal payment of lease liability	(2,230.79)	(567.69)
Interest payment of lease liability	(1,257.84)	(309.07)
Dividends paid to owners of the Company	(2,940.00)	(2,450.00)
Interest paid	(4,621.00)	(288.10)
Net Cash generated from / (used in) financing activities	**51,178.78**	**(11,513.59)**
Net increase / (decrease) in cash and cash equivalents:	**(1,557.47)**	**1,850.51**
Cash and cash equivalents at the beginning of the year	2,341.59	491.08
Cash and cash equivalents at the end of the year	**784.12**	**2,341.59**

LODHA & CO. New Delhi Chartered Accountants

HINDWARE LIMITED

Hindware Limited (Formerly Brilloca Limited)
Standalone cash flow statement for the year ended 31st March 2023

The movement in liabilities from financing activities:

Particulars	As at 31st March, 2022	Cash flow	Non-cash flow changes - Other		As at 31st March, 2023
			Foreign exchange	Other	
Long term borrowings	3.59	40,309.77	-	-	40,313.36
Short term borrowings	28.99	21,909.64	-	-	21,938.63
Total liabilities from financing activities	**32.58**	**62,219.41**	**-**	**-**	**62,251.99**

Particulars	As at 31st March, 2021	Cash flow	Non-cash flow changes - Other		As at 31st March, 2022
			Foreign exchange	Other	
Long term borrowings	3,331.96	(3,328.37)	-	-	3.59
Short term borrowings	4,599.35	(4,570.36)	-	-	28.99
Total liabilities from financing activities	**7,931.31**	**(7,898.73)**	**-**	**-**	**32.58**

LODHA & CO. New Delhi Chartered Accountants

HINDWARE LIMITED

Hindware Limited (Formerly Brilloca Limited)
Standalone cash flow statement for the year ended 31st March 2023

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

For and on behalf of the Board of Directors

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

G.L. Sultania
Director
DIN: 00060931

Sandip Somany
Chairman and Managing Director
DIN: 00053597

Shyamal Kumar
Partner
M. No. 509325
Place : New Delhi
Date : 10 May 2023

Payal M. Puri
Company Secretary
ACS No.: 16068

Sandeep Sikka
Chief Financial Officer
Place : Gurugram
Date : 10 May 2023

Hindware Limited (Formerly Brilloca Limited)
Statement of changes in equity for the year ended 31st March 2023

a. Equity share capital **(₹ in lakh)**

Particulars	Number of shares	Amount
Issued and paid up capital		
Balance as at 1 April 2021	**2,45,00,000**	**490.00**
Changes in equity share capital during the year	-	-
Balance as at 31 March 2022	**2,45,00,000**	**490.00**
Changes in equity share capital during the year*	2,54,00,000	499.00
Balance as at 31 March 2023	**4,99,00,000**	**989.00**

b. Other equity **(₹ in lakh)**

Particulars	Reserves and surplus				Total
	Securities Premium Account	General Reserve	Retained Earnings	Actuarial gain / (loss)	
Balance as at 1 April 2021	**3,433.05**	**1,323.86**	**20,516.67**	**161.74**	**25,435.32**
Profit for the year	-	-	11,652.31	-	**11,652.31**
Other comprehensive income for the year (net of income tax)	-	-	-	44.88	**44.88**
Total comprehensive income for the year	**-**	**-**	**11,652.31**	**44.88**	**11,697.19**
Payment of dividend	-	-	(2,450.00)	-	**(2,450.00)**
Balance as at 31 March 2022	**3,433.05**	**1,323.86**	**29,718.98**	**206.62**	**34,682.51**
Profit for the year	-	-	8,800.41	-	**8,800.41**
Other comprehensive income for the year (net of income tax)	-	-	-	(94.81)	**(94.81)**
Total comprehensive income for the year	**-**	**-**	**8,800.41**	**(94.81)**	**8,705.60**
Payment of dividend	-	-	(2,940.00)	-	**(2,940.00)**
Bonus share issued during the period*	(490.00)	-	-	-	**(490.00)**
Balance as at 31st March 2023	**2,943.05**	**1,323.86**	**35,579.39**	**111.81**	**39,958.11**

* During the financial year 2022-23, 2,45,00,000 of equity shares of ₹ 2 each fully paid up were allotted as fully paid up bonus shares (of ₹490.00 lakh) and 9,00,000 equity shares of ₹ 2 each were allotted as partly paid-up, to eligible employees of the Company of (₹9.00 lakh partly paid up @ ₹ 1 each per share paid up)

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LODHA & CO. New Delhi Chartered Accountants

HINDWARE LIMITED

As per our report of even date attached

For and on behalf of the Board of Directors

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

G.L. Sultania
Director
DIN: 00060931

Sandip Somany
Chairman and Managing Director
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Company Secretary
ACS No.: 16068

Sandeep Sikka
Chief Financial Officer

Place : Gurugram
Date : 10 May 2023

Hindware Limited (Formerly Brilloca Limited)

Significant accounting policies and other explanatory information to the standalone financial statements for the year ended 31 March 2023

1. **Corporate information**

Hindware Limited (the 'Company') (formerly known as Brilloca Limited) is a public limited company incorporated in India under the Companies Act 2013. The registered office of the Company is located in Kolkata and the corporate office is in Gurugram. The Company is engaged into the business of Manufacturing and trading of Building products. The Company is subsidiary of Hindware Home Innovation Limited.

These financial statements were approved and authorized for issue in accordance with the resolution of the Company's Board of Directors on 10th May 2023.

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

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

2.1 **Recent accounting pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31st March, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1st April, 2023, as below:

Ind AS 1 – Disclosure of material accounting policies

The amendments related to shifting of disclosure of erstwhile "significant accounting policies" to "material accounting policies" in the notes to the financial statements requiring companies to reframe their accounting policies to make them more "entity specific. This amendment aligns with the "material" concept already required under International Financial Reporting Standards (IFRS).

Ind AS 8 – Definition of accounting estimates

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a "change in accounting estimates" has been replaced with a definition of "accounting estimates." Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty." Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

Ind AS 12 – Income Taxes

The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12. At the date of transition to Ind ASs, a first-time adopter shall recognize a deferred tax asset to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. Similarly, a deferred tax liability for all deductible and taxable temporary differences associated with:

a) Right-of-use assets and lease liabilities

b) Decommissioning, restoration and similar liabilities and the corresponding amounts recognised as part of the cost of the related asset. Therefore, if an Entity has not yet recognised deferred tax on right-of-use assets and lease liabilities or has recognised deferred tax on net basis, the same need to recognize on gross basis based on the carrying amount of right-of use assets and lease liabilities.

The Company does not expect the amendment to have any significant impact in its financial statements.

LODHA & CO. New Delhi Chartered Accountants

HINDWARE LIMITED

3. Significant accounting policies and other explanatory information

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

The standalone financial statements of the Company have been prepared in accordance with Ind AS notified by the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. (as amended) and presentation requirement of division II of the schedule IIII of the companies act 2013. Accordingly, the standalone financial statements for the year ended 31 March 2023 are prepared complying applicable Ind AS.

3.2 Historical cost convention

These standalone financial statements have been prepared on a historical cost convention except where certain financial assets and liabilities have been measured at fair value. (refer accounting policy of financial instruments)

3.3 Business combinations

Business combinations involving entities under common control are accounted for using the pooling of interest's method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonise accounting policies. Any excess or shortfall of the consideration paid over the share capital of transferor entity or business is recognised as capital reserve under equity.

The Company accounts for business combinations using the acquisition method of accounting, and accordingly, the identifiable assets acquired and the liabilities assumed in the business are recorded at their acquisition date fair values (except certain assets and liabilities which are required to be measured as per the applicable standard) The consideration transferred for the acquisition of a business is aggregation of the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Company in exchange for control of the business.

The consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Any contingent consideration transferred is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is subsequently measured at fair value with changes in fair value recognised in statements of profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

3.4 Goodwill

Goodwill represents the future economic benefits arising from a business combination that are not individually identified and separately recognised. Goodwill is carried at cost less accumulated impairment losses.

3.5 Revenue Recognition

Revenue from contracts with customers are recognized when the performance obligation towards customer have been made i.e on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services.

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

LODHA & CO. New Delhi Chartered Accountants

HINDWARE LIMITED

Sale of products:

Revenue from the sale of products is recognized when the Company has transferred control of the goods to the buyer and the buyer obtains the benefits from the goods, the potential cash flows and the amount of revenue (the transaction price) can be measured reliably, and it is probable that the Company will collect the consideration to which it is entitled to in exchange for the goods.

Sales-related warranties associated with the goods are integral to sales price and cannot be purchased separately, hence they serve as an assurance that the products sold comply with agreed-upon specifications. Accordingly, the Company accounts for warranties in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Rendering of services:

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

Interest and dividends

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

3.6 Leases

The Company's lease asset classes primarily consist of leases for Land and Buildings. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(i) The contract involves the use of an identified asset

(ii) The Company has substantially all of the economic benefits from use of the asset through the period of the lease and

(iii) The Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

LODHA & CO. New Delhi Chartered Accountants

HINDWARE LIMITED

3.7 Foreign currency transactions and translations

Initial recognition

The Company's standalone financial statements are presented in INR, which is also the Company's functional currency. Transactions in foreign currencies are recorded on initial recognition in the functional currency at the exchange rates prevailing on the date of the transaction.

Measurement at the balance sheet date

Foreign currency monetary items of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Treatment of exchange difference

Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognised as income or expenses in the period in which they arise.

3.8 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 capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale.

All other borrowing costs are expensed in the period in which they are incurred and reported in finance cost.

3.9 Employee benefits

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

Defined contribution plans

The Company's contribution to provident fund and pension fund is considered as defined contribution plan and is charged as an expense as they fall due based on the amount of contribution required to be made and when services are rendered by the employees. The Company has no legal or constructive obligation to pay contribution in addition to its fixed contribution.

Defined benefit plans

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using 'the Projected Unit Credit method', with actuarial valuations being carried out at each Balance Sheet date. Re-measurements, comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to the statement of profit and loss in subsequent periods. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under:

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(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits

Compensated absences which are allowed to carried forward over a period in excess of 12 months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date out of which the obligations are expected to be settled.

3.10 Taxation

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

Current tax

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

Deferred tax

Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilised against future taxable income.

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

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

3.11 Operating cycle

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

3.12 Operating expenses

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

3.13 (a) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Property, plant and equipment are stated at their original cost including freight, duties, taxes and other incidental expenses relating to acquisition and installation.





The carrying amount of assets, including those assets that are not yet available for use, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, recoverable amount of asset is determined. An impairment loss is recognised in the statement of profit and loss whenever the carrying amount of an asset exceeds its recoverable amount. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined if no impairment loss had been recognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(b) Intangible assets

Intangible are stated at cost less accumulated amortisation and impairment losses, (if any). Cost related to technical assistance for new projects are capitalized.

(c) Capital work-in-progress

Expenditure incurred during the period of construction, including all direct and indirect expenses, incidental and related to construction, is carried forward and on completion, the costs are allocated to the respective property, plant and equipment. Capital work-in-progress includes capital inventory.

3.14 Depreciation and amortisation

Depreciation is charged on a pro-rata basis on the straight line method at rates prescribed in Schedule II to the Companies Act, 2013 and is charged to the statement of profit and loss. Freehold land is not depreciated. The estimated useful life of the items of property, plant and equipment are as follows:

Asset class	**Useful life**
Property, plant and equipment	
Plant and machinery	7.5-40 years** #
Buildings	10-70 years^
Furniture and fixtures	up to 10 years
Office equipment	up to 5 years
Computer	3-6 years
Vehicles	8 years*
Intangible assets	
Software	6 years

* Vehicles are being depreciated using written down value method as per life of 8 years mentioned in Schedule II of the Act

** Moulds, included in Plant and machinery, are depreciated over a lesser useful life than mentioned in above table depending on the actual use of the asset

Plant and machinery of the pipe division are depreciated over a life of 10 to 20 years which is different from life prescribed in Schedule II of the Act, based on independent chartered engineer certificate

^Temporary sheds, included in buildings are depreciated over a lesser useful life than mentioned in above table depending on the actual use of the asset

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3.15 Impairment of property, plant and equipment and intangible assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable and impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash generating units). If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost and the same is accordingly reversed in the statement of profit and loss.

3.16 Investment in Associates, Joint Ventures and Subsidiaries

The Company has accounted for its investment in subsidiaries, associates and joint venture at cost less impairment, if any

3.17 Investment in Mutual Funds

Investments in Mutual Funds are accounted for at cost. Any subsequent fair value gain or loss is recognized through Profit or Loss Account.

3.18 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and demand deposits, together with other short-term, highly liquid investments maturing within 90 days from the date of acquisition. Cash and cash equivalent are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

3.19 Cash flow statement

Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

3.20 Inventories

Inventories are stated at the lower of cost and net realisable value. The cost of inventories comprises of all costs of purchase, (net of tax credits where applicable) costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Costs of inventories are determined on weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses.

3.21 Provisions and contingencies

A provision is recognised in the standalone financial statements where there exists a present obligation as a result of a past event, the amount of which can be reliably estimated, and it is probable that an outflow of resources would be necessitated in order to settle the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised but are disclosed in the notes unless the outflow of resources is considered to be remote. Contingent assets are neither recognised nor disclosed in the standalone financial statements.

3.22 Equity, reserves and dividend payments

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

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Retained earnings include current and prior period retained profits. All transactions with owners of the Company are recorded separately within equity.

Dividend distribution payable to equity shareholders are included in other liabilities when the dividends have been approved in a general meeting prior to the reporting date.

3.23 Earnings per share

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

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

3.24 Fair value measurement

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

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

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

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

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

3.25 Financial instruments

I. Financial assets

a. Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset, which are not at fair value through profit and loss, are added to fair value on initial recognition. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit and loss. However, trade receivable that do not contain a significant financing component are measured at transaction price.

b. Subsequent measurement

(i) Financial assets carried at amortised cost

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

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

(iii) Financial assets at fair value through profit or loss (FVTPL)
A financial asset which is not classified in any of the above categories are subsequently fair valued through statement of profit and loss.

c. Impairment of financial assets
The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its assets measured at amortised cost and assets measured at fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 40 details how the Company determines whether there has been a significant increase in credit risk.

d. Derecognition of financial assets
A financial asset is derecognised when:
- The Company has transferred the right to receive cash flows from the financial assets or
- Retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay the cash flows to one or more recipients.

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

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

II. Financial liabilities
a. Initial recognition and subsequent measurement
All financial liabilities are recognized initially at fair value and in case of borrowings and payables, net of directly attributable cost.

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

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

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IV. Offsetting of financial instruments

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

3.26 Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in statement of profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedging relationship and the nature of the hedged item.

3.27 Significant accounting judgements, estimates and assumptions

The preparation of the Company's standalone financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

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

(i) Estimation of defined benefit obligation

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(ii) Estimation of current tax and deferred tax

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

(iii) Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain property, plant and equipment.

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(iv) Impairment of trade receivables

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 recognised based on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

(v) Fair value measurement

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date (refer note 42).

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Note 4a - Property, plant and equipment

(₹ in lakh)

Description of assets	Right to use - Land	Right to use - Building	Land- Freehold	Buildings	Lease hold improvement	Plant and equipment	Office equipment	Furniture and fixtures	Computers	Vehicles	Total
I. Gross block											
Balance as at 1 April 2021	**-**	**3,590.99**	**-**	**-**	**25.06**	**5,238.31**	**415.47**	**6,039.20**	**867.79**	**761.32**	**16,938.14**
Additions	-	14,963.88	-	-	-	72.00	182.29	1,329.67	204.33	385.71	**17,137.88**
Disposals/adjustment	-	(878.36)	-	-	-	-	(11.79)	(482.33)	(47.41)	(22.60)	**(1,442.49)**
Assets acquired under business acquisition (refer note 58)	2,355.00	-	4,328.62	9,796.29	-	23,323.64	158.29	345.63	114.43	433.96	**40,855.86**
Balance as at 31 March 2022	**2,355.00**	**17,676.51**	**4,328.62**	**9,796.29**	**25.06**	**28,633.95**	**744.26**	**7,232.17**	**1,139.14**	**1,558.39**	**73,489.39**
Additions (refer note 58 (b))	221.84	5,070.19	4,581.40	916.75	979.13	9,309.55	182.33	3,649.67	377.41	732.11	**26,020.38**
Disposals/adjustment	-	(1,746.60)	-	-	-	(1.19)	(2.34)	-	(115.96)	(119.73)	**(1,985.82)**
Balance as at 31 March 2023	**2,576.84**	**21,000.10**	**8,910.02**	**10,713.04**	**1,004.19**	**37,942.31**	**924.25**	**10,881.84**	**1,400.59**	**2,170.77**	**97,523.95**
II. Accumulated depreciation and amortisation											
Balance as at 1 April 2021	-	**955.14**	-	-	3.10	**1,273.83**	**254.51**	**3,288.89**	**614.32**	**177.66**	**6,567.45**
Depreciation and amortisation charge for the year	-	777.39	-	-	5.34	364.55	72.32	820.27	167.89	252.29	**2,460.05**
Disposals/adjustment	-	(323.24)	-	-	-	-	(10.24)	(367.42)	(38.84)	(15.60)	**(755.34)**
Balance as at 31 March 2022	**-**	**1,409.29**	**-**	**-**	**8.44**	**1,638.38**	**316.59**	**3,741.74**	**743.37**	**414.35**	**8,272.16**
Depreciation and amortisation charge for the year	29.28	2,947.77	-	267.85	31.17	2,599.13	171.79	1,445.09	260.62	449.55	**8,202.25**
Disposals/adjustment	-	(521.53)	-	-	-	(1.03)	(1.49)	-	(97.42)	(42.71)	**(664.18)**
Balance as at 31 March 2023	**29.28**	**3,835.53**	**-**	**267.85**	**39.61**	**4,236.48**	**486.89**	**5,186.83**	**906.57**	**821.19**	**15,810.23**
Net block (I-II)											
Balance as at 31 March 2023	**2,547.56**	**17,164.57**	**8,910.02**	**10,445.19**	**964.58**	**33,705.83**	**437.36**	**5,695.01**	**494.02**	**1,349.58**	**81,713.72**
Balance as at 31 March 2022	**2,355.00**	**16,267.22**	**4,328.62**	**9,796.29**	**16.62**	**26,995.57**	**427.67**	**3,490.43**	**395.77**	**1,144.04**	**65,217.23**

Refer note 18 for details of property, plant and equipment mortgage/hypothecated as security by the Company

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Note 4b - Capital work-in-progress

(₹ in lakh)

Particulars	As at 31 March 2023	As at 31 March 2022
Capital work in progress	3,108.63	5,192.01
	3,108.63	**5,192.01**

(i) Details and ageing of CWIP is as follows:

As at 31 March 2023 (₹ in lakh)

Particulars	Amount in CWIP for a period of				Total
	less than year	1 to 2 years	2 to 3 years	more than 3 years	
Project in progress	3,101.39	0.07	7.17	-	3,108.63

As at 31 March 2022 (₹ in lakh)

Particulars	Amount in CWIP for a period of				Total
	less than year*	1 to 2 years	2 to 3 years	more than 3 years	
Project in progress	5,179.77	11.89	0.35	-	5,192.01

* Assets acquired under Business acquisition (refer note 58)

(ii) The expected completion of projects whose completion is over due is as follows: *

Particulars	As at 31st March 2023				
	less than 1 year	1 to 2 years	2 to 3 years	more than 3 years	Total
Shuttle Kiln	930.84	-	-	-	930.84
Enervit Firing System	290.53	-	-	-	290.53
Pressure Casting Machine	232.62	-	-	-	232.62
Robotic Glazing System	359.26	-	-	-	359.26
New Worker Colony Blocks	224.83	-	-	-	224.83
Other Miscellaneous projects	114.11	-	-	-	114.11
Total	**2,152.19**	**-**	**-**	**-**	**2,152.19**

* Due to covid related restrictions/ disturbances in global businesses and supply chain disturbed, which impacted the pace of execution of projects

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Note 4c - Goodwill

(₹ in lakh)

Particulars	As at 31 March 2023	As at 31 March 2022
Goodwill (refer note 58)	191.00	191.00
	191.00	**191.00**

Reconciliation of the carrying amount of goodwill at the beginning and end of the reporting period

(₹ in lakh)

Particulars	Amount
Balance as at 1 April 2021	-
Impairment for the year	-
Goodwill recognized on account of business acquisition (refer note 58)	191.00
Balance as at 31 March 2022	**191.00**
Impairment for the year	-
Balance as at 31 March 2023	**191.00**

The Company tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired.

The recoverable amounts of the cash generating units ("CGU") is determined from value in use calculation. The key assumptions for the value in use calculations are those regarding the discount rates, growth rates and expected changes to selling prices and direct costs during the period. These assumptions have been determined in light of the economic environment which has resulted in more conservative estimates about the future. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGU. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market.

The Company has conducted a sensitivity analysis on the impairment test of CGU carrying value. Change in the discount rate and growth rate by +/- 1% points would not impact in carrying value of goodwill (with other factors remains constant).

Value in use has been determined by discounting the future cash flows generated from the continuing use of the unit. The calculation of the value in use is based on the following key assumptions :

Particulars	As at 31 March 2023	As at 31 March 2022
Discount rate	14.86%	N.A
Terminal value of growth rate	4%	N.A

The estimated recoverable amount of goodwill is not lower than the carrying amount at year end , consequently the company has not provided for any impairment loss.

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Note 5 - Other intangible assets

(₹ in lakh)

Description of assets	Computer software	Total
I. Gross block		
Balance as at 1 April 2021	**481.15**	**481.15**
Additions	150.91	**150.91**
Disposals/adjustment	-	**-**
Assets acquired under business acquisition (refer note 58)	50.80	**50.80**
Balance as at 31 March 2022	**682.86**	**682.86**
Additions	23.37	**23.37**
Disposals/adjustment	-	**-**
Balance as at 31 March 2023	**706.23**	**706.23**
II. Accumulated amortisation		
Balance as at 1 April 2021	**414.39**	**414.39**
Amortisation charge for the year	48.30	**48.30**
Disposals/adjustment	-	**-**
Balance as at 31 March 2022	**462.69**	**462.69**
Amortisation charge for the year	79.56	**79.56**
Disposals/adjustment	-	-
Balance as at 31 March 2023	**542.25**	**542.25**
Net block (I-II)		
Balance as at 31 March 2023	**163.98**	**163.98**
Balance as at 31 March 2022	**220.17**	**220.17**

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Note 6 - Non current investments

(₹ in lakh)

Particulars	As at 31 March 2023			As at 31 March 2022		
	Number		Amount	Number		Amount
I. Unquoted investments (fully paid-up) (At cost)						
Investments in equity instruments						
Neycer India Limited (face value ₹ 10 each) (refer note 58)	125		0.01	125		0.01
Water Management & Plumbing Skill Council (Formerly Indian Plumbing Skills Council)	10,000		1.00	10,000		1.00
Investment in Subsidiaries measured at cost less impairments, if any						
Halis International Limited, Mauritius (Equity share, face value USD 1 each)	17,05,000	782.50		17,05,000	782.50	
Less : Provision for impairment of investments		(782.50)	-		(782.50)	-
Truflo Pipes Limited (Equity Share, face value ₹ 10 each)	2,00,000		20.00	-		-
Halis International Limited, Mauritius (Preference Share, face value USD 1 each)	21,06,000	1,228.15		21,06,000	1,228.15	
Less : Provision for impairment of investments		(1,189.31)	38.84		(1,189.31)	38.84
Unquoted investments			59.85			39.85
Total investments carried at cost			**59.85**			**39.85**
Other disclosures						
Aggregate amount of unquoted investments			2,031.66			2,011.66
Aggregate amount of impairment in value of investments			1,971.81			1,971.81

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Note 7 - Non-current financial assets - loans

(₹ in lakh)

Particulars	As at 31 March 2023	As at 31 March 2022
(unsecured and considered good unless otherwise specified, as considered by the management)		
Loans to related party *	2,500.00	1,700.00
	2,500.00	**1,700.00**

*Given to Hindware Home Innovation Limited for normal business operations

Note 8 - Other non-current financial assets

(₹ in lakh)

Particulars	As at 31 March 2023	As at 31 March 2022
(unsecured and considered good unless otherwise specified, as considered by the management)		
Other bank balances		
- Deposit account with other banks for more than 1 year^	23.34	23.34
Other financial assets		
Security deposits	564.79	640.04
	588.13	**663.38**

^Deposited with government departments / courts as security ₹ 23.34 lakh (Previous year ₹ 23.34 lakh)

Note 9 - Other non-current assets

(₹ in lakh)

Particulars	As at 31 March 2023	As at 31 March 2022
(unsecured and considered good, unless stated otherwise, as considered by the management)		
Capital advances	1,437.96	1,329.27
Considered doubtful	15.15	15.15
Less : Provision for doubtful advances	(15.15)	(15.15)
Prepaid expenses	26.90	30.29
Balances with government authorities*	77.60	111.64
Others	1.50	1.00
	1,543.96	**1,472.20**

* Deposits against demand under dispute

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LODHA & CO. New Delhi Chartered Accountants

HINDWARE LIMITED

Note 10 - Inventories

(₹ in lakh)

Particulars	As at 31 March 2023	As at 31 March 2022
(valued at cost or net realisable value, whichever is lower)		
Raw materials @	15,192.85	20,199.63
Work-in-progress	3,377.17	3,639.30
Finished goods	9,830.04	7,126.77
Stock in trade @	24,652.13	20,441.17
Stores and spares	2,189.72	755.07
Packing material	912.33	849.01
Oils, fuels, lubricants and others	117.28	150.52
	56,271.52	**53,161.47**
@Included above, goods-in-transit:		
Raw materials	-	3,523.19
Stock in trade	286.20	220.67
	286.20	**3,743.86**

Refer note 24 for information on inventory hypothecated as security by the Company

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LODHA & CO. New Delhi Chartered Accountants

HINDWARE LIMITED

Note 11 - Current investments

(₹ in lakh)

Particulars	As at 31 March 2023		As at 31 March 2022	
	Units	Amount	Units	Amount
Fair value through profit and loss (FVTPL)				
Quoted investments				
Investments in mutual fund				
UTI Overnight Fund-Direct Growth Plan	-	-	17,184.72	500.07
Axis Overnight Fund Direct Growth	-	-	35,593.95	400.02
HDFC Overnight Fund-Direct Plan-Growth Option	-	-	57,010.74	1,800.09
HDFC Liquid Fund-Regular Plan-Growth	-	-	213.999	8.88
		-		**2,709.06**
Other disclosures				
Aggregate cost of quoted investments		-		2,708.69
Aggregate market value of quoted investments		-		2,709.06

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HINDWARE LIMTED

Note 12 - Trade receivables

(₹ in lakh)

Particulars	As at 31 March 2023	As at 31 March 2022
(i) Trade receivables considered good - Secured	1,536.38	1,284.21
(ii) Trade receivables considered good - Unsecured	22,456.08	15,232.44
(iii) Trade receivables with credit impaired	3,771.96	2,936.94
	27,764.42	**19,453.59**
Less: Allowance for bad & doubtful debts	3,771.96	2,936.94
	23,992.46	**16,516.65**

Ageing As at 31 March 2023 (₹ in lakh)

Particulars	Outstanding for following period from due date of payment						Total
	Not Due	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	12,375.59	9,430.43	692.48	605.10	95.36	-	23,198.96
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	39.23	26.74	1,613.95	1,679.92
(iv) Disputed Trade Receivables– considered good	-	0.14	24.25	421.56	347.55	-	793.50
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	8.57	92.95	120.85	1,869.67	2,092.04
Total	12,375.59	9,430.57	725.30	1,158.84	590.50	3,483.62	27,764.42
Less: Allowance for bad & doubtful debts	-	-	8.57	132.18	147.59	3,483.62	3,771.96

Ageing As at 31 March 2022 (₹ in lakh)

Particulars	Outstanding for following period from due date of payment						Total
	Not Due	Less than 6 months*	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	8,500.89	5,694.67	680.03	686.02	557.49	-	16,119.10
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	91.22	186.43	802.27	1,079.92
(iv) Disputed Trade Receivables– considered good	0.12	1.94	26.29	110.72	258.48	-	397.55
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	17.31	86.42	1,753.29	1,857.02
Total	8,501.01	5,696.61	706.32	905.27	1,088.82	2,555.56	19,453.59
Less: Allowance for bad & doubtful debts	-	-	-	108.53	272.85	2,555.56	2,936.94

*including acquired under business acquisition (refer note 58)

Movement in the allowance for provision for impairment/Expected credit loss (₹ in lakh)

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	2,936.94	3,534.82
Expected credit losses provided for during the year (refer note 39)	835.02	823.63
Amount written back during the year (net)	-	(1,421.51)
	3,771.96	**2,936.94**

Trade receivables are hypothecated against the borrowings obtained by the Company as referred in note 24

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LODHA & CO New Delhi Chartered Accountants

HINDWARE LIMITED

Note 13 - Cash and cash equivalents

(₹ in lakh)

Particulars	As at 31 March 2023	As at 31 March 2022
Balances with banks	501.35	2,257.48
Cheques, drafts on hand	276.38	18.11
Cash in hand	5.21	1.70
Remittance in transit	1.18	64.30
	784.12	**2,341.59**

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

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LODHA & CO. New Delhi Chartered Accountants

HINDWARE LIMITED

Note 14 - Current financial assets - Other financial assets

(₹ in lakh)

Particulars	As at 31 March 2023	As at 31 March 2022
(unsecured and considered good by the management)		
Security deposits-Current*	45.96	62.11
Interest accrued on deposits, loans and advances#	20.89	11.96
Other receivable ^	968.08	1,268.33
	1,034.93	**1,342.40**

* Including of AGI Greenpac Limited of ₹ 40.56 lakh (previous year ₹ 62.11 lakh)
# Including of Hindware Home Innovation Limited of ₹ 17.71 lakh (previous year Nil)

^ Including of AGI Greenpac Limited of ₹ 720.56 lakh (previous year ₹ 209.98 lakh), Hindware Home Innovation Limited of ₹ 25.49 lakh (previous year ₹ 114.70 lakh) and Hintastica Private Limited of ₹ 113.36 lakh (previous year ₹ 92.71 lakh)

Note 15 - Other current assets

(₹ in lakh)

Particulars	As at 31 March 2023	As at 31 March 2022
(unsecured and considered good by the management)		
Prepaid expenses	312.62	312.30
Balances with government authorities	5,022.20	5,474.72
Others		
- Advance to suppliers	1,061.26	1,012.22
Considered doubtful	41.36	41.36
less : Provision against advance to vendors	(41.36)	(41.36)
- Employee advances	259.43	47.79
- Other current assets	214.63	582.75
Considered doubtful	767.70	684.25
less : Provision against advance to vendors	(767.70)	(684.25)
	6,870.14	**7,429.78**

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HINDWARE LIMITED

Note 16 - Equity share capital

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of shares	(₹ in lakh)	No. of shares	(₹ in lakh)
Authorised:				
Equity shares of ₹ 2 each	7,50,00,000	1,500.00	3,00,00,000	600.00
Issued:				
Equity shares of ₹ 2 each	4,99,00,000	989.00	2,45,00,000	490.00
Subscribed and paid-up:				
Equity shares of ₹ 2 each as fully paid-up	4,90,00,000	980.00	2,45,00,000	490.00
Equity shares of ₹ 2 each (partly paid-up ₹ 1 each) (refer note (f) below)	9,00,000	9.00	-	-
	4,99,00,000	**989.00**	**2,45,00,000**	**490.00**

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

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number	(₹ in lakh)	Number	(₹ in lakh)
Equity shares outstanding at the beginning of the year	2,45,00,000	490.00	2,45,00,000	490.00
Add: Bonus Shares issued during the year (refer note (e) below)	2,45,00,000	490.00	-	-
Add: Shares issued during the year (refer note (f) below)	9,00,000	9.00	-	-
Equity shares outstanding at the end of the year	**4,99,00,000**	**989.00**	**2,45,00,000**	**490.00**

(b) Statement of changes in promoters stake

Shares held by promoters^ at the end of the year

S.no	Promoter name	No of shares as on 31 March 2023	% of total holding	No of shares as on 31 March 2022	% of total holding	% change during the year
1	Hindware Home Innovation Limited	4,89,99,412	98.1952%	2,44,99,706	99.9988%	-1.80%
2	Rajendra Kumar Somany*	-	-	49	0.0002%	0.00%
3	Sandip Somany *	98	0.0002%	-	-	0.00%
4	Niranjan Kumar Goenka**	98	0.0002%	49	0.0002%	0.00%
5	Girdhari Lal Sultania**	98	0.0002%	49	0.0002%	0.00%
6	Ajay Kumar Dokania**	98	0.0002%	49	0.0002%	0.00%
7	Manoj Kumar Agarwal**	98	0.0002%	49	0.0002%	0.00%
8	Ravi Kedia**	98	0.0002%	49	0.0002%	0.00%
Total		**4,90,00,000**	**98.20%**	**2,45,00,000**	**100.00%**	**-1.80%**

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

* Change in Nominee of Hindware Home Innovation Limited from Rajendra Kumar Somany to Sandip Somany due to demise of Rajendra Kumar Somany

** Nominee of Hindware Home Innovation Limited

(c) Terms and rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 2 each. The holder of the equity share is entitled to dividend right and voting right in the same proportion as the capital paid-up on such equity share bears to the total paid-up equity share capital of the Company. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to the number of equity shares held by the shareholders.

(d) List of shareholders holding more than 5% of the equity share capital of the Company as at: *

Particulars	31 March 2023		31 March 2022	
	Number	% of holding	Number	% of holding
Hindware Home Innovation Limited** (including nominee) (refer note (f) below)	4,90,00,000	98.20	2,45,00,000	100.00

** Information is furnished as per shareholder register as at the year end.*

** Holding company (including shares held by nominee)

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HINDWARE LIMITED

Note 16 - Equity share capital (contd.)

(e) Pursuant to the approval of Shareholders obtained in their Annual General meeting held on 30th June 2022 The Board of Directors of the company in their meeting held on 4th August 2022 had approved and alloted 2,45,00,000 bonus equity shares of ₹ 2/- each fully paid up (₹490 lakh) (in the proportion of 1 equity shares for every 1 equity share held), out of balance available in the Securities Premium Account. Accordingly, the paid up shares capital of the Company increased from ₹490 lakh to ₹980 lakh (from 2,45,00,000 to 4,90,00,000).

(f) Pursuant to the approval of Shareholders obtained in their Extra Ordinary General meeting held on 30th November 2022 The Board of Directors of the company in their meeting held on 3rd February 2023 had approved, issued and alloted 9,00,000 equity shares of ₹ 2/- each at ₹452 per share (including ₹ 450 per share as premium) on receipt of ₹ 1 per share as application money from its eligible employees on preferential basis (none of them being the promoters or part of the promoters group), thus with effect from 3rd February 2023 Hindware Home Innovation Limited holding now stands reduced to 98.20%. Consequently the company ceases to be wholly owned subsidiary of Hindware Home Innovation Limited.

(g) Aggregate value of Issued, Subscribed and Paid-up Share Capital as on the Balance Sheet date for the period of preceding five years includes:

- Aggregate 2,40,00,000 Equity shares of ₹2 each allotted during the year ended March 2021, as fully paid-up bonus shares without payment being received in cash.

- Aggregate 2,45,00,000 Equity shares of ₹2 each allotted during the year ended March 2023, as fully paid-up bonus shares without payment being received in cash.

Except these, there are no buyback and/or issue of shares other than in cash.

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HINDWARE LIMITED

Hindware Limited (Formerly Brilloca Limited)
Significant accounting policies and other explanatory information to the Standalone financial statements as at and for the year ended 31st March 2023

Note 17- Other equity

(₹ in lakh)

Particulars	Reserves and surplus				Total
	Securities Premium Account	General Reserve	Retained Earnings	Actuarial gain / (loss)	
Balance as on 1st April 2021	**3,433.05**	**1,323.86**	**20,516.67**	**161.74**	**25,435.32**
Profit for the year	-	-	11,652.31	-	**11,652.31**
Other comprehensive income for the year (net of income tax)	-	-	-	44.88	**44.88**
Total comprehensive income for the year	-	-	**11,652.31**	**44.88**	**11,697.19**
Payment of Dividend	-	-	(2,450.00)	-	**(2,450.00)**
Balance as at 31 March 2022	**3,433.05**	**1,323.86**	**29,718.98**	**206.62**	**34,682.51**
Profit for the year	-	-	8,800.41	-	**8,800.41**
Other comprehensive income for the year (net of income tax)	-	-	-	(94.81)	**(94.81)**
Total comprehensive income for the year	-	-	**8,800.41**	**(94.81)**	**8,705.60**
Payment of dividend	-	-	(2,940.00)	-	**(2,940.00)**
Bonus Shares Issued during the period	(490.00)	-	-	-	**(490.00)**
Balance as at 31 March 2023	**2,943.05**	**1,323.86**	**35,579.39**	**111.81**	**39,958.11**

Nature and purpose of other reserve:

1. Securities premium account is used to record the premium on issue of shares. The same is utilised in accordance with the provisions of the Companies Act, 2013
2. General reserves was created by transferring certain amount out of profits at the time of distribution of dividend in the past

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HINDWARE LIMITED

Note 18 - Non current financial liabilities - Borrowings

(₹ in lakh)

Particulars	As at 31 March 2023	As at 31 March 2022
Measured at amortised cost		
Secured:		
Term loan from bank:		
Rupee loan^	40,313.36	-
Term loans from NBFC:		
Vehicle loan	-	3.59
	40,313.36	**3.59**
Less: Current maturities of long term borrowing (refer note 24)	8,333.13	3.59
	31,980.23	**-**

1. Loans are secured by way of hypothecation of first pari-passu charge on movable fixed assets both present and future of the Company. Further, this is secured by first pari-passu charge by way of mortgage on immovable fixed assets both present and future of the Company.

-Term Loans aggregating to ₹ 4250.00 lakh (previous year ₹Nil lakh) are repayable in 17 equal quaterly instalments from April 2023 to April 2027.
-Term Loans aggregating to ₹ 1645.00 lakh (previous year ₹Nil lakh) are repayable in 24 equal quaterly instalments from May 2024 to Feb 2030.
-Term Loans aggregating to ₹ 8320.00 lakh (previous year ₹Nil lakh) are repayable in 13 instalments from May 2023 to May 2026.
-Term Loans aggregating to ₹ 26098.36 lakh (previous year ₹Nil lakh) are repayable in 15 instalments from April 2023 to Oct 2026.

^ Interest rate ranging from REPO + 230bps or 3 month T- Bill + 230 bps to 235 bps

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LODHA & CO. New Delhi Chartered Accountants

HINDWARE LIMITED

Note 19 - Non-current financial liabilities - Lease liability

(₹ in lakh)

Particulars	As at 31 March 2023	As at 31 March 2022
Lease liability (Refer note 50)	15,728.71	15,022.13
	15,728.71	**15,022.13**

Note 20 - Non-current financial liabilities - Other financial liabilities

(₹ in lakh)

Particulars	As at 31 March 2023	As at 31 March 2022
Trade deposits	4,566.24	3,660.26
	4,566.24	**3,660.26**

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LODHA & CO New Delhi Chartered Accountants

HINDWARE LIMITED

Note 21 - Non-current liabilities - Provisions

(₹ in lakh)

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for employee benefit		
Long-term employee benefits		
Provision for compensated absences	669.62	576.00
Provision for long service award	85.05	82.31
Provision for warranty	381.08	356.07
	1,135.75	**1,014.38**

Details of movement in provision for warranty (including current portion) (₹ in lakh)

Particulars	Amount
Balance as on 1st April 2021	**231.64**
Additional provisions recognised (included in Other expenses)	59.98
Liability assumed on Business acquisition (Refer note 58)	64.45
Utilised during the year	-
Balance as at 31 March 2022	**356.07**
Additional provisions recognised (included in Other expenses)	25.01
Utilised during the year	-
Balance as at 31 March 2023	**381.08**

Warranty claims:

The provision for warranty claims represent the present value of best estimate of the future outflow of economic benefits that will be required under the Company obligations for warranties under the local sale of goods. The estimate has been made based on historical warranty trends and may vary as a result of new materials, altered manufacturing process or other events. Assumptions used to calculate the provision for warranties were based on current sales levels and current information available about returns based on warranty period of certain products up to 12 years.

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LODHA & CO. New Delhi Chartered Accountants

HINDWARE LIMITED

Note 22 - Deferred tax assets (net)

(₹ in lakh)

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax asset arising on account of		
Difference between book balance and tax balance of property, plant and equipment and Right-to-use asset (net of lease liability)	113.35	382.36
Provision for doubtful debts and loans and advances	1,156.76	926.24
Provision for employee benefits	276.67	199.42
Others	85.69	8.13
Deferred tax assets (net)	**1,632.47**	**1,516.15**

Deferred tax assets (net) in relation to: (₹ in lakh)

Particulars	As at 1 April 2022	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at 31 March 2023
Deferred tax liability arising on account of				
Unrealised foreign exchange gain	-	-	-	-
Sub total	**-**	**-**	**-**	**-**
Deferred tax asset arising on account of				
Difference between book balance and tax balance of property, plant and equipment and Right-to-use asset (net of lease liability)	382.36	(269.01)	-	**113.35**
Provision for doubtful debts and loans and advances	926.24	230.52	-	**1,156.76**
Provision for employee benefits	199.42	45.36	31.89	**276.67**
Others	8.13	77.56	-	**85.69**
Sub total	**1,516.15**	**84.43**	**31.89**	**1,632.47**
Net deferred tax assets	**1,516.15**	**84.43**	**31.89**	**1,632.47**

Deferred tax assets (net) in relation to: (₹ in lakh)

Particulars	As at 1 April 2021	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at 31 March 2022
Deferred tax liability arising on account of				
Unrealised foreign exchange gain	1.25	(1.25)	-	-
Sub total	**1.25**	**(1.25)**	**-**	**-**
Deferred tax asset arising on account of				
Difference between book balance and tax balance of property, plant and equipment and Right-to-use asset (net of lease liability)	193.42	188.94	-	**382.36**
Provision for doubtful debts and loans and advances	907.60	18.64	-	**926.24**
Provision for employee benefits	42.31	172.21	(15.10)	**199.42**
Others	23.72	(15.59)	-	**8.13**
Sub total	**1,167.05**	**364.20**	**(15.10)**	**1,516.15**
Net deferred tax assets	**1,165.80**	**365.45**	**(15.10)**	**1,516.15**

LODHA & CO. New Delhi Chartered Accountants

HINDWARE LIMITED

Note 23 - Other non-current liabilities

(₹ in lakh)

Particulars	As at 31 March 2023	As at 31 March 2022
Employee related payables	374.16	317.59
	374.16	**317.59**

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LODHA & CO. New Delhi Chartered Accountants

HINDWARE LIMITED

Hindware Limited (Formerly Brilloca Limited)

Significant accounting policies and other explanatory information to the Standalone financial statements as at and for the year ended 31st March 2023

Note 24 - Current financial liabilities - Borrowings

(₹ in lakh)

Particulars	As at 31 March 2023	As at 31 March 2022
Secured borrowings		
From banks		
Cash credit - loans repayable on demand	694.14	28.99
Working capital demand loan	21,244.49	-
	21,938.63	**28.99**
Current maturities of long-term borrowings (refer note 18)	8,333.13	3.59
	8,333.13	**3.59**
	30,271.76	**32.58**

Details of security and term of repayment of each type of borrowing:

a) The interest rate for Short term borrowing ranges from 1 Month T-Bill + 120 bps to 1 year MCLR + 10 bps.

b) Working Capital and Cash credit facilities are secured by hypothecation of Inventories, finished / semi-finished goods / receivables of the Company. The Working Capital facilities and cash credit facilities are repayable on demand.

c) The Company has been sanctioned a working capital limit in excess of ₹ 5 crore, in aggregate, at points of time during the year, from bank on the basis of security of current assets. The Company has filed quarterly returns or statements with the banks in lieu of the sanctioned working capital facilities, which are in agreement with the books of account other than those as set out below.

(₹ in lakh)

Name of the Bank / financial institution	Working capital/ Cash credit limit sanctioned	Nature of current assets/liabilities offered as security	Quarter ended	Amount disclosed as per Stock Statement	Amount as per books of accounts	Differences	Remarks if any
Standard Chartered Bank ,Citi Bank, The Hongkong and Shanghai Banking Corporation Limited, HDFC Bank Limited ,Axis Bank Limited and The Federal Bank Limited.	56000	Stock, trade receivables, advance to suppliers, trade payable	June 30,2022	60,594	62,135	1,541	Difference inter-alia arise on factors, like: i. Regrouping / reclassification of ledger heads ; ii. Line items on the date of submission of stock statement of each calendar month are subject to reconciliation's and adjustments thereon ; iii. Regrouping, settlements of sales schemes items in ledger, not considered for purpose of calculation in Stock Statement iv. Information to the banks are provided based on provisional numbers.
			September 30,2022	69,251	61,257	7,994	
			December 31,2022	66,386	64,707	1,679	
			March 31,2023	61,917	59,448	2,469	

LODHA & CO. New Delhi Chartered Accountants

HINDWARE LIMITED

Note 25 - Current financial liabilities - Lease liability

(₹ in lakh)

Particulars	As at 31 March 2023	As at 31 March 2022
Lease liability (Refer note 50)	2,415.79	1,552.19
	2,415.79	**1,552.19**

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HINDWARE LIMITED

Note 26 - Trade payables

(₹ in lakh)

Particulars	As at 31 March 2023	As at 31 March 2022
Due to Micro and Small Enterprises	3,969.62	3,809.94
Other than due to Micro and Small Enterprises *	17,907.12	13,207.24
	21,876.74	**17,017.18**

* Including of AGI Greenpac Limited of ₹ 239.95 lakh (previous year ₹ 4,393.59 lakh)

Ageing As at 31 March 2023

Particulars	Outstanding for following period from due date of payment						
	Unbilled	Not Due	Less than 1yr	1 to 2 years	2 to 3 years	More than 3 years	Total
i MSME	11.55	3,275.90	633.75	41.46	-	6.96	3,969.62
ii Others	320.94	9,350.29	8,150.30	16.99	9.97	58.63	17,907.12
iii Disputed-MSME	-	-	-	-	-	-	-
iv Disputed-Others	-	-	-	-	-	-	-

Ageing As at 31 March 2022

Particulars	Outstanding for following period from due date of payment						
	Unbilled	Not Due*	Less than 1yr	1 to 2 years	2 to 3 years	More than 3 years	Total
i MSME	0.35	3,582.90	226.69	-	-	-	3,809.94
ii Others	465.22	11,629.50	1,047.69	11.35	3.88	49.60	13,207.24
iii Disputed-MSME		-	-	-	-	-	-
iv Disputed-Others		-	-	-	-	-	-

* including assumed on Business acquisition (refer note 58)

Disclosure under MSME Act, 2006

Dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act (MSMED), 2006 to the extent identified and information available with the Company pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006, details as certified by the management are mentioned below:

(₹ in lakh)

Particulars	As at 31 March 2023	As at 31 March 2022
Principal amount overdue remaining unpaid to any supplier	212.20	66.13
Interest due thereon remaining unpaid to any supplier	0.58	0.52
Interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers beyond the appointed day during the year	1.90	2.82
Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	9.21	3.06
Liability assumed under business acquisition (refer note 58)	-	45.24
Interest accrued and remaining unpaid	88.23	182.36

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HINDWARE LIMITED

Note 27 - Current financial liabilities - Other financial liabilities

(₹ in lakh)

Particulars	As at 31 March 2023	As at 31 March 2022
Interest accrued but not due on borrowings	35.68	0.03
Earnest money deposits	24.64	16.63
Security deposits/retention money payable	466.53	431.62
Others		
Towards capital creditors	40.25	314.75
Employee related payables	4,290.88	3,386.47
Towards expenses payable *	4,308.07	2,029.14
Commission payable to directors	122.21	144.54
Gratuity payable (net of obligation)	645.29	104.46
Other payables ^	13,579.70	72,315.98
	23,513.25	**78,743.62**

* Including payable to AGI Greenpac Limited ₹ 839.51 lakh (previous year Nil) , Hindware Home Innovation Limited ₹ 29.64 lakh (previous year Nil)

^ Including payable to AGI Greenpac Limited ₹ 1,215.52 lakh (previous year ₹ 59,095.55 lakh) (refer note 58)

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HINDWARE LIMITED

Note 28 - Other current liabilities

(₹ in lakh)

Particulars	As at 31 March 2023	As at 31 March 2022
Advances received from customers	819.17	951.13
Payable towards statutory dues	6,778.21	5,606.64
	7,597.38	**6,557.77**

Note 29 - Current liabilities - Provisions

(₹ in lakh)

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits		
Provision for compensated absences	302.96	276.34
Provision for long service award	9.77	262.19
	312.73	**538.53**

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HINDWARE LIMITED

Note 30 - Current tax assets / (liabilities) (net)

(₹ in lakh)

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for Income tax opening	(84.20)	779.58
Provision for the year	3,015.68	4,116.96
Earlier year income tax	-	-
	3,099.88	**4,896.54**
Less: Advance tax paid (net of refund)	3,364.82	4,812.34
Net Income tax assets / (liabilities)	**264.94**	**(84.20)**

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HINDWARE LIMITED

Note 31 - Revenue from operations

(₹ in lakh)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Sale of goods	2,24,796.90	1,75,701.79
Sale from rendering of services	14.01	19.26
Other operating revenue @	6,801.57	3,824.58
	2,31,612.48	**1,79,545.63**
Segment wise revenue information		
a) Building Products	2,31,612.48	1,79,545.63
b) Others	-	-
Total	**2,31,612.48**	**1,79,545.63**
Total income from operations	**2,31,612.48**	**1,79,545.63**

ii) Unsatisfied Performance Obligation

Aggregated amount of Transaction Price allocated to the contracts that are fully or partially unsatisfied at the end of the reporting period

i) Sale of Goods	819.17	951.13

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

Contract Price		
a) Sale of goods & services	4,04,204.05	3,02,059.19
b) Sale of Service	14.01	19.26
c) Other operating revenue	6,801.57	3,824.58
Adjustment:-		
Discount/Rebate	1,79,407.15	1,26,357.40
Revenue recognised in the statement of profit and loss account	**2,31,612.48**	**1,79,545.63**

@ Other operating revenues comprise of:		
Sundry balances and liabilities no longer required, written back	4,267.46	2,036.26
Gain on foreign exchange fluctuations	98.15	165.65
Insurance claims received	28.63	52.76
Scrap sales	530.76	20.38
Miscellaneous receipts	1,876.57	1,549.53
	6,801.57	**3,824.58**

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HINDWARE LIMITED

Note 32 - Other income

(₹ in lakh)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest income on financial assets	234.33	156.08
Excess balances and liabilities written back	5.86	-
Rental income	0.66	0.04
Profit on sale of current investments (net)	1.30	138.15
Profit on sale of property, plant and equipment	22.16	9.15
Gain arising on financials instruments designated as at FVTPL (net)	-	0.37
Management fee	2,590.11	2,121.35
Miscellaneous income	52.06	47.10
	2,906.48	**2,472.24**

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HINDWARE LIMITED

Note 33 - Cost of materials consumed

(₹ in lakh)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening stock *	20,199.63	-
Add: Purchases	70,463.56	-
Less: Closing stock	15,192.85	-
	75,470.34	**-**

Note 34 - Purchases of traded goods

(₹ in lakh)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Sanitaryware and other products(net)	59,593.85	1,29,864.62
	59,593.85	**1,29,864.62**

Note 35 - Changes in inventories of finished goods, stock-in-trade and work-in-progress

(₹ in lakh)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Inventories at the end of the year:		
Finished goods (A)	9,830.04	7,126.77
Work-in-progress	3,377.17	3,639.30
Stock-in-trade	24,652.13	20,441.17
	37,859.34	**31,207.24**
Inventories at the beginning of the year:		
Finished goods (B)*	7,126.77	-
Work-in-progress*	3,639.30	-
Stock-in-trade	20,441.17	15,114.00
	31,207.24	**15,114.00**
Inventory (finished goods and Work-in-progress) transferred under Business acquistion (refer note 58) (C)	-	10,766.07
Changes in stock (D=A-B-C)	**(6,652.10)**	**(5,327.17)**

* Acquired under business acquisition (refer note 58)

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HINDWARE LIMITED

Note 36 - Employee benefits expense

(₹ in lakh)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries, wages and bonus	30,605.53	16,159.41
Contribution to provident funds and other funds	1,989.13	747.43
Staff welfare expenses	1,088.39	679.86
	33,683.05	**17,586.70**

Note 37 - Finance cost

(₹ in lakh)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest expense on financial liabilities	4,602.01	247.51
Interest on lease liability (Refer note 50)	1,257.84	309.07
Other	54.65	3.13
	5,914.50	**559.71**

Note 38 - Depreciation and amortisation

(₹ in lakh)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation and amortisation of property, plant and equipment (Refer note 4a)	5,225.20	1,682.67
Amortisation of other intangible assets (Refer note 5)	79.56	48.30
Depreciation on right to use - land and building (Refer note 4a)	2,977.05	777.39
	8,281.81	**2,508.36**

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HINDWARE LIMITED

Note 39 - Other expenses

(₹ in lakh)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Power and fuel	10,954.88	-
Consumption of stores and spares	1,902.72	19.38
Consumption of packing material	3,937.19	579.07
Consumption of loose tools	-	-
Consumption of oil, fuel and lubricants	118.35	-
Repairs and maintenance:		
Buildings	111.01	4.46
Plant and machinery	250.28	8.43
Others	815.39	484.22
Rent (including lease charges)	671.85	935.98
Rates and taxes	129.18	13.97
Directors sitting fees	4.30	5.30
Independent Directors Commission	122.21	144.54
Expenditure on ceramic and applied research centre	166.15	-
Insurance	599.73	821.82
Travelling and conveyance	4,120.72	2,518.17
Commission on sales	162.96	367.45
Freight and forwarding charges	201.63	97.63
Advertisement and publicity	6,900.97	4,992.13
Transportation and forwarding	8,645.91	6,431.87
Sales promotion expenses *	853.98	408.82
Other selling expenses	877.67	564.21
Provision for expected credit loss (refer note 12)	835.02	823.63
Provision for doubtful advances/debts	83.45	635.75
Corporate social responsibility expenditure (refer note 51)	213.87	111.51
Charity and donation	0.25	-
Loss on foreign exchange fluctuation	-	-
Loss on sale of property, plant and equipment	7.58	116.20
Legal & Prof.Service	2,284.16	655.56
Management fees	292.15	1.69
Provision against diminution in Investment	-	11.66
Miscellaneous expenses	1,232.29	668.38
	46,495.85	**21,421.83**

* Including of warranty expenses

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LODHA & CO. New Delhi Chartered Accountants

HINDWARE LIMITED

Note 40 Current tax and deferred tax

(a) Income tax expense through profit and loss

(₹ in lakh)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current tax:		
Current income tax charge (including Minimum alternate tax)	3,015.68	4,116.96
	3,015.68	**4,116.96**
Deferred tax:		
In respect of current year origination and reversal of temporary differences	(84.43)	(365.45)
Total tax expense recognised in profit and loss account	**2,931.25**	**3,751.51**

(b) Income tax on other comprehensive income

(₹ in lakh)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current tax		
Re-measurement of defined benefit obligations	31.89	(15.10)
	31.89	**(15.10)**

(c) Numerical reconciliation between average effective tax rate and applicable tax rate :

The major components of tax expense and the reconciliation of the expected tax expense based on the domestic effective tax rate of the Company at 25.168% (31 March 2022: 25.168%) and the reported tax expense in the statement of profit and loss are as follows:

(₹ in lakh)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit / (loss) before tax	**11,731.66**	**15,403.82**
Domestic tax rate for the Company	25.168%	25.168%
Income tax computed for the Company	2,952.62	3,876.83
Tax effect of :		
- Non deductible expenses	58.78	69.60
- Tax rate difference	-	(11.06)
Others	(80.15)	(183.86)
Income-tax recognised in statement of profit and loss	**2,931.25**	**3,751.51**

(d) There is no change in statutory enacted income-tax rate during the financial year.

(e) There is no temporary differences associated with investment in subsidiaries.

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HINDWARE LIMITED

Note - 41 Financial instruments and risk review

Capital management

The Company manages its capital to be able to continue as a going concern while maximising the returns to shareholders through optimisation of the debt and equity balance. The capital structure consists of debt which includes the borrowings as disclosed in note 18 and 24; cash and cash equivalents as disclosed in note 13 and equity attributable to equity holders of the Company, comprising issued share capital, reserves and retained earnings as disclosed in the Statement of changes in equity. For the purpose of calculating gearing ratio, debt is defined as non current and current borrowings (excluding derivatives). Equity includes all capital and reserves of the Company attributable to equity holders of the Company. The Company is not subject to externally imposed capital requirements. The Board reviews the capital structure and cost of capital on an annual basis but has not set specific targets for gearing ratios. The risks associated with each class of capital are also considered as part of the risk reviews presented to the Board of Directors.

The following table summarises the capital of the Company (₹ in lakh)

	Note	As at 31 March 2023	As at 31 March 2022
Equity		**40,947.11**	**35,172.51**
Liquid assets (cash and cash equivalent and current investments) (a)	11,13	**784.12**	**5,050.65**
Current borrowings	24	21,938.63	28.99
Non- current borrowings	18	31,980.23	-
Current maturities of non current borrowings	24	8,333.13	3.59
Total debt (b)		**62,251.99**	**32.58**
Net debt [c = (b) - (a)]		61,467.87	(5,018.07)
Total capital (equity + net debt)		**1,02,414.98**	**30,154.44**
Gearing ratio			
Debt to equity		152%	0%
Net debt to equity ratio		150%	NA*

* At the year end, no long term borrowing was outstanding, except for vehicle loan

Categories of financial instruments

Categories of financial assets/(liabilities) (₹ in lakh)

Particulars	Notes	31 March 2023 Carrying value	Gain/(loss) to income	Gain/(loss) to equity	31 March 2022 Carrying value	Gain/(loss) to income	Gain/(loss) to equity
Financial assets measured at amortised costs							
Trade receivable	12	23,992.46	-	-	16,516.65	-	-
Loans	7	2,500.00	-	-	1,700.00	-	-
Other financial assets	14, 8	1,623.06	-	-	2,005.78	-	-
Cash and bank balances	13	784.12	-	-	2,341.59	-	-
Investments	6	59.85	-	-	39.85	-	-
Total Financial assets measured at amortised costs		**28,959.49**	-	-	**22,603.87**	-	-
Financial assets measured at fair value							
Investments	11	-	-	-	2,709.06	0.37	-
Financial assets at fair value		-	-	-	**2,709.06**	**0.37**	-
Total financial assets		**28,959.49**	-	-	**25,312.93**	**0.37**	-
Financial liabilities measured at amortised cost							
Current payables	24, 26, 27	75,661.75	-	-	95,793.38	-	-
Lease liabilities	19, 25	18,144.50			16,574.32		
Non-current payables	20	4,566.24	-	-	3,660.26	-	-
Non-current borrowings	18	31,980.23	-	-	-	-	-
Financial liabilities measured at amortised cost		**1,30,352.72**	-	-	**1,16,027.96**	-	-
Total financial assets/(liabilities)		**(1,01,393.23)**	-	-	**(90,715.03)**	**0.37**	-

Financial risk management objective

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

The use of any derivative is approved by the management, which provide guidelines on the acceptable levels of interest rate risk, credit risk, foreign exchange risk and liquidity risk and the range of hedging requirement against these risks.

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HINDWARE LIMITED

Note - 41 Financial instruments and risk review (contd.)

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 financial loss. The Company is exposed to credit risk for receivables, cash and cash equivalents, short term investments, financial guarantee and derivative financial instruments.

Cash and cash equivalents and short term investments

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

Trade receivables

The Company extends credits to customer in normal course of the business. The Company considers the factors such as credit track record in the market of each customer and past dealings for extension of credit to the customer. The Company monitors the payment track record of each customer and 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 at several jurisdiction and industries and operate in large independent markets. The Company also takes advances and security deposits from customers which mitigate the credit risk to an extent.

The average credit period taken on sales of goods is 30 to 60 days. Generally, no interest has been charged on the receivables. Allowances against doubtful debts are recognised against trade receivables based on estimated irrecoverable amounts determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position.
Before accepting any new customer, the Company uses an internal credit system to assess the potential customer's credit quality and defines credit limits by customer. Limits attributed to customers are reviewed periodically. There are no customers who represent more than 10 per cent of total net revenue from operations
The Company does not hold any collateral or other credit enhancements over any of its trade receivables nor does it have a legal right of offset against any amounts owed by the Company to the counterparty.

Expected credit loss :

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

Ageing	Expected credit loss (%)
Not due for payment	0
Up to 6 months	0
From 6 months to 1 year	0
From 1 year to 3 years	10 to 100
More than 3 years	100

Ageing of trade receivables (₹ in lakh)

Period	As at 31 March 2023	As at 31 March 2022*
Not due for payment	12,375.59	8,501.01
Up to 6 months	9,430.57	5,696.61
From 6 months to 1 year	725.30	706.32
From 1 year to 3 years	1,749.34	1,994.09
More than 3 years	3,483.62	2,555.56

*including acquired under business acquisition (refer note 58)

Ageing of impaired trade receivables

Period	As at 31 March 2023	As at 31 March 2022
Up to 6 months	-	-
From 6 months to 1 year *	8.57	-
From 1 year to 3 years	279.77	381.38
More than 3 years	3,483.62	2,555.56

* Based upon lifetime expected credit loss

Liquidity risk:

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

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies on a mix of borrowings, capital infusion and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure that it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities so that it does not breach borrowing limits.

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HINDWARE LIMITED

Note - 41 Financial instruments and risk review (contd.)

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

(₹ in lakh)

Particulars	Notes	As at 31 March 2023			
		not later than one year	later than one year and not later than five years	later than five years	Total
Financial liabilities					
Borrowings - bank loans	18, 24	30,271.76	31,431.91	548.32	62,251.99
Current payables	25, 26, 27	48,931.79			48,931.79
Non-current payables	19,20	-	11,028.77	13,141.97	24,170.75
Total		**79,203.55**	**42,460.68**	**13,690.30**	**1,35,354.53**

(₹ in lakh)

Particulars	Notes	As at 31 March 2022			
		not later than one year	later than one year and not later than five years	later than five years	Total
Financial liabilities					
Borrowings - bank loans	18, 24	32.58	-	-	32.58
Current payables	25, 26, 27	98,353.95	-	-	98,353.95
Non-current payables	19,20	-	9,452.88	13,666.68	23,119.56
Total		**98,386.53**	**9,452.88**	**13,666.68**	**1,21,506.09**

Market risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates.

Currency risk

The Company undertakes various transactions denominated in foreign currencies, consequently, exposure to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts.

The Company transacts business primarily in Indian Rupee, USD and Euro. The Company has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk. Certain transactions of the Company act as a natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure to foreign exchange risk, the Company adopted a policy of selective hedging based on risk perception of the management.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

(in lakh)

Particulars	Currency	As at 31 March 2023	As at 31 March 2022
Trade receivables	USD	3.17	2.40
Trade payables	USD	146.95	65.15
	EUR	1.95	0.15

Currency rate	As at 31 March 2023	As at 31 March 2022
USD	82.2169	75.8071
EUR	89.6076	84.6599

Of the above foreign currency exposures, following exposures are not hedged:

(in lakh)

Particulars	Currency	As at 31 March 2023	As at 31 March 2022
Trade receivables	USD	3.17	2.40
Trade payables	USD	146.95	65.15
	EUR	1.95	0.15

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LODHA & CO. New Delhi Chartered Accountants

HINDWARE LIMITED

Note - 41 Financial instruments and risk review (contd.)

Sensitivity analysis

The following table demonstrates the sensitivity of profit and equity in USD and Euro to the Indian Rupee with all other variables held constant. The impact on the Company's profit before tax and other comprehensive income due to changes in the fair value of monetary assets and liabilities is given below:

(₹ in lakh)

Currency	Change in currency exchange rate	Effect on profit before tax 31 March 2023	Effect on profit before tax 31 March 2022
USD	5%	(591.04)	(237.84)
	-5%	591.04	237.84
EUR	5%	(8.76)	(0.64)
	-5%	8.76	0.64

This is mainly attributable to the exposure outstanding on foreign currency receivables and payables in the Company at the end of each reporting period.

Interest rate risk

The Company's exposure to the risk of changes in market interest rates relates primarily to long term debts. Its objective in managing its interest rate risk is to ensure that it always maintain sufficient head room to cover interest payment from anticipated cash flows which is regularly reviewed by the board/nominated committee as well.

The following table demonstrates the sensitivity in the interest rate with all other variables held constant. The impact on the Company's profit before tax and other comprehensive income due to changes in the interest rates is given below :

(₹ in lakh)

Particulars	Change in interest rate	Effect on profit before tax 31 March 2023	Effect on profit before tax 31 March 2022
Long term borrowings from bank	0.50%	(201.57)	-
	-0.50%	201.57	-

Commodity risk

The Company is exposed to the movement in the price of key traded goods in the domestic and international markets. The Company has in place policies to manage exposure to fluctuation the prices of key traded goods. The Company enter into contracts for procurement of traded goods, most of the transactions are short term fixed price contract and a few transactions are long term fixed price contracts.

Note 42 - Fair value measurement

Fair valuation techniques and inputs used

(₹ in lakh)

Financial assets	Fair value as at 31 March 2023	Fair value as at 31 March 2022	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value and sensitivity
Current investments	-	2,709.06	1	-	-	-

Other financial instruments

The carrying amount of the financial assets and liabilities carried at amortised cost is considered a reasonable approximation of fair value.

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HINDWARE LIMITED

Note 43 - Employee benefits

A. Defined contribution plan

The Company operates defined contribution retirement benefit plans for all employees. The Provident Fund contributions are made to Regional Provident Fund, the Company has no further obligations beyond its monthly contributions.

The Company's contribution to Provident Fund and Superannuation Fund aggregating to ₹1,172.86 lakh (previous year ₹ 573.45 lakh) has been recognised in the Statement of Profit and Loss under the head Employee Benefits Expense.

B. Defined benefit plans

Gratuity

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company Scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the group gratuity Scheme administered by the Birla Sun Life Insurance Company Limited.

Details of the Company's defined benefit plans are as follows:

(₹ in lakh)

Particulars	Gratuity (Funded plan)	
	31 March 2023	31 March 2022
Current service cost	296.47	164.35
Net interest expense/(income)	(0.22)	2.68
Plan Ammendment	431.74	-
Components of defined benefit costs recognised in profit or loss	727.99	167.03
Net actuarial (gain)/loss	38.55	(68.81)
Expected return on plan assets excluding interest income	88.15	8.83
Components of defined benefit costs recognised in other comprehensive income	126.70	(59.98)
I. Net asset/(liability) recognised in the balance sheet as at 31 March		
1. Present value of defined benefit obligation	2,876.93	2,170.41
2. Fair value of plan assets	2,231.64	2,065.95
3. Deficit	645.29	104.46
4. Current portion of the above	645.29	104.46
II. Change in the obligation during the year ended 31 March		
1. Present value of defined benefit obligation at the beginning of the year	2,170.41	563.86
2. Expenses recognised in the statements of profit and loss		
- Current service cost	296.47	164.35
- Interest expense	149.15	39.00
- Plan Ammendment	431.74	-
3. Recognised in other comprehensive income		
- Actuarial (gain)/loss arising from experience adjustments	12.54	(53.53)
- Actuarial (gain)/loss arising from financial assumption	26.01	(15.28)
4. Benefit payments	(209.39)	(62.04)
5. Liability assumed on Business acquisition (refer note 58)	-	1,534.05
6. Present value of defined benefit obligation at the end of the year	**2,876.93**	**2,170.41**

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HINDWARE LIMITED

Note 43 - Employee benefits (contd.)

(₹ in lakh)

Particulars	Gratuity (Funded plan)	
	31 March 2023	31 March 2022
III. Change in fair value of assets		
1. Fair value of plan assets at the beginning of the year	2,065.95	496.17
2. Recognised in the statement profit and loss		
- Expected return on plan assets	149.37	36.32
3. Recognised in other comprehensive income		
- Actual return on plan assets in excess of the expected return	(88.15)	(8.83)
4. Contributions by employer (including benefit payments recoverable)	313.86	124.69
5. Benefit payments	(209.39)	(62.04)
6. Assets transferred under Business acquisition (refer note 58)	-	1,479.64
7. Fair value of plan assets at the end of the year	**2,231.64**	**2,065.95**

IV. The major categories of plan assets

The Company made annual contribution to the Birla Sun Life Insurance Company Limited ('BSL') of an amount advised by the BSL. The Company was informed by BSL that the planned assets are held in growth/fixed interest bonds.

V. Actuarial assumptions	31 March 2023	31 March 2022
1. Discount rate	7.23%	7.32%
2. Expected rate of increase in compensation level	6.50%	6.50%
3. Expected rate of return on plan assets	7.23%	7.32%
4. Attrition rate	1.00%	1.00%
5. Mortality table	IALM 2012-14	IALM 2012-14
6. Superannuation age	58	58

VI. Sensitivity analysis

(₹ in lakh)

Particulars	31 March 2023		31 March 2022	
	Change in assumption	Effect on gratuity obligation	Change in assumption	Effect on gratuity obligation
Discount rate	0.50%	(125.92)	0.50%	(35.95)
	-0.50%	136.63	-0.50%	39.24
Expected rate of increase in compensation level	0.50%	136.34	0.50%	37.68
	-0.50%	(126.75)	-0.50%	(34.78)

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.

VII. Experience adjustments :

(₹ in lakh)

Particulars	Year Ended				
	31st March 2023	31st March 2022	31st March 2021	31st March 2020	31st March 2019
1. Defined benefit obligation	2,876.93	2,170.41	563.86	557.45	423.54
2. Fair value of plan assets	2,231.64	2,065.95	496.17	430.05	412.42
3. Surplus/(deficit) unfunded asset	(645.28)	(104.46)	(67.69)	(127.40)	(11.12)
4. Experience adjustment on plan liabilities gain/(loss)	(12.54)	53.53	20.97	39.68	53.67

The expected rate of return on plan assets is based on the average long term rate of return expected on investments of the fund during the estimated term of obligation.

The estimate of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

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HINDWARE LIMITED

Note 43 - Employee benefits (contd.)

C. Other long-term benefits - Compensated absences (unfunded)

(₹ in lakh)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Amounts recognised in the balance sheet		
Non current (Refer note 21)	669.62	576.00
Current (Refer note 29)	302.96	276.34
	972.58	**852.34**
Amounts recognised in the statement of profit and loss		
Current service cost	183.94	144.38
Interest cost	61.19	25.40
Actuarial gain	117.68	191.03
Total included in employee benefits expense	**362.81**	**360.81**
Reconciliation of opening and closing balances of benefit obligations		
Change in benefit obligation		
Defined benefit obligation at the beginning of the year	852.34	373.56
Interest cost	61.19	25.40
Current service cost	183.94	144.38
Benefits paid	(242.57)	(139.23)
Actuarial gain	117.68	191.03
Liability assumed on Business acquisition (refer note 58)	-	257.20
Defined benefit obligation at the end of the year	**972.58**	**852.34**

The average duration of remaining working life at the end of the reporting period is 15.31 years (Previous year 16.20 years)

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HINDWARE LIMITED

Note 44 - Segment Information

The Company operates in a single segment i.e. Building Products.

Note 45 - Earnings per share

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit / (loss) for the year attributable to owners of the Company (₹ in lakh)	8,800.41	11,652.31
Weighted average number of equity shares (nos.)	4,90,70,274	4,90,00,000
Nominal value per share (₹)	2.00	2.00
Earnings per share - basic and diluted (₹)	17.93	23.78

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

Note - 46 Contingent liabilities not provided for in respect of:

(₹ in lakh)

Particulars	As at 31 March 2023	As at 31 March 2022
a) Demands made by the sales tax authorities against which appeals have been filed	425.44	616.99
b) Claims against the Company not acknowledged as debts	206.20	231.98

Note - 47 Capital and other commitments

(₹ in lakh)

Particulars	As at 31 March 2023	As at 31 March 2022
Commitments relating to contracts remaining to be executed on capital account and other commitments not provided for	4,711.83	6,167.89

Note - 48 Payment to statutory auditors (excluding goods and service tax)

(₹ in lakh)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
As auditors	13.87	8.56
For taxation matters	2.49	2.14
Other services	2.42	3.62
For reimbursement of expenses	0.41	0.83
	19.19	**15.15**

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HINDWARE LIMTED

Note 49 - Related party transactions

In accordance with the requirement of Indian Accounting Standard (Ind AS) 24 "Related Party Disclosures" name of the related party, related party relationship, transactions and outstanding balances including commitments where control exist and with whom transactions have taken place during the reported period are as follows:

List of related parties **Relationship**	**Name of related party (as identified by the management)**
Key management personnel (KMP)	**Executive directors** Mr. Sandip Somany (Chairman & Managing Director) **Executives / Key Managerial Personnel** Mr. Sandeep Sikka (CFO) Ms Payal M Puri (CS) **Non-executive directors** Mr. G.L. Sultania Mr. Ashok Jaipuria Mr. Salil Bhandari Dr. Rainer Siegfried Simon Ms. Alpana Parida
Relative of Key management personnel	Ms. Sumita Somany (Wife of Mr. Sandip Somany)
Holding company	Hindware Home Innovation Limited
Subsidiaries	Halis International Limited, Mauritius Queo Bathroom Innovations Limited, UK (subsidiary of Halis International Limited)
Fellow Subsidiaries	Evok Homes Private Limited Luxxis Heating Solutions Private Limited (Struck off w.e.f 28thApril 2023) Hintastica Private Limited (ceased to be subsidiary of Hindware Home Innovation Limited w.e.f 19 May 2021)
Entities where significant influence is exercised by KMP/KMP of holding company/ and/or their relatives	Khaitan & Co. LLP Hintastica Private Limited (Joint venture of holding company w.e.f. 20 May, 2021)
Others	AGI Greenpac Limited (Formerly known as HSIL Limited) (Subsidiary of Somany Impresa Limited)
Corporate Social Responsibility	HSIL Corporate Social Responsibility Foundation
Post employment benefit plan	Brilloca Employee Gratuity Fund

The following transactions were carried out with related parties in the ordinary course of business and on arm's length basis.

(₹ in lakh)

Particulars	**Holding/Subsidiary/Fellow Subsidiaries**		**Entities where significant influence is exercised by KMP/KMP of holding company/ and/or their relatives and other related parties**	
Transactions during the year	**31 March 2023**	**31 March 2022**	**31 March 2023**	**31 March 2022**
Management fees received from				
Hindware Home Innovation Limited	227.80	317.56	-	-
Hintastica Private Limited	-	-	93.53	99.56
AGI Greenpac Limited	-	-	2,261.43	1,713.76
Management fees paid to				
Hindware Home Innovation Limited	284.80	-	-	-
AGI Greenpac Limited	-	-	-	1.48
Rent paid to				
Hindware Home Innovation Limited	33.60	33.60	-	-
AGI Greenpac Limited	-	-	2,069.85	745.31
Loan given to				
Hindware Home Innovation Limited	800.00	700.00	-	-
Interest received from				
Hindware Home Innovation Limited	210.62	145.75	-	-

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Note 49 - Related party transactions (contd.)

(₹ in lakh)

Particulars	Holding/Subsidiary/Fellow Subsidiaries		Entities where significant influence is exercised by KMP and/or their relatives and other related parties	
Transactions during the year	**31 March 2023**	**31 March 2022**	**31 March 2023**	**31 March 2022**
Sale of fixed assets to				
Hintastica Private Limited	-	-	2.67	-
AGI Greenpac Limited	-	-	-	1.17
Purchase of fixed assets from				
AGI Greenpac Limited	-	-	-	7.97
Purchase of investments from				
AGI Greenpac Limited	-	-	-	1.00
Purchase under slump sale (including closing date adjustment)				
AGI Greenpac Limited	-	-	2,671.98	69,995.55
Purchase (net) of goods from				
Hindware Home Innovation Limited	7.90	2.21	-	-
Evok Home Private Limited	1.30	-	-	-
AGI Greenpac Limited	-	-	7,067.95	93,038.71
Sale of goods and services to				
AGI Greenpac Limited	-	-	7.14	314.09
Reimbursement of expense received from				
AGI Greenpac Limited	-	-	-	10.40
Reimbursement of expenses paid to				
Hindware Home Innovation Limited	129.49	-	-	-
AGI Greenpac Limited	-	-	1,025.69	219.26
Reimbursement of VAT/CST liability paid to				
AGI Greenpac Limited	-	-	-	96.21
Contribution made				
Brilloca Employee Gratuity Fund	-	-	313.86	124.69
Corporate Social Responsibility				
HSIL Corporate Social Responsibility Foundation	-	-	213.87	31.51
Consultancy fees paid to				
Khaitan & Co. LLP	-	-	-	0.34
Security Deposit received back from				
AGI Greenpac Limited	-	-	21.55	-
Investment in Subsidiary				
Truflo Pipes Limited	20.00	-	-	-
Balances outstanding as at the end of the year - Receivable				
Hindware Home Innovation Limited				
Loan receivable	2,500.00	1,700.00	-	-
Others	13.56	114.70	-	-
Hintastica Private Limited	-	-	113.36	92.71
Balances outstanding as at the end of the year - Payable				
AGI Greenpac Limited				
- Slump sale	-	-	1,215.52	59,095.55
- Others	-	-	318.33	4,121.50
Khaitan & Co. LLP	-	-	-	0.08

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HINDWARE LIMITED

Note 49 - Related party transactions (Contd.)

Key Managerial Personnel (KMP)

The remuneration and other transactions with members of key managerial personnel and their relatives during the year are as follows:

(₹ in lakh)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Short-term employee benefits #	1,440.27	1,928.31
Post-employment benefits		
- Defined contribution plan $	154.02	108.40
- Defined benefit plan *	-	-
Issue of Shares (Refer Note 16 (f))	2.00	-
Total	**1,596.29**	**2,036.71**

Including bonus, sitting fee, commission on accrual basis and value of perquisites.

$ including provident fund, leave encashment paid and any other benefit.

* As the liability for gratuity and leave encashment are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key managerial personnel are not included above.

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HINDWARE LIMITED

Note 50 Leases

The company recorded the lease liability at the present value of the future lease payments discounted at the incremental borrowing rate and the right of use asset. Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

Break-up of current and non-current lease liabilities as at:

(₹ in lakh)

Particulars	As at 31 March 2023	As at 31 March 2022
Current lease liabilities	2,415.79	1,552.19
Non current lease liabilities	15,728.71	15,022.13
Total	**18,144.50**	**16,574.32**

Movement in lease liabilities during the year ended:

(₹ in lakh)

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at the beginning	16,574.32	2,810.45
Addition	5,053.88	14,961.75
Finance cost accrued during the period	1,257.84	309.07
Deletions /adjustment	1,252.91	587.56
Payment of lease liabilities	3,488.63	876.76
Lease concession	-	42.63
Balance at the end	**18,144.50**	**16,574.32**

Details regarding the contractual maturities of lease liabilities on an undiscounted basis:

(₹ in lakh)

Particulars	As at 31 March 2023	As at 31 March 2022
Less than one year	3,541.80	2,593.15
One to five years	11,028.77	9,452.88
More than five years	8,575.74	10,006.42
Total	**23,146.31**	**22,052.45**

Rental expense recorded for short-term leases was ₹ 671.85 lakh (Previous period ₹ 935.98 lakh) for the year ended 31st March 2023

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HINDWARE LIMITED

Note: 51 Corporate social responsibility

In accordance with the provisions of section 135 of the Act, the Board of Directors of the Company had constituted a Corporate Social Responsibility (CSR) Committee. In terms, with the provisions of the said Act, the Company was to spend a sum of ₹ 213.87 lakh (previous year ₹ 111.10 lakh) towards CSR activities during the year ended 31 March 2023. The CSR Committee has been examining and evaluating suitable proposals for deployment of funds towards CSR initiatives, however, the committee expects finalization of such proposals in due course. During the year ended 31 March 2023, the Company has contributed the following sums towards CSR initiatives. (Refer note 39)

(₹ in lakh)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
(i) Amount required to be spent on CSR activities during the year	213.87	111.10
(ii) Amount on expenditure incurred on:		
(a) On construction/acquisition of any asset	71.27	80.00
(b) On purposes other than (i) above	142.60	31.51
(iii) Shortfall at the end of the year	-	-

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HINDWARE LIMITED

Note 52 - Financial instrument by category

(₹ in lakh)

Particulars	31 March 2023			31 March 2022		
	FVOCI	FVTPL	Amortised cost	FVOCI	FVTPL	Amortised cost
Non current financial assets						
Investments	-	-	59.85		-	39.85
Loans	-	-	2,500.00	-	-	1,700.00
Other financial assets	-	-	588.13	-	-	663.38
Current financial assets						
Investments	-	-	-	-	2,709.06	-
Trade receivable	-	-	23,992.46	-	-	16,516.65
Cash and cash equivalents	-	-	784.12	-	-	2,341.59
Other financial assets	-	-	1,034.93	-	-	1,342.40
Total financial assets	**-**	**-**	**28,959.49**	**-**	**2,709.06**	**22,603.87**
Non Current financial liabilities						
Non-current borrowings	-	-	31,980.23	-	-	-
Lease liabilities			15,728.71			15,022.13
Other financial liabilities	-	-	4,566.24	-	-	3,660.26
Current financial liabilities						
Current borrowings	-	-	30,271.76	-	-	32.58
Lease liabilities			2,415.79			1,552.19
Trade payables	-	-	21,876.74	-	-	17,017.18
Other financial liabilities	-	-	23,513.25	-	-	78,743.62
Total financial liabilities	**-**	**-**	**1,30,352.72**	**-**	**-**	**1,16,027.96**

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HINDWARE LIMITED

Note 53 - Disclosure under section 186(4) of the Companies Act, 2013

(₹ in lakh)

Particulars	As at 31 March 2023			As at 31 March 2022	
	Truflo Pipes Ltd (Wholly owned subsidiary)	Hindware Home Innovation Limited (Holding Company)	Halis International Limited, Mauritius (Wholly owned subsidiary)	Hindware Home Innovation Limited (Holding Company)	Halis International Limited, Mauritius (Wholly owned subsidiary)
Guarantee					
Guarantees given as at the beginning of the financial year	-	-	-	-	-
Guarantees given during the financial year	-	-	-	-	-
Guarantee closed during the year	-	-	-	-	-
Guarantees given as at the end of the financial year	-	-	-	-	-
Investments					
Investments at the beginning of the financial year	-	-	38.84	-	50.50
Additions during the financial year	20.00	-	-	-	-
Provision for diminution in the value of during the year	-	-	-	-	11.66
Investment at the end of the financial year	20.00	-	38.84	-	38.84
Loans and advances					
Loans at the beginning of the financial year	-	1,700.00	-	1,000.00	-
Additions during the financial year	-	800.00	-	700.00	-
Return back during the year	-	-	-	-	-
Loans at the end of the financial year	-	2,500.00	-	1,700.00	-

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HINDWARE LIMITED

Note 54 - Transactions with Struck-off companies

(₹ in lakhs)

S. No.	Name of Struck-off company (as per MCA)	Nature of transaction with struck-off company	Balance as on 31st March'2023	Balance as on 31st March'2022	Relationship with the struck-off company
1	GCL Enterprises Private Limited	Sale of goods	-	(0.05)	Customer
2	Concept Ceramics Private Limited	Sale of goods	-	(0.00)	Customer
3	S V Electronics Limited	Purchase of goods	(0.00)	(0.00)	Vendor
4	Khandelwal Polymers Pvt Ltd	Purchase of goods	-	(0.02)	Vendor
5	Red Pearl Ventures Private Limited	Sale of goods	0.13	-	Customer
6	Build Bath Private Limited	Sale of goods	1.20	-	Customer
7	R.L. Dalal & Company Private Limited	Sale of goods	0.03	-	Customer

Note 55 - Social security code

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Indian Parliament's approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently, on November 13, 2020, draft rules were published and stakeholders' suggestions were invited. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Note 56 :- Dividend declaration

The Board of Directors have recommended a dividend of 300% i.e. ₹6 /- (previous year ₹12 /-) per fully paid up equity share of face value ₹2/- each and ₹3/- (previous year Nil) per partly paid up equity share of face value ₹2/- each (paid up value ₹1/- per equity share) for the year ended 31st March 2023. The dividend is in proportion to the amount paid-up on each equity share of face value of ₹2/- each and is subject to the approval of shareholders in the ensuing Annual General Meeting.

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HINDWARE LIMITED

Note 57 :- Ratios disclosure

Particulars		As at 31 March 2023	As at 31 March 2022	Variance	Remarks
(i)	**Current Ratio (times)** Total Current assets / Total current liabilities	1.03	0.80	29.50%	Due to reduction in Current Liabilities
(ii)	**Total Debt to Equity Ratio (times)** (Non-current borrowings + Current Borrowings + Trade Deposits) / Net worth*) * Net worth = Equity Share Capital + Securities premium account + General reserve + Retained earnings + Actuarial gain / (loss)	1.63	0.10	1454.23%	Due to increase in debt
(iii)	**Debt Service Coverage Ratio (times)** (Profit after Tax + Depreciation + Interest on loan + loss / (gain) on sale of Property Plant and Equipment/ Interest on loan + principal scheduled repayment of loan + lease repayment)	1.70	10.03	-83.04%	Due to increase in debt
(iv)	**Return on Equity (%)** (Profit for the year / Average Net worth*) * Net worth = Equity Share Capital + Securities premium account + General reserve + Retained earnings + Actuarial gain / (loss)	23.12%	38.14%	-39.38%	Due to Business Combination
(v)	**Inventory Turnover (times)** (Cost of Goods Sold / Average Inventories)	2.46	3.64	-32.56%	Due to Business Combination
(vi)	**Trade Receivables Turnover (times)** (Net Sales / Average Trade receivables)	11.13	8.71	27.72%	Due to increase in Sales
(vii)	**Trade Payables Turnover (times)** (Total Purchases / Average Trade payables)	7.56	12.29	-38.50%	Due to Business Combination
(viii)	**Net Capital Turnover (times)** Net Sales / Average Working Capital) (Working Capital = Current assets - Current liabilities)	-24.90	449.31	-105.54%	Due to Business Combination
(ix)	**Net Profit Ratio (%)** (Profit for the year / Net Sales)	3.91%	6.49%	-39.68%	Due to Business Combination
(x)	**Return on Capital Employed (%)** (Earnings before interest and tax / Capital employed*) * Capital employed = Tangible Net worth + Borrowings + Deferred tax liability + Trade deposits - Intangible assets	16.43%	41.51%	-60.43%	Due to Business Combination
(xi)	**Return on Mutual funds (%)** (Income during the year / Time weighted average of investments)	-	3.18%	-100.00%	Due to redemption of mutual fund

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HINDWARE LIMITED

Note 58 :- Business Combination (Acquisition of BPD manufacturing operations of AGI Greenpac limited)

a) The Board of Directors in their meeting held on 15th January 2022 had approved the purchase of Building Product Division (the "BPD"), one of the business segments of AGI Greenpac Limited, by way of a slump sale for a consideration of ₹63,000 lakhs, which was subject to the customary closing date adjustments to give effect to the transaction. Further, as per IND AS 103: Business Combination goodwill amounting to ₹191.00 lakhs was recognized in FY 2021-22.

b) The date of consummation of slump sale transaction was 31st March 2022, after close of business hours. After giving effect of the closing date adjustments as on 31st March 2022, the slump sale consideration was recorded at ₹ 69,995.55 lakhs.

i. As part of slump sale transaction, one of the underlying parcel of land and building thereon situated in the state of Telangana was to be transferred and registered in the name of the company was subject to applicable approvals from concerned authorities. From the date of the Board meeting as mentioned above and the date on which approval was received (for registration of land), the valuation and the circle rate of the said land parcel increased, and accordingly closing date adjustment impact of ₹1729.12 lakhs been accounted for by capitalizing as cost of the stated parcel of land.

ii. Further as part of Slump sale transaction, certain assets amounting to ₹942.86 lakhs been accounted for by capitalizing leasehold improvement as a part of closing date adjustments.

Note 59 :- GST

The annual return of GST for FY 2022-23 is under process of filing with statutory authorities. The management believes that there will not be any material impact over financial statements after financial submission/filing. The date of filing of GST returns are 31st December, 2023

Note 60 :- The impact of purchase on slump sale basis of Building Product Division (the "BPD") was accounted for on 31st March 2022. Hence, the financial statement for year ended 31st March 2023 are not comparable with the year ended 31st March 2022.

Note 61 - Other Disclosures

(a) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period

(b) The Company have not traded or invested in crypto currency or virtual currency during the financial year

(c) There are no loans or advances in the nature of loans granted to Promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are: (a) repayable on demand; or (b) without specifying any terms or period of repayment

(d) The Company has complied with the requirements of the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017

(e) The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 to 1988) and Rules made thereunder

(f) The Company has not been declared as wilful defaulter by any bank or financial institution or other lender or government or any government authority

(g) Utilisation of borrowed funds and share premium

I. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(ii) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

II. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the

(i) 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

(ii) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

(h) There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.

(i) Previous period figures have been regrouped /re-arranged wherever considered necessary to confirm to the current year's classification.

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LODHA & CO. New Delhi Chartered Accountants

HINDWARE LIMITED

As per our report of even date attached

For and on behalf of the Board of Directors

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

G.L. Sultania
Director
DIN: 00060931

Sandip Somany
Chairman and Managing Director
DIN: 00053597

Shyamal Kumar
Partner
M. No. 509325
Place : New Delhi
Date : 10 May 2023

Payal M. Puri
Company Secretary
ACS No.: 16068

Sandeep Sikka
Chief Financial Officer

Place : Gurugram
Date : 10 May 2023

HINDWARE LIMITED
(FORMERLY KNOWN AS BRILLOCA LIMITED)
Regd. Office: 2, Red Cross Place, Kolkata-700 001
CIN: U74999WB2017PLC223307
Phone: 033-22487407/5668,
E-mail: ngoenka@hindware.co.in
Website: www.hindware.com

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the Sixth Annual Report and the Company's Audited Financial Statements for the financial year ended on 31 March 2023.

FINANCIAL RESULTS:

The Company's financial performance, for the year ended 31 March 2023 is summarised below:

(Rs. in lakhs#)

Financial Results	**2022-2023**	**2021-2022**
Revenue from Operations	2,31,612	1,79,546
Add: Other Income	2,906	2,472
Total Income	**2,34,519**	**1,82,018**
Profit before tax	**11,732**	**15,404**
Less: Tax expenses		
- Current year tax	3,016	4,117
- Earlier year tax	-	-
- Deferred tax	(84)	(365)
Net tax	2,932	3,752
Profit after tax (i)	**8,800**	**11,652**
Other Comprehensive Income (net of tax)	(95)	45
Total Comprehensive Income	**8,705**	**11,697**
Add: balance brought forward (ii)	29,719	20,517
Amount available for appropriation [(i) + (ii)]	**38,519**	**32,169**
APPROPRIATIONS :		
Dividend paid on equity shares	2,940	2,450
Balance carried forward	**35,579**	**29,719**

(#Figures have been rounded off)

OPERATIONAL REVIEW

Your Company achieved Revenue from Operations of Rs. 2,31,612 lakhs in FY 2022-2023 as against Rs. 1,79,546 lakhs in FY 2021-2022. This has resulted in EBITDA of Rs. 25,928 lakh in FY 2022-2023 compare to Rs. 18,472 lakh in FY 2021-2022.

KEY INITIATIVES

Sanitary ware and Faucets

- Launched 2 new OTC basins Ellipse and Easy Clean (first in India in Sanitary ware);
- Introduced 7 new EWC 1 Pieces in EWC 1 Piece category. Also launched 6 new EWC Wall Mounts in EWC WM category;
- Launched over 30+ new SKU's in Sanitaryware;
- Introduction of PVD collections in Element, Avior and Edge along with showers/shower arm;
- Launch of Showers, Accessories and Bib Cock 2 in 1 advance;
- Range completion of Flora/Edge/Avior/Amazon;
- Launch of Deusch Mixer;
- >450 distributors in DMS (Distribution Management System) Exit March 2023. Complete visibility of Width of Distribution, Secondary Sales, Outlet base, Distributor Stocks, Pin code wise presence visibility made available;
- About 30,000 Unique Retailer base created with GSTIN numbers tagged in system;
- 21 Project Audits were conducted in order to maintain Sales Hygiene & control Infiltration;
- Launch of RSO Policy on cost sharing model;
- Distribution Market Stormings executed in 62 Cities;
- Schemes Communications via WhatsApp to 18,000+ dealers started first time;
- Pincode mapped Census City Wise secondary report created for Sales team through Power BI;
- Micro Market Mapping of 30,000+ dealers in Distribution Project was completed;
- My-Connect credentials extended to sub-dealers for HPC points visibility;
- Launched "Plumber No 1", 1st in the Industry QR code and App based integrated loyalty program for plumbers. Conducted 32 Plumber Melas and more than 1000 meets across various geographies and achieved 26,000 registrations on the app. Overall we achieved a tertiary sale of 23.5 Cr through 5700 active plumbers;
- Total New 250 + Brand Stores;
- E4M Pride Award for Hindware;
- SIG Value Workshops conducted to inculcate the organization values in the system;
- HR Digitization – "**Hum Tum**" the AI chat boat for HR queries launched;
- 360 degree survey to solicit feedback on an employee's overall performance launched; and
- People capability building initiatives were initiated –
    - Situational Leadership Workshop – Effective Team Management
    - Workshops on Nurturing Talent

Tiles

- Expanded dealer base from 280 to 526, especially with the help of Depot billing;
- Inaugurated 36 Exclusive Tiles Brand Stores ;
- Achieved 105 Cr sales, crossing the first milestone of 100 Cr.;
- Extended our presence in 23 states & 5 UTs with Company team & Direct dealers; and
- Entered Stone/Granite market with the launch of Kitchen Slabs, Full Body 15 mm tiles in 800 x 2400 mm size.

Pipes

- Forayed into bath fittings business offering PTMT Faucets, flush tanks and accessories;
- Commissioned new production unit with a capacity of 18,000 MT;
- New water tank manufacturing facility in the south is functional now;
- Received Patent for Column Pipes Locking technology;
- Connected and engaged with more than 75,000 plumbers;
- Have expanded channel partner network with 290+ distributors and 25,000+ retailers; and
- Land has been purchased and paperwork has been initiated to set up another plant in Roorkee, Uttarakhand

MATERIAL CHANGES AND COMMITMENTS

CHANGE IN STATUS OF HINDWARE LIMITED (FORMERLY KNOWN AS BRILLOCA LIMITED FROM "WHOLLY OWNED SUBSIDIARY" TO "SUBSIDIARY" OF HINDWARE HOME INNOVATION LIMITED (FORMERLY KNOWN AS SOMANY HOME INNOVATION LIMITED) ("HHIL")

Pursuant to a special resolution passed by the members of the Company on 30 November, 2022, the Board of Directors of the Company in their meeting held on 3 February, 2023 approved and allotted 900000 partly paid-up equity shares of face value of INR 2 (Indian Rupee Two) each for a premium of INR 450 (Indian Rupee Four Hundred and Fifty) to certain eligible subscribers (being the employees and key managerial personnel and none of them being the promoters or part of the promoter group of Hindware) ("Eligible Subscribers") upon payment of INR 1 (Indian Rupee One) per equity share. Post the transaction, the Eligible Subscribers hold approx. 1.80% in the share capital of the Company. Consequently, the holding of the HHIL in the share capital of the Company stands reduced from 100% to 98.20% and the Company was ceased to be a wholly owned subsidiary of the HHIL but remain its subsidiary.

CHANGE IN NATURE OF BUSINESS

During the period under review, there were no changes in nature of business of the Company.

PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANY

During the year under review, a new wholly owned subsidiary was incorporated namely Truflo Pipes Limited.

CONSOLIDATION OF FINANCIAL STATEMENTS

In accordance with the provision of Section 129 of the Companies Act, 2013 read with Rules made thereunder (including the Companies (Accounts) Rules, 2014 (as amended) and applicable Ind AS; if ultimate or any intermediate holding company of the entity files consolidated financial statements with the Registrar which are in compliance with the applicable Accounting Standards then an entity that is a parent is exempted from preparation and submission of consolidated financial statements with the Registrar.

Accordingly, the Company is exempted from preparation of consolidated financial statements as its holding company i.e. Hindware Home Innovation Limited (Formerly known as Somany Home Innovation Limited) prepared consolidated financial statements for all the wholly owned subsidiaries /subsidiaries and are available on website of the Company.

Further, a statement containing the salient features of the financial statements of our subsidiaries in the prescribed format AOC-1 is enclosed as **Annexure A.**

DIVIDEND

Your Directors have recommended a dividend of Rs. 6 /- (i.e. 300%) (previous year Dividend of Rs. 12/-) on fully paid up equity shares of Rs. 2/- each for the financial year ended 31 March 2023, amounting to Rs. 2,940 lakhs and a dividend of Rs. 3/- each (i.e. 300%) on partly paid up equity shares of Rs. 2/- each (paid up Rs. 1/- each) for the financial year ended 31 March 2023, amounting to Rs. 27 lakhs. The dividend payout is subject to approval of members at the ensuing Annual General Meeting. The dividend will be paid to those shareholders whose names appeares in the Register of Members of the Company as on 12th June, 2023 or to those Shareholders whose particulars will be provided by the Depositories, on that date.

TRANSFER TO RESERVES

The Board proposes not to transfer any amount to the General Reserve out of the profit for the year under review.

AUDITORS AND AUDITORS' REPORT

Statutory Auditors

M/s. Lodha & Co., Chartered Accountants, Statutory Auditor of the Company having Firm's Registration No. 301051E holds office till the conclusion of the ensuing Annual General Meeting. Pursuant to the provisions of Section 139 and the Companies (Audit and Auditors) Rules, 2014 of the Companies Act, 2013 (" the Act"), M/s. Lodha & Co., is eligible to be re-appointed for the second term as Statutory Auditor of the Company. The Company has received written consent and certificate of eligibility from

M/s. Lodha & Co. in accordance with Sections 139, 141 and other applicable provisions of the Act and Rules made thereunder.

The Audit Committee and the Board of Directors recommend re-appointment of M/s. Lodha & Co., Chartered Accountants for the second term as the Company's Statutory Auditor from the conclusion of the ensuing Annual General Meeting till the conclusion of the 11th Annual General Meeting of the Company, for approval of shareholders at the ensuing Annual General Meeting of the Company.

The Notes on financial statements referred to in the Auditors' Report are self-explanatory and therefore do not require any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Board under Section 143(12) of the Act and the rules made thereunder.

Secretarial Auditor

The Board had appointed M/s. DMK Associates, Company Secretaries, New Delhi, (Ms. Monika Kohli, Practicing Company Secretary CP No.4936) to conduct Secretarial Audit for the financial year 2022-2023, pursuant to the provisions of Section 204 of the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Secretarial Audit Report in Form MR – 3 for the financial year 2022-2023 is enclosed as **Annexure B** to this Report. The Secretarial Audit Report does not contain any observation or adverse remark.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings And Outgo, as required under section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is enclosed as **Annexure C** to this Report.

SHARE CAPITAL

During the year under review, the Company issued and allotted 2,45,00,000 (Two Crore Forty Five Lakhs) bonus shares of the Company to the Shareholders of the Company, in the proportion of 1 (one) fully paid bonus Equity Share of INR 2/- (Indian Rupee two) each for 1 (one) fully paid Equity Share of INR 2/- (Indian Rupee two).

The Company further issued and allotted 9,00,000 (Nine lakhs) partly paid up equity shares on preferential basis of face value of INR 2 (Indian Rupee two) each for a premium of INR 450 (Indian Rupee Four Hundred Fifty) upon payment of INR 1 (Indian Rupee One) per equity share as subscription amount.

The Paid-up Equity Share Capital of the Company as on 31 March 2023 was Rs. 98,900,000.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, there were no change in directorship of the Company.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Sandip Somany, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

BOARD EVALUATION

Pursuant to the provisions of the Act, Independent Directors in a separate meeting evaluated the performance of Non-Independent Directors, performance of Board as a whole and performance of the Chairman taking into account the views of the Executive Directors and Non-executive Directors. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Boards functioning such as adequacy of the composition of the Board, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its shareholders etc.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013. In the opinion of the Board, they fulfil the conditions of independence as specified in the Act and are independent of the management.

The Independent Directors of the Company are persons of integrity and comprise of appropriate skills/expertise/competencies (including proficiency) and have rich and varied experience in diversified domains for effective functioning of the Board of Directors of the Company.

NUMBER OF BOARD MEETINGS

During the year under review, four Board Meetings were convened and held i.e. on 17 May, 2022, 4 August 2022, 4 November 2022, and 3 February 2023.

AUDIT COMMITTEE

The Company's Audit Committee was constituted on 3 February 2023 which comprises of four members out of which three are Independent Directors namely Mr. Salil Kumar Bhandari as Chairman, Dr. Rainer Siegfried Simon and Ms. Alpana Parida as members and one is Executive Director namely Mr. Sandip Somany as member.

Further, no Audit Committee meeting was held during the year.

NOMINATION AND REMUNERATION POLICY

The Company has in place a Nomination and Remuneration Policy for appointment of Directors, Key Managerial Personnel, Senior Management and fixation of their remuneration as per the Act.

The Nomination and Remuneration Policy is available on Company's website at the link: https://hindware.com/who-we-are/docs/Hindware_Nomination_and_Remuneration_Policy_Version.pdf.

EXTRA ORDINARY GENERAL MEETING

During the year under review, one Extra Ordinary General Meeting of the members of the Company was held:

Date of Extra Ordinary General Meeting	No. of Ordinary/Special Resolution passed	Particulars	
30 November, 2022	1	1.	Special Resolution :Approval for the issuance of partly paid up equity shares on preferential basis

DISCLOSURE UNDER SECRETARIAL STANDARDS

The Directors state that during the year 2022-23, the Company has complied with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis. The disclosure in Form AOC-2 is enclosed as **Annexure D** to this report.

Your Directors draw attention of the members to Note 49 to the financial statements which set out related party disclosures.

ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act, 2013, the copy of Annual Return in prescribed format may be accessed on the Company's website i.e. www.hindware.com.

VIGIL MECHANISM (WHISTLE BLOWER POLICY)

In accordance with section 177(9) of the Act and the Rules made thereunder, the Company has in place a Whistle Blower Policy to establish a vigil mechanism for Directors/Employees and other stakeholders of the Company to report concerns affecting the smooth and efficient running of operations of the Company. This Policy documents the Company's commitment to maintain an open work environment in which employees, consultants and contractors are able to report instances of unethical or undesirable conduct, actual, suspected fraud or violation of the Company's Code of Conduct.

The Vigil Mechanism (Whistle Blower Policy) is available on Company's website at the link:https://hindware.com/who-we-are/images/Hindware%20Limited_Vigil%20-Whistle-Blower-Policy-Version-II.pdf.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has a Corporate Social Responsibility Committee in place as per the provisions of Section 135 of the Act, comprising of Mr. Salil Kumar Bhandari, Chairman, Mr. Sandip Somany, Mr. Ashok Jaipuria and Mr. Girdhari Lal Sultania as other members of the Committee.

The Company's Corporate Social Responsibility Policy (CSR Policy) duly approved by the Board, indicates the activities to be undertaken by the Company to fulfil the expectation of our Stakeholders and to continuously improve our social, environmental and economical performance while ensuring sustainability and operational success of our Company. The Company would also undertake other need based initiatives in compliance with Schedule VII to the Act.

The guiding principles for all CSR initiatives of the Company are as follows:

- Establishing a guideline for compliance with the provisions of Regulations to dedicate a percentage of Company's profits for social projects;
- Ensuring the implementation of CSR initiatives in letter and spirit through appropriate procedures and reporting; and
- Creating opportunities for employees to participate in socially responsible initiatives.

The CSR Policy may be accessed on the Company's website at the link: https://hindware.com/who-we-are/docs/hindware-csr-policy-brilloca-version-II.pdf.

The Annual Report on CSR Activities for the financial year 2022-2023 is enclosed as **Annexure E** to this report.

INTERNAL CONTROLS

The Internal Audit team monitors and evaluates the efficacy and adequacy of Internal Control Systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action(s) in their respective area(s) and thereby strengthen the controls.

Significant audit observations and corrective action(s) thereon are presented to the Board members. The members of the Board reviews the reports submitted by the Internal Auditors in each of its meeting.

INTERNAL FINANCIAL CONTROLS

In line with best practices applicable to organizations of a similar size, nature and complexity, the Company's internal control framework has been designed with reference to financial statements. This defined and adequate Internal Financial Controls are tested from time to time for necessary improvement.

RISK MANAGEMENT

A robust governance structure has been developed across the Organization. Risk Management framework developed which identifies and assesses operational, financial and compliance risks and monitors the effectiveness and efficiency of risk mitigationand control measures. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continual basis.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors in terms of Section 134(3)(c) of the Companies Act, 2013 state that:

a) in the preparation of the annual accounts for the year ended 31 March 2023, the applicable accounting standards read with requirements set out under Schedule III to the Act, had been followed and there are no material departures from the same;
b) the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2023 and of the profit of the Company for the period ended on that date;
c) the Directors had taken proper and sufficient care for the 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 fraud and other irregularities;
d) the Directors had prepared the annual accounts on a 'going concern' basis; and
e) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Particulars of loans, guarantees and investments covered under Section 186 of the Act forms part of the notes to the Financial Statements (Please refer Note Nos. 6, 7 & 11).

PARTICULARS OF EMPLOYEES

Being an unlisted Company, the provisions of section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place a Sexual Harassment Policy in compliance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Company has an Internal Complaints Committee (ICC) to redress complaints regarding sexual harassment.

The Directors further state that during the year under review, there were no complaints filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the period under review:

1. Your Company has not accepted any fixed deposits within the meaning of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

2. Your Company has not issued equity shares with differential rights as to dividend, voting or otherwise or issued shares (including sweat equity shares) to employees of the Company under any scheme or Issue of employees' stock option to employees of the Company under any scheme under the Companies (Share Capital and Debentures) Rules, 2014 except as mentioned above.

3. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

4. The Company is not required to maintain cost records as specified in section 148(1) of the Companies Act, 2013.

5. Neither any application is made nor any proceeding is pending against the Company under the Insolvency and Bankruptcy Code, 2016.

6. The Company has not defaulted in the repayment of loans to the Banks or Financial Institutions. Accordingly, disclosure relating to one-time settlement with the Banks of Financial Institutions is not required

ACKNOWLEDGEMENT

Your Directors would like to express their appreciation for assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by all employees of the Company.

For and on behalf of the Board of Directors of
Hindware Limited
(Formerly Known as Brilloca Limited)



Sandip Somany
Chairman and Managing Director

Place: Gurugram
Date: 10 May 2023

Hindware Limited (Formerly Brilloca Limited)

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rule, 2014)

Statement containing salient features of the financial statement of subsidiary/associate companies/joint ventures

Part "A" : Subsidiaries

(₹ in lakh)

Sr. No.	Name of Subsidiary	Reporting period for the subsidiary concerned, if diffferent from the holding company's reporting period	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Share capital	Reserves & surplus	Total assets	Total liabilities	Investments (Other than subsidiary)	Turnover (including other operating income)	Profit before taxation	Provision for taxation	Profit after taxation	Other comprehensive income	Total comprehensive income for the year	Proposed dividend	% of shareholding (including stepdown subsidiary holding)
1	Halis International Ltd. (Subsidiary of Hindware Ltd.)	NA	USD 1 = INR 82.2169	2,010.62	(1,998.32)	13.54	1.23	-	-	(7.33)	-	(7.33)	(0.97)	(8.30)	-	100%
2	Queo Bathroom Innovations Ltd. (Subsidiary of Halis International Ltd.)		GBP 1 = INR 101.8728	5.35	13.40	21.29	2.54	-	-	(5.58)	-	(5.58)	0.10	(5.49)	-	100%
3	Truflo Pipes Limited (Subsidiary of Hindware Ltd.)		N.A	20.00	(1.20)	19.98	1.18	-	-	(1.20)	-	(1.20)		(1.20)		100%

Note 1 : **Name of subsidiaries which are yet to commence operations : Truflo Pipes Limited**

Note 2 : **Name of subsidiaries which have been liquidated or sold during the year : NIL**

Part "B" : Associates and Joint Ventures

Statement pursuant to section 129 (3) of the Companies Act, 2013 related to associate companies/joint ventures

(₹ in lacs)

Sr. No.	Name of Associates/Joint Ventures	1. Latest audited Balance Sheet Date	2. Share of Associate/Joint Venture held by the company on the year end			3.Description of how there is significant influence	4. Reason why the associate/joint venture is not consolidated	5. Net worth attributable to Shareholding as per latest audited Balance Sheet	6.Profit/Loss for the year	
			No.	Amount of investment in Associates/Joint Venture	Extend of Holding %				i. Considered in Consolidation	i. Not considered in Consolidation
Nil										

Note 1 : **Name of associates or joint ventures which are yet to commence operations : NIL**

Note 2 : **Name of associates or joint ventures which have been liquidated or sold during the year : NIL**

HINDWARE LIMITED

G.L. Sultania
Director
DIN: 00060931

Payal M. Puri
Company Secretary
ACS No.: 16068

Sandip Somany
Chairman and Managing Director
DIN : 00053597

Sandeep Sikka
Chief Financial Officer

Place : Gurugram
Date : 10 May 2023

HINDWARE LIMITED

Form No. MR-3
SECRETARIAL AUDIT REPORT *FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023*
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members,
M/s Hindware Limited
(Formerly Known as Brilloca Limited)
CIN: U74999WB2017PLC223307
2, Red Cross Place,
Kolkata, West Bengal- 700001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Hindware Limited (Formerly known as Brilloca Limited)** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has during the audit period covering the financial year ended on 31 March, 2023 (**"Audit Period"**) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter along with **Annexure 1** attached to this report:-

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March, 2023 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **(Not applicable to the Company during the Audit Period);**

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; **(Not applicable to the Company during the Audit Period);**

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB); **(No FDI and ECB were taken and no ODI was given by the company during the Audit Period)**

31/36, Basement, Old Rajinder Nagar, New Delhi-110060 Telephone : 91-011-42432721
Mob. : 9871315000, 9810480983 E-mail : deepak.kukreja@dmkassociates.in Website : www.dmkassociates.in

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended till date; **(Not applicable to the Company during the Audit Period being an unlisted company);**

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended till date; **(Not applicable to the Company during the Audit Period being an unlisted company);**

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended till date; **(Not applicable to the Company during the Audit Period being an unlisted company);**

d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended till date; **(Not applicable to the Company during the Audit Period being an unlisted company);**

e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended till date; **(Not applicable to the Company during the Audit Period being an unlisted company);**

f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended till date; **(Not applicable to the Company during the Audit Period being an unlisted company);**

g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client as amended till date;

h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 as amended till date; and **(Not applicable to the Company during the Audit Period being an unlisted company);** and

i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 as amended till date;**(Not applicable to the Company during the Audit Period being an unlisted company).**

(vi) **OTHER LAWS**

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India.

(ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time. **(Not applicable to the Company during the Audit Period being an unlisted company).**

MK ASSOCIATES * COMPANY SECRETARIES *

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines to the extent applicable, Standards, etc. as mentioned above.

Based on the information received and records maintained, we further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-executive, Women and Independent Directors. No changes in the composition of the Board of Directors took place during the period under review.

2. Adequate notice of at least seven days was given to all Directors to schedule the Board Meetings along with agenda and detailed notes on agenda and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting in compliance of the Act.

3. Majority decision is carried through and recorded in the minutes of the Meetings. Further as informed, no dissent was given by any director in respect of resolutions passed in the Board and committee meetings.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has not incurred any specific event/ action that can have major bearing on the Company's affairs in pursuance of above referred laws, rules, regulations, guidelines, standards etc. except the following: -

1. Pursuant to provision of Section 4(4), 13(2) of Companies Act, 2013 and read with Rule 14 of the Companies (Incorporation) Rules, 2014, the name of the Company changed from "Brilloca Limited" to "Hindware Limited" w.e.f 13 April 2022 and new Certificate of Incorporation is issued by the Registrar of Companies, Kolkata.

2. Special Resolution pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 read with the relevant rules thereof, was passed by the members of the Company in its 5th Annual General Meeting held on 30 June 2022 to increase the borrowing limit from Rs. 1000/- crore (Rupees One Thousand crore only) to Rs. 2,000/- crore (Rupees Two Thousand crore only).

3. Ordinary Resolution pursuant to the provisions of Section 61(1)(a) of the Companies Act, 2013 read with the Companies (Share Capital & Debentures) Rules, 2014, was passed by the members of the Company in its 5th Annual General Meeting held on 30 June 2022, to increase the Authorised Share Capital of the Company from Rs. 6,00,00,000/- (Rupees Six crore only) divided into 3,00,00,000 Equity Shares of Rs. 2/- each to 15,00,00,000/-(Rupees Fifteen crore only) divided into 7,50,00,000 Equity Shares of Rs.2/- each.

4. Ordinary Resolution pursuant to Section 63 of the Companies Act, 2013 read with the Companies (Share Capital & Debentures) Rules, 2014, was passed by the members of the Company in its 5th Annual General Meeting held on 30 June 2022, to issue Bonus Shares to the members of the Company in the proportion of 1 (One) fully paid-up Equity Share of Rs.2/- each for every 1 (One) fully paid-up Equity Share of Rs.2/- each held by them. Further the Board of Directors of the

DMK ASSOCIATES
COMPANY SECRETARIES

Company vide its resolution dated 04 August 2022 has allotted 2,45,00,000 (Two crore Forty Five lakh) Bonus Shares of Rs. 2/- each to the existing equity shareholders in the proportion of 1 (One) fully paid-up equity Share of Rs.2/- each for every 1 (One) fully paid-up Equity Share of Rs 2/- each held by them and in compliance of Section 63 of the Companies Act, 2013 read with the Companies (Share Capital & Debentures) Rules, 2014.

1. Special Resolution pursuant to provisions of Sections 42, 62(1)(c) of the Companies Act, 2013 read with Rule 13 of the Companies (Share Capital and Debenture) Rules, 2014 and Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014, was passed by the members in its Extra-Ordinary General Meeting held on 30 November 2022 to issue and allot 9,00,000 (Nine Lacs) Partly Paid up Equity shares of face value of Rs.2/- each (Rupee Two only) at a premium of Rs. 450/- (Rupee Four Hundred Fifty Only) on a preferential basis to certain eligible subscribers (being the employees and key managerial personnel and none of them being the promoters or part of the promoter group of the Company) ("Eligible Subscribers"), on the payment of Rs. 1/- (Rupees One only) per share at the time of allotment. Further, the Board of Directors of the Company vide its resolution dated 3 February 2023 has allotted 9,00,000 (Nine Lacs) Partly Paid-up Equity Shares of face value of Rs.2/- each (Rupee Two only) at a premium of Rs.450/- (Rupee Four Hundred Fifty Only) on the payment of Rs.1/- each (Rupees One only) on preferential basis to eligible subscribers in compliance of provisions of Sections 42(i), 62(1)(c) of the Companies Act, 2013 read with rules made thereunder. Post the transaction, the Eligible Subscribers hold approx. 1.80% in the share capital of the Company. Consequently, the Company has ceased to be wholly owned subsidiary of M/s Hindware Home Innovation Limited (HHIL), as the share capital of HHIL in the Company stands reduced from 100% to 98.20%. However, the Company remains subsidiary of HHIL.

For DMK ASSOCIATES
COMPANY SECRETARIES

Date :10 May 2023
Place: New Delhi
UDIN:F005480E000284651

(MONIKA KOHLI)
B. Com (H), FCS, LL.B. I.P.
PARTNER
FCS 5480, C P 4936
Peer Review No. 779/2020

ANNEXURE 1

To

The Members,
M/s Hindware Limited
(Formerly Known as Brilloca Limited)
CIN: U74999WB2017PLC223307
2, Red Cross Place, Kolkata
West Bengal-700001

Sub: Our Secretarial Audit for the Financial Year ended 31 March 2023 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our Audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. We believe that the processes and practices, we followed provide a reasonable basis our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules, and regulations and happening of events etc.

5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. Our examination was limited to the verification of the procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

7. As per the information provided by the Company, there are certain disputes / cases filed by or against the Company, which are currently lying pending with the various Courts. However as informed these cases have no major impact on the Company.

For DMK ASSOCIATES
COMPANY SECRETARIES

Date :10 May 2023
Place: New Delhi
UDIN:F005480E000284651

(MONIKA KOHLI)
B. Com (H), FCS, LL.B. I.P.
PARTNER
FCS 5480, C P 4936
Peer Review No. 779/2020

31/36, Basement, Old Rajinder Nagar, New Delhi-110060 Telephone : 91-011-42432721
Mob. : 9871315000, 9810480983 E-mail : deepak.kukreja@dmkassociates.in Website : www.dmkassociates.in

ANNEXURE- C

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

(A) Conservation of Energy

(i) The steps taken or impact on conservation of energy

Energy conservation is Company's main focus area which is achieved & sustained by better energy management. Company ensures optimum use of energy by close monitoring of consumptions at different equipment level in the plants for which online systems have been installed to monitor & collect all the information. Company does all endeavours to minimize the consumption & achieve sustainability. Hindware's focus on product yield improvement & minimizing wastages results in optimum use of resources. The plant teams keep themselves updated with any technological upgradation/innovations in ceramic manufacturing processes & choose the most energy efficient equipments for upgradation or new installation in the plant.

Some of the initiatives taken during the year towards energy, environment and water conservation are as under:

Sanitaryware plants

- Addition of one more pressure casing machine at one of the plant to increase productivity & save space;
- Installation of additional single pc batteries in place of bench casting to increase productivity & better energy utilization;
- Replacement of existing ceiling fans with high energy efficient BLDC fans in production shops;
- Installed six environmental friendly glaze booths to conserve water & ensure negligible emissions;
- Change of MBBR technology to MBR in STP resulting into better quality of discharged water makes it suitable for reuse;
- Installation of imported energy efficient screw air compressor;
- Installation of energy efficient air heating systems in cast shops;
- Introduction of robotic spraying system to increase output & product yield in one of the plant;
- Use of high capacity DP blungers to save power;
- Stock arc tank power reduction by optimizing the running hours;
- Meter Shifting from Sub- station to Plant premises to save losses;
- Installation of single large capacity roto pump in place of 3 pumps to save power;
- VFD installation on some of the high energy consuming electric motors; and
- Sensor based switching on/off of lights in various areas of plant.

Faucets Plant

- Retrofitting of Dual fuel kit on 1500 diesel generator set (Green energy project);
- Installation and use of energy efficient GA 55+ Atlas Copco air compressor;
- Use of BLDC wall mounted fans in place of conventional AC fans;
- Insulation to induction furnace to prevent heat dissipation; and
- VFD installation on Dust collector high power consuming motor

Pipes Plants

- As a sustainable motive organisation, energy efficiency has been one of the top priorities for the Company. All the Pipes business factory related activities are

energy-efficient like production process, machine efficiency, procurement of new machines and incorporating all sustainable parameters for our new factories;

- 100% LED lighting used in the existing factory for lighting purpose has resulted in saving **193000 units** of energy saving against Conventional lighting;
- While designing the factory building, the Pipes business has taken measures to control the quantity of light being let in and its distribution throughout the shop floor without depending on the artificial lighting;
- On account of day lighting & 100% LED, we have saved approx **18.65 lakh rupees** which is equivalent to 66500 units have been saved in the year 2022; and
- Our Unit-2 which is inaugurated during January 2022, has also been registered for Green Building Certification this shows the organization commitment towards sustainability.

(ii) The steps taken by the Company for utilising alternate sources of energy

Sanitaryware plants

Installed solar power plants at Bahadurgarh Sanitaryware Plant (Plant 1) – 1220 kWp, Bibinagar Sanitaryware Plant (Plant 2) - 1500 kWp.

Faucets Plant

Installation of solar power plants at Kaharani Faucets Plant – 798 kWp.

Pipes Plants

Installed roof solar power of capacity of 640 KWH. This has yielded generation of **869228 units** in the year 2022 which is equivalent to **INR 28 Lakh.**

(iii) The capital investment on energy conservation equipments:

(Rs. in lakh)

S. No.	Capital Equipment	Capital investments on energy conservation equipments	Energy saving / annum (units in KWH)	Financial saving
(a)	**Building Products Division**			
	Sanitaryware: Bahadurgarh Plant (Plant 1)			
1	Installation of Energy efficient blunger	16.00	132000	9.90
2	Replacement of existing ceiling fans with high energy efficient BLDC fans	38.04	246133	18.46
3	Installation of imported energy efficient air compressor	22.00	Additional requirement	
	Sanitaryware: Bibinagar Plant (Plant 2)			
1	Meter Shifting	30.00	40,217	3.40
2	Replacing BLDC Ceiling fans	50.00	1,18,000	9.97

3	In house grinding of Ceramic minerals	83	98667	8.34
	Faucets: Kahrani Plant			
1	Installation of VFD on grinding dust collector	1.90	48614	3.48
2	Installation of BLDC fan	1.46	9588	0.72
3	Installation of Dual Fit kit	15.5	N/A	2.11
4	Installation of energy efficient compressor	15.50	72000	5.76
	Pipes Plant			
Pipes business has not replaced any equipment. These all were built in to the factory design and equipment specifications. IE3 motors and LED lighting was part of the design. • Savings on different heads have yielded below amounts since start of the plant. 1. On account of IE3 motors in the year 2022 – 2716841.00 **rupees** 2. On account of LED lighting in the year 2022 – 1865000.00 **rupees** 3. On account of Roof top Solar in the year 2022 - 2800000.00 **rupees**				
	Water Saving in cooling towers due to installation of Temperature sensor with VFD for fan operation			10%

(B) Technology Absorption

(i) The efforts made towards technology absorption

The Company has been making continuous efforts to absorb the latest technological developments and has taken following steps:

Sanitaryware Plants

- Introduction of Pressure casting system in the plants to increase productivity & save space resulting in less rejections, manpower & energy saving;
- Introduction of latest energy efficient shuttle kilns. Being batch kiln, these provide flexibility of operation hence further saving of energy;
- Installation of robotic spraying system to improve productivity & yield; and
- Plant team always focus on the development of new water conserving products & improvement on existing products yield by change in design & process.

Faucets Plant

- For Faucets, an automatic 6-axis polishing machine has been installed and commissioned which is the first of its kind in India resulting in consistent product quality;
- IOT implementation and trials initiated to monitor plant equipment; and
- Commissioning of peeling machines resulting in better per person output.

Pipes Plants

- Introduced one Robotic insertion arm on Injection moulding machine to insert 3/4 X 1/2 brass elbow against manual insertion. This resulted in increased production by 33%;
- To increase the number of mixing batches per day, we have Installed 350 kg /batch Plasomac mixer which produces 7.5 batches per hour against Indian 300kgs / batch mixer which produces 4.5 batches / hour. This has resulted in increased production by **1275 kg / hour**. **Thus** helps in increasing the production output at **same power** consumption;
- Installed low speed online grinders for crushing injection moulding runner of CPVC to minimise the material handling and consuming back on the same machine; and
- Introduced fitments to change from one class to other class of pipes that resulted in reduction of changeover time and increase in production. Resulted in to saving of 3 hours of die change operation. Further reduced wastage.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution

Sanitaryware Plants

- Productivity improvement & Environment protection by control, reduce & reuse of the process waste;
- Conservation of natural resources in form of raw materials & water; and
- Cost, energy-saving due to introduction of latest technologies and enhanced productivity by automation, introduction of robotic systems.

Faucets Plants

- Development of improved designs and water-efficient products and introduction of automated feature in some of the products;
- Cost, energy-saving due to introduction of latest technologies and enhanced productivity by automation, increasing robot productivity and APM productivity;
- Developed buffs for 4-head polishing machine indigenously with better quality and output; and
- Through Surface peeling of components, product aesthetics have improved and has also resulted in cost optimization.

Pipes Plants

- Introduced one Robotic insertion arm on Injection moulding machine to insert 3/4 x1/2 brass elbow against manual insertion. This resulted in increase of approx. 33% cycle time;
- Quality of Profile and O Ring material improved at CNC to plug in wastage of manpower;
- Semi-Automation of Drilling and Riveting carried out at CNC this has resulted in to reduction of one man power; and
- Semi-Automatic operation of CPVC/UPVC bundling process resulted in to reduction of two man power.

(iii) In case of imported technology (imported during last three years reckoned from the beginning of the financial year)*

Details of technology imported	Technology import from	Year of import	Status of implementation/ absorption, in case fully absorbed	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof
Sanitaryware - Plant 1 and 2				
Installation of the new screw-type energy-efficient compressor with VFD	Europe	2022	Fully Absorbed	-
Installation of Robotic Glazing system	Europe	2022	Fully Absorbed	-
Replacement of existing felsite lining with high alumina lining in Ball mill	China	2022	Fully Absorbed	-
Faucets Plant				
8 Spindle Peeling Machine	China	2020	Fully Absorbed	-
6 Axis 4 Head Buffing Machine	China	2020	Fully Absorbed	-
X-Ray Plating thickness instrument	USA	2020	Fully Absorbed	-
Forehearth High-end Technology NNPB Line-11 & 17	China	2020	Fully absorbed	-
Timing System for M/C 28 M/C -28 Section Boxes RE conditioned (SHAMVIK)	Italy	2021	Fully absorbed	-
6 Axis 4 Head Buffing Machine	China	2022	Fully absorbed	-
8 Spindle Peeling Machine	China	2022	Fully absorbed	-

Pipes				
High Output Mixer	Italy	2022	Fully Absorbed	
Robot for Brass insertion	Sweden	2022	Fully Absorbed	

*Data pertaining to the financial years from 2019-2020 till 2021-2022 were taken from AGI Greenpac Limited (formerly HSIL Limited) pursuant to the effect of Slump Sale through Business Transfer Agreement executed between the Company and AGI Greenpac Limited.

The detail of Expenditure incurred on Research and Development:

(Rs in Lakhs)

Particulars	**2022-2023**	**2021-2022**
Capital Expenditure	Nil	Nil
Recurring Expenditure	166.15	Nil
Total	166.15	Nil
Total R&D expenditure as a % of total revenue	0.07%	Nil

The details of Foreign Exchange Inflow or Outflow are as follows:

(Rs in Lakhs)

Particulars	**2022-2023**	**2021-2022**
Earning in foreign currency	723.34	568.29
Outgo of foreign currency		
- Raw Material, spare part and others	48,656.72	13,137.02
- Capital Equipment	119.69	-

For and on behalf of the Board of Directors

Sandip Somany
Chairman and Managing Director

ANNEXURE - D

Form No. AOC-2

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

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

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

(a) Name(s) of the related party and nature of relationship	(b) Nature of contracts/ arrangements/ transactions	(c) Duration of the contracts/ arrangements/ transactions	(d) Salient terms of the contracts or arrangements or transactions including the value, if any	(e) Justification for entering into such contracts or arrangements or transactions	(f) Date(s) of approval by the Board	(g) Amount paid as advances, if any	(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188
NIL							

2. Details of material contracts or arrangement or transactions at arm's length basis:

(a) Name(s) of the related party and nature of relationship	(b) Nature of contracts/ arrangements/ transactions	(c) Duration of the contracts/ arrangements/ transactions	(d) Salient terms of the contracts or arrangements or transactions including the value, if any	(e) Date(s) of approval by the Board, if any	(f) Amount paid as advances, if any
AGI Greenpac Limited –Company under common control	Sale and Purchase of Goods	On-going	As per agreement executed between the parties. Amount not exceeding Rs. 250.00 crores plus applicable Goods and Service Tax.	4 February 2022	Nil
AGI Greenpac Limited –Company under common control	Contract for Services	On-going	As per agreement executed between the parties. Amount not exceeding Rs. 30 crores plus applicable Goods and Service Tax.	4 February 2022	Nil
AGI Greenpac Limited –Company under common control	Rent of Premises	On-going	As per agreement executed between the parties. Amount not exceeding Rs. 10 crores plus applicable Goods and Service Tax.	4 February 2022	Nil
AGI Greenpac Limited –Company under common control	sale or purchase of assets	On-going	Amount not exceeding Rs. 1 crores plus applicable Goods and Service Tax.	4 February 2022	Nil
AGI Greenpac Limited –Company under common control	Reimbursement to and from	On-going	On actual	4 February 2022	Nil
AGI Greenpac Limited –Company under common control	Business advances for an amount at the prevailing interest rates	On-going	As per the approval, Amount not exceeding Rs.50 crores.	4 February 2022	Nil

For and on behalf of the Board of Directors

Sandip Somany
Chairman and Managing Director

Annexure -E

FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR FINANCIAL YEAR 2022-2023

1 **Brief outline on CSR Policy of the Company**

Please refer Corporate Social Responsilbitly section in this report and also in Corporate Governance Report. For detailed CSR Policy please refer Company's website at the link :https://hindware.com/who-we-are/docs/hindware-csr-policy-brilloca-version-II.pdf.

2 **Composition of CSR Committee**

Si.No	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Salil Kumar Bhandari	Chairman of the Committee and Independent Director of the Company	4	4
2	Mr. Sandip Somany	Member of the Committee and Chairman and Managing Director of the Company	4	4
3	Mr. Ashok Jaipuria	Member of the Committee and Independent Director of the Company	4	0
4	Mr. G.L.Sultania	Member of the Committee and Non-executive Non-Independent Director of the Company	4	4

3 **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.**

https://hindware.com/who-we-are/csr-initiatives.php.

4 **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).**

N.A

5 **(a) Average net profit of the company as per section 135(5).**

10,693.31 Lakhs

(b) Two percent of average net profit of the company as per section 135(5)

213.87 Lakhs

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.

NIL

(d) Amount required to be set off for the financial year, if any

NIL

(e) Total CSR obligation for the financial year ((b)+(c)-(d)).

213.87 Lakhs

6 (a) Amount spent on CSR Projects (Both Ongoing Project and Other than Ongoing Projects) — **213.87 Lakhs**

(b) Amount spent in Administrative Overheads — NIL

(c) Amount spent on Impact Assessment, if applicable — N.A

(d) Total amount spent for the Financial Year ((a) +(b) +(c)) — **213.87 Lakhs**

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
21,387,000	NIL		NIL		

(f) Excess amount for set off, if any

Sl.No	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as	21,386,654
(ii)	Total amount spent for the Financial Year	21,387,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	346
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	346

7 Details of Unspent CSR amount for the preceding three financial years:

Sl.No	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount	Date of transfer	
1	FY-1						
2	FY-2	NOT APPLICABLE					
3	FY-3						

8 Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: — **No**

If Yes, enter the number of Capital assets created/ acquired: — **Not Applicable**

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

SL.No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
1	2	3	4	5	6		
					CSR Registration Number, if applicable	Name	e Registered address
			Not Applicable				

9 Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

During the year, the Company has spent Rs. 213.87 lakhs towards CSR activities, which is equal to two per cent of the average net profit of the last three financial years.

Sandip Somany
Chairman and Managing Director

Salil Kumar Bhandari
Chairman of CSR Committee

HINDWARE LIMITED
(FORMERLY KNOWN AS BRILLOCA LIMITED)
Regd. Office: 2, Red Cross Place, Kolkata-700 001
CIN: U74999WB2017PLC223307
Phone: 033-22487407/5668
E-mail: ngoenka@hindware.co.in | Website: www.hindware.com

Notice is hereby given that the 6th (Sixth) Annual General Meeting of the members of Hindware Limited (Formerly Known as Brilloca Limited) will be held on Wednesday, 21 June, 2023 at 2:30 p.m. through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS:

1. To consider and adopt:

   The audited financial statements of the Company for the financial year ended 31 March 2023, the reports of the Board of Directors and Auditors thereon.

2. To declare Dividend on Fully Paid-up Equity Shares and on Partly Paid-up Equity Shares for the year ended 31 March 2023.

3. To appoint a Director in place of Mr. Sandip Somany (DIN: 00053597) who retires by rotation and being eligible, offers himself for re-appointment.

4. To re-appoint M/s. Lodha & Co., as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 11th Annual General Meeting of the Company and to fix their remuneration.

   To consider and, if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder (including any statutory enactment or modifications thereof) and based on the recommendation of the Audit Committee and Board of Directors ("Board"), M/s. Lodha & Co., Chartered Accountants (Firm Registration No.301051E) be and are hereby re-appointed as the Statutory Auditors of the Company to hold office for the second term of five consecutive years i.e. from conclusion of the 6th (Sixth) Annual General Meeting till the conclusion of the 11th (Eleventh) Annual General Meeting of the Company at such annual remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors including out of pocket expenses and other expenses as may be decided between the Board and the Auditors.

   RESOLVED FURTHER THAT the Board of the Company or any Committee thereof be and is hereby authorized to decide and/or alter the terms and conditions of the appointment including the remuneration for subsequent financial years and do such necessary acts, deeds, things and matters as may be considered necessary on behalf of the Company."

By Order of the Board
For Hindware Limited
(Formerly Known as Brilloca Limited)

Payal M Puri
(Company Secretary & V.P. Group General Counsel)

Place: Gurugram
Date: 10th May, 2023

NOTES:

1. Ministry of Corporate Affairs vide its General Circulars 10/2022 dated 28 December, 2022 read with General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, and 02/2022 dated 8 April 2020, 13 April 2020, 5 May 2020, 13 January 2021 and 5 May 2022 respectively, hereinafter referred as "MCA Circulars", has extended relaxations to conduct Annual General Meeting ("AGM") of the Companies due in year 2023 through VC/OAVM. Hence, in compliance with the "MCA Circulars, the 6th (Sixth) AGM of the Company is being conducted through VC/OAVM, which does not require the physical presence of Members at a common venue. The deemed venue for the AGM shall be the Registered Office of the Company.

2. Pursuant to MCA Circulars, since the AGM is conducted through VC/OAVM, where physical presence of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies under Section 105 of the Companies Act, 2013 ("Act") is not available for this AGM. However, in pursuance of Sections 112 and 113 of the Act, representatives of the Members may be appointed for the purpose of voting through remote e-voting for participation and voting in the AGM through VC/OAVM.

3. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

4. Members holding partly paid Equity Shares are eligible to attend the AGM and shall have voting rights proportionate to the amount paid up for such partly paid Equity Shares.

5. M/s. Lodha & Co., Chartered Accountants, Statutory Auditor of the Company having Firm's Registration No. 301051E holds office till conclusion of the ensuing Annual General Meeting. Pursuant to the provisions of Section 139 and the Companies (Audit and Auditors) Rules, 2014 of the Companies Act, 2013 ("Act"), M/s. Lodha & Co., is eligible to be re-appointed for the second term as Statutory Auditor of the Company. The Company has received written consent and certificate of eligibility from M/s. Lodha & Co. in accordance with Sections 139, 141 and other applicable provisions of the Act and Rules made thereunder. The Audit Committee and the Board of Directors recommend re-appointment of M/s. Lodha & Co., Chartered Accountants for the second term as the Company's Statutory Auditor from conclusion of the ensuing Annual General Meeting till the conclusion of 11th (Eleventh) Annual General Meeting of the Company, at such annual remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors including out of pocket expenses and other expenses as may be decided between the Board and the Auditors for approval of shareholders of the Company.

6. Since the AGM will be held through VC/OAVM facility, the Route Map is not annexed in this Notice.

7. The members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.

8. Documents, if any, referred to in the Notice shall be made available for inspection by members. The members may write to the Company Secretary at e-mail id payal@hindware.co.in requesting the relevant documents for the purpose of inspection and the same shall be made available to them.

9. Corporate members are required to send the relevant Board Resolution/Authority Letter/POA of the duly authorised signatory who has the authority to attend and vote on their behalf at the AGM.

10. In case of poll, the Members are requested to convey their vote (assent/dissent) to the resolutions by filling the ballot form, which forms part of this Notice, and send the same to the Company's designated e-mail id payal@hindware.co.in.

11. The Members are requested to attend the AGM by clicking on the link which will be sent by the Company to respective e-mail ids of the Members.

12. Dividend on Fully paid up equity shares and partly paid up equity shares, will be paid to those shareholders whose names appear on the Company's Register of Members on Monday, 12 June, 2023.

13. Members who hold equity shares in the dematerialized form and want to provide/change/ correct the bank account details should send the same immediately to their concerned Depository Participant and not to the Company. Members are also requested to give the MICR Code of their bank to their Depository Participants. The Company will not entertain any direct request from Members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details. While making payment of Dividend, the Registrar and Share Transfer Agent is obliged to use only the data provided by the Depositories, in case of equity shares held in dematerialised form.

14. Members of the Company are informed that pursuant to the provisions of Section 124(5) of the Companies Act, 2013, the amount of dividend which remains unpaid / unclaimed for a period of 7 consecutive years is required to be transferred to the 'Investor Education & Protection Fund' (IEPF) constituted by the Central Government. It is further informed that, as on date, no amount of dividend is unpaid/unclaimed for any financial year so declared by the Company.

15. Pursuant to the Companies (Prospectus and Allotment of Securities) Third Amendment Rules, 2018, the Company has facilitated dematerialisation of all its existing securities by way of registration and admission of its existing securities with the depository. It is further informed that all the shares/securities issued by the Company are held in dematerialised form only.

HINDWARE LIMITED (FORMERLY KNOWN AS BRILLOCA LIMITED)
Regd. Office: 2, Red Cross Place, Kolkata-700 001
CIN: U74999WB2017PLC223307
Phone: 033-22487407/5668
E-mail: ngoenka@hindware.co.in | Website : www.hindware.com

BALLOT PAPER
(Pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014)

Sl. No.	PARTICULARS		DETAILS
1.	Name(s) of the first named Shareholder (In Block Letters)	:	
2.	Postal Address	:	
3.	Registered Folio No./DP ID No. & Client ID No.* [*Applicable to Members holding shares in dematerialized form]	:	
4.	Class of share	:	**Equity**

I/We hereby exercise my/our vote in respect of the following Resolutions as set out in the Notice dated 10 May, 2023 of the 6th **Annual General Meeting of the Company to be held on Wednesday, 21 June, 2023 at 2:30 P.M.** by recording my/our assent or dissent to the said resolution in the following manner:

Resolution No.	Ordinary Business	No. of Shares held	I/We assent to the Resolution	I/We dissent from the Resolution
1.	To consider and adopt: The audited financial statements of the Company for the financial year ended 31 March 2023, the reports of the Board of Directors and Auditors thereon			
2.	To declare Dividend on Fully Paid-up Equity Shares and on Partly Paid-up Equity Shares for the year ended 31 March 2023			
3.	To appoint a Director in place of Mr. Sandip Somany (DIN: 00053597) who retires by rotation and being eligible, offers himself for re-appointment			
4.	To re-appoint M/s. Lodha & Co., as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 11th Annual General Meeting of the Company and to fix their remuneration			

Place:
Date:

Signature of the Member/Authorised Representative

LODHA
& CO
Chartered Accountants

12, Bhagat Singh Marg, New Delhi - 110 001, India
Telephone : 91 11 23710176 / 23710177 / 23364671 / 2414
Fax : 91 11 23345168 / 23314309
E-mail : delhi@lodhaco.com

DRAFT INDEPENDENT AUDITOR'S REPORT

To the Members of Hindware Limited (formerly known as Brilloca Limited)

Report on Audit of the Standalone Financial Statements

Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IND AS ") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, its Profit total Comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 standalone financial statements and our auditor's report thereon. Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

we have nothing to report in this regard.

Responsibility of Management and Those Charged with Governance for the Standalone 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 standalone financial statements that give a true and fair view of the financial position/, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
The Board of Directors are also responsible for overseeing the Company's financial reporting process.



Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



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

Materiality is the magnitude of misstatements in the standalone 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 standalone financial statements.

Report on Other Legal and Regulatory Requirements

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

2. As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Indian Accounting Standard) Rules, 2015 as amended.

e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.



g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 45 to the standalone financial statements;

ii. The Company has made provision, as required under the applicable law or Indian Accounting Standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.;

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

iv.

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

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

(iii) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) above as required by Rule 11(e) of Companies (Audit & Auditors) Rules, 2014, as amended, contains any material mis-statement.

v.

(a) The final dividend proposed in the previous financial year, declared and paid by the Company during the year, is in compliance with section 123 of the Companies Act, 2013 (Note No. 17).

(b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members in the ensuing General meeting. The amount of dividend proposed is in accordance with section 123 of the Companies Act, 2013.



h) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 read with Schedule V to the Act.

For LODHA & CO.
Chartered Accountants
Firm's Registration No.301051E

Shyamal Kumar
Partner
Membership No: 509325
UDIN : 22509325AJCWKF9984
Place: New Delhi
Date: 17th May 2022

Annexure – A to the Auditors' Report

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

(i) (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work in progress and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) As per the physical verification program, Property, Plant and Equipment were physically verified during the year by the Management, program designed to cover all the items over a period of three years in a phased manner (accordingly during the year, certain items have been physically verified) which, in our opinion, provides for physical verification at reasonable having regards to the size of the company and the nature of its property plant and equipment. Based on information and records provided, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the property tax receipts and lease agreements and/ or registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties disclosed (except properties where the Company is the lessee and lease agreements are duly executed in the favour of the Company) in the financial statements and included in property, plant and equipment and are held in the name of the Company as at the balance sheet date except the following:

(Amount in ₹ lakh)

Description of property	**As at Balance Sheet Date**	**Held in name of**	**Held in name of**	**Whether promoter, director or their relative or employee**	**Period held**	**Reason for not being held in name of Company**
	Gross Carrying Value	**Carrying Value in the financial statements**				
Lease hold land Buildings at Kaharani	8,507.08	8,507.08	AGI Greenpac Limited	No	Close of business hours of 31 March 2022	Slump sale transaction executed after close of business

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						hours of 31 March 2022
Land & Buildings at Bibinagar	7,972.11	7,972.11	AGI Greenpac Limited	No	Close of business hours of 31 March 2022	Slump sale transaction executed after close of business hours of 31 March 2022

(Note No 55)

(d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.

(e) According to the information and explanations given to us and records provided, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) As per the physical verification program, the inventories of the Company (except stock lying with the third parties and in transit, for which confirmations have been received/material received) were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. Discrepancies noticed were not of 10% or more in the aggregate for each class of inventories on such physical verification of inventories when compared with books of account.

(b) According to the information and explanations given to us and as per the records verified, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns / statements (stock statements, book debt statements, credit monitoring arrangement reports, statements on ageing analysis of the debtors/other receivables, and other stipulated financial information) filed by the Company with such banks or financial institutions are generally in agreement with the unaudited books of account of the Company of the respective quarters.

(iii)(a) The Company has made investments in, provided guarantee or security and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which details are given below:

(Amount in ₹ lakh)

	Loans & Investment
A. Aggregate amount granted/provided during the year:	
- Others	
Loan to Holding Company	700.00
Investment in mutual funds	26,281.01

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Investment Other	1.00
B. Balance outstanding as at balance sheet date in respect of above cases:*	
- Others	
Loan to Holding Company	1,700.00
Investment in mutual funds	2,709.06
Investment Other	1.00

The Company has not provided guarantee or security to companies, firms, Limited Liability Partnerships or any other parties during the year.

(b) The investments made during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans granted by the Company to holding company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) No loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3 (iii)(f) is not applicable.

(iv) According to the information, explanations and representations provided by the management and based upon audit procedures performed, we are of the opinion that in respect of loans granted, investments made and guarantees and securities provided, the Company has complied with the provisions of the Section 185 and 186 of the Companies Act, 2013.

(v) In our opinion the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits accepted and amounts deemed to be deposits accepted. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal against the Company in this regard.



(vi) The Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act, for the business carried out by the Company. Accordingly, paragraph 3(vi) of the order is not applicable.

(vii) (a) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues with the appropriate authorities to the extent applicable.

There were no undisputed statutory dues payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at 31st March 2022, for a period of more than six months from the date they became payable except professional tax of Rs. 0.04 lakh.

(b) According to the records and information & explanations given to us, details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March 2022 on account of disputes are given below:

Name of Statute	Nature of Due	Period	Amount involved (In Lakhs)	Forum Where Matter Is Pending
Delhi Sales Tax Act, 1975	Sales Tax	2004-05 to 2010-11	41.69	Additional commissioner
Delhi Sales Tax Act, 1975	Sales Tax	2010 to 2011 to 2014-15	73.05	Additional commissioner
Bihar Vat Act	Sales Tax	2016-17	14.29	Additional commissioner
MVAT Act	MVAT	2007-08	3.28	Assistant Commissioner of Sales Tax
CST Act	CST	2010-11	14.23	Assistant Commissioner of Sales Tax
CST Act	CST	2011-12	16.79	Assistant Commissioner of Sales Tax
CST Act	CST	2012-13	2.03	Deputy Commissioner(State Tax)
MVAT Act	MVAT	2011-12	5.08	Assistant Commissioner of Sales Tax
MVAT Act	MVAT	2012-13	1.84	Deputy Commissioner (Sales Tax), Mumbai
MVAT Act	MVAT	2013-14	5.25	Deputy Commissioner (Sales Tax), Mumbai
Telengana _CST	VAT	2015-16	30.92	The Addl. Commissioner (ST)
CST Act	CST	2015-16	54.59	Special Commissioner, Delhi



Telengana _CST	CST	2016-17	40.23	The Appellate Dy. Commissioner(CT) Hyderabad Rural Division, Hyderabad
Telengana _CST	CST	2017-18	10.47	The Appellate Dy. Commissioner(CT) Hyderabad Rural Division, Hyderabad
Gujarat_ CST	VAT	2016-17	40.41	Joint Commissioner Appeal, Gujrat
Gujarat_ CST	VAT	2016-17	5.59	Deputy Commissioner Appeal, CCT, Ahmedabad, Gijarat
Kerala	VAT	2013-14	0.08	Assistant Commissioner of Sales Tax
Assam _CST	CST	2014-15	1.47	The Commissioner of Taxes, Assam, Guwahati, Assam
Jharkhand_VAT	VAT	2014-15	14.29	In the court of Additional Commissioner Commercial Taxes, Jharkhand, Ranchi.
Delhi Sales Tax Act, 1975	CST	2016-17	70.83	Department of Trade and Taxes, New Delhi
Delhi Sales Tax Act, 1975	VAT	2016-17	0.17	The Department of Trade and Taxes, Government of NCT of Delhi
Delhi Sales Tax Act, 1975	VAT	2016-17	1.27	The Department of Trade and Taxes, Government of NCT of Delhi
Delhi Sales Tax Act, 1975	VAT	2016-17	0.21	The Department of Trade and Taxes, Government of NCT of Delhi
Delhi Sales Tax Act, 1975	CST	2017-18	28.55	The Department of Trade and Taxes, Government of NCT of Delhi
Delhi Sales Tax Act, 1975	VAT	2017-18	1.84	Objecting Authority, Department of Trade and Taxes, New Delhi
Chandigarh_VAT	VAT	2014-15	0.10	Deputy Excise And Taxation Commissioner(Appeal), Chandigarh
Chandigarh_CST	CST	2014-15	41.14	Deputy Excise And Taxation Commissioner(Appeal), Chandigarh

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix)(a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.



(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company and based on the representations of the Company, we report that the Company has neither taken any funds from any entity or person during the year nor it has raised funds through issue of shares or borrowings on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its Subsidiaries or joint ventures or associate companies.

(x)(a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi)(a) Based on the audit procedures performed and on the basis of information and explanations given by the management, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) The company is not required to established vigil mechanism under section 177 of the act, hence reporting under this clause is not applicable.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company and hence reporting under clause 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations and records made available by the management of the Company and audit procedures performed, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable Indian accounting standards.

(xiv)(a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.



(b) We have considered, the internal audit reports issued to the Company during the year and till date in determining the nature timing and extent of our audit procedure.

(xv) On the basis of records made available to us and according to information and explanations given to us, the Company has not entered into non-cash transactions with the directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934 and hence reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable. As per the information and representation provided by the management, the group does not have any Core Investment Company(CIC) within the group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016).

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) 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 and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company and/ or certificate with respect to meeting financial obligations by the Company as and when they fall due. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.



(xxi) The Company has not prepared the Consolidated Financial Statements by availing the exemption mentioned in the Notification 742(E) dated 27th July 2016 issued by Ministry of Corporate Affairs and paragraph 4(a) of Ind AS 110 "Consolidated Financial Statements" and accordingly reporting under clause 3(xxi) of the Order is not applicable.

For **LODHA & CO.**
Chartered Accountants
FRN: 301051E

Shyamal Kumar
Partner
Membership No. 509325
Place: New Delhi
Dated: 17th May 2022

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)
Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Hindware Limited (formerly known as Brilloca Limited)("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls
The Board of director of the company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility
Our responsibility is to express an opinion on the internal financial controls over financial reporting of the company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.
Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the company.



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **LODHA & CO.**
Chartered Accountants
FRN: 301051E



Shyamal Kumar
Partner
Membership No: 509325
Place: New Delhi
Dated: 17th May 2022

Hindware Limited (Formerly Brilloca Limited)
Standalone Balance Sheet as at 31 March 2022 **(₹ in lakh)**

	Particulars	Note	As at 31 March 2022	As at 31 March 2021
	ASSETS			
1	**Non-current assets**			
	(a) Property, plant and equipment	4a	46,595.01	7,734.84
	(b) Right-to-use Asset	4a	18,622.22	2,635.85
	(c) Capital work-in-progress	4b	5,192.01	89.68
	(d) Goodwill	4c	191.00	-
	(e) Other intangible assets	5	220.17	66.76
	(f) Financial assets			
	(i) Investments	6	39.85	50.50
	(ii) Loans	7	1,700.00	1,000.00
	(iii) Other financial asset	8	663.38	291.37
	(g) Deferred tax assets (net)	22	1,516.15	1,165.80
	(h) Other non-current assets	9	1,472.20	111.78
	Total non-current assets		**76,211.99**	**13,146.58**
2	**Current assets**			
	(a) Inventories	10	53,161.47	15,239.32
	(b) Financial assets			
	(i) Investments	11	2,709.06	2,564.02
	(ii) Trade receivables	12	16,516.65	24,706.52
	(iii) Cash and cash equivalents	13	2,341.59	491.08
	(iv) Other financial assets	14	1,342.40	877.51
	(c) Other current assets	15	7,429.78	7,273.32
	Total current assets		**83,500.95**	**51,151.77**
	Total assets		**1,59,712.94**	**64,298.35**
	EQUITY AND LIABILITIES			
1	**Equity**			
	(a) Equity share capital	16	490.00	490.00
	(b) Other equity	17	34,682.51	25,435.32
	Total equity		**35,172.51**	**25,925.32**
2	**Liabilities**			
	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	18	-	2,978.64
	(ii) Lease liabilities	19	15,022.13	2,363.81
	(iii) Other financial liabilities	20	3,660.26	2,983.89
	(b) Provisions	21	1,014.38	630.86
	(c) Other non-current liabilities	23	317.59	88.39
	Total non-current liabilities		**20,014.36**	**9,045.59**
	Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	24	32.58	4,952.67
	(ii) Lease liabilities	25	1,552.19	446.64
	(iii) Trade payables	26		
	- Due to micro and small enterprise		3,809.94	1,929.38
	- Due to others		13,207.24	2,188.96
	(iv) Other financial liabilities	27	78,743.62	14,167.41
	(b) Other current liabilities	28	6,557.77	4,813.09
	(c) Provisions	29	538.53	49.71
	(d) Current tax liabilities (net)	30	84.20	779.58
	Total current liabilities		**1,04,526.07**	**29,327.44**
	Total liabilities		**1,24,540.43**	**38,373.03**
	Total equity and liabilities		**1,59,712.94**	**64,298.35**





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

For and on behalf of the Board of Directors

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

Shyamal Kumar
Partner
M. No. 509325
Place : New Delhi
Date : 17 May 2022

G.L. Sultania
Director
DIN: 00060931

Payal M. Puri
Company Secretary
ACS No.: 16068

Sandip Somany
Chairman and Managing Director
DIN: 00053597

Sandeep Sikka
Chief Financial Officer

Place : Gurugram
Date : 17 May 2022

LODHA & CO. New Delhi Chartered Accountants

HINDWARE LIMITED

Hindware Limited (Formerly Brilloca Limited)

Standalone statement of Profit and Loss for the year ended 31 March 2022 **(₹ in lakh)**

	Particulars	Note	Year ended 31 March 2022	Year ended 31 March 2021
I	**Income**			
	Revenue from operations	31	1,79,545.63	1,26,196.01
	Other income	32	2,472.24	1,822.12
	Total income		**1,82,017.87**	**1,28,018.13**
II	**Expenses**			
	Purchases of stock-in-trade	33	1,29,864.62	83,620.48
	Changes in inventories of stock-in-trade	34	(5,327.17)	2,420.58
	Employee benefits expense	35	17,586.70	12,877.83
	Finance costs	36	559.71	1,535.54
	Depreciation and amortisation expense	37	2,508.36	2,375.18
	Other expenses	38	21,421.83	15,875.55
	Total expenses		**1,66,614.05**	**1,18,705.16**
III	**Profit before exceptional items and tax (I-II)**		**15,403.82**	**9,312.97**
IV	**Profit before tax (III + IV)**		**15,403.82**	**9,312.97**
V	**Tax expense**	39		
	(1) (a) Current tax		4,116.96	2,863.33
	(b) Earlier year income tax		-	(427.44)
	(2) Deferred tax		(365.45)	(315.24)
	Total tax expense		**3,751.51**	**2,120.65**
VI	**Profit for the year (IV-V)**		**11,652.31**	**7,192.32**
VII	**Other comprehensive income**			
	(i) Items that will not be reclassified to profit or loss			
	- Remeasurement of the defined benefit plan		59.98	205.45
	(ii) Income-tax relating to these items		(15.10)	(51.71)
	Other comprehensive income, net of tax		**44.88**	**153.74**
VIII	**Total comprehensive income for the year (VI + VII)**		**11,697.19**	**7,346.06**
IX	**Earnings per equity share (of ₹ 2/- each)**			
	Basic and diluted	44	47.56	29.36

HINDWARE LIMITED

LODHA & CO. New Delhi Chartered Accountants

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

For and on behalf of the Board of Directors

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

Shyamal Kumar
Partner
M. No. 509325
Place : New Delhi
Date : 17 May 2022

G.L. Sultania
Director
DIN: 00060931

Payal M. Puri
Company Secretary
ACS No.: 16068

Sandip Somany
Chairman and Managing Director
DIN: 00053597

Sandeep Sikka
Chief Financial Officer

Place : Gurugram
Date : 17 May 2022

Hindware Limited (Formerly Brilloca Limited)
Standalone cash flow statement for the year ended 31 March 2022

(₹ in lakh)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Cash flows from operating activities		
Profit before exceptional items and tax	15,403.82	9,312.97
Adjustments for:		
Finance costs	559.71	1,535.54
Interest income	(156.08)	(137.92)
Gain on disposal of property, plant and equipment	(9.15)	(7.82)
Loss on disposal of property, plant and equipment	116.20	0.70
Net (gain) arising on current investments	(138.52)	(4.80)
Sundry balances and liabilities no longer required, written back	(2,036.26)	(1,650.54)
Provision for expected credit loss	823.63	954.20
Provision for doubtful advances	635.75	66.93
Bad debts written off	-	5.44
Impairment loss	11.66	76.94
Depreciation and amortisation expenses	2,508.36	2,375.18
Lease concession / liability written back	(74.78)	(90.30)
Net foreign exchange (gain)	(165.65)	(87.11)
Operating profit before working capital changes	**17,478.69**	**12,349.41**
Working capital adjustments :		
(Increase)/decrease in trade and other receivables	6,969.06	(694.49)
(Increase)/decrease in inventories	(5,745.00)	2,314.00
(Increase)/decrease in other assets	1,551.17	(1,634.96)
Increase/(decrease) in trade and other payables	12,216.74	7,906.11
Increase/(decrease) in provisions	444.82	85.65
	15,436.79	7,976.31
Cash generated from / (used in) operations	**32,915.48**	**20,325.72**
Income taxes paid	(4,812.34)	(2,353.89)
Income taxes refund	-	143.45
Net cash generated from / (used in) operating activities	**28,103.14**	**18,115.28**
Cash flows from investing activities:		
Payments to acquire financial assets	(26,281.01)	(2,603.01)
Proceeds on sale of financial assets	26,273.48	-
Interest income	144.11	137.92
Amount paid to AGI Greenpac (refer note 59)	(10,900.00)	-
Loan to related party	(700.00)	(1,000.00)
Payments for property, plant and equipment	(3,300.62)	(1,390.99)
Proceeds from disposal of property, plant and equipment	24.98	114.17
Net Cash generated from / (used in) investing activities	**(14,739.04)**	**(4,741.91)**
Cash flows from financing activities:		
Repayment of borrowings	(3,328.37)	(178.04)
Movement in short term borrowings (net)	(4,570.36)	(10,946.47)
Principal payment of lease liability	(567.69)	(376.31)
Interest payment of lease liability	(309.07)	(275.57)
Dividends paid to owners of the Company	(2,450.00)	-
Interest paid	(288.10)	(1,280.19)
Net Cash generated from / (used in) financing activities	**(11,513.59)**	**(13,056.58)**
Net increase / (decrease) in cash and cash equivalents:	**1,850.51**	**316.79**
Cash and cash equivalents at the beginning of the year	491.08	174.29
Cash and cash equivalents at the end of the year	**2,341.59**	**491.08**

HINDWARE LIMITED

LODHA & CO. New Delhi Chartered Accountants

Hindware Limited (Formerly Brilloca Limited)
Standalone cash flow statement for the year ended 31 March 2022

The movement in liabilities from financing activities:

Particulars	As at 31st March, 2022	Cash flow	Non-cash flow changes - Other		As at 31st March, 2022
			Foreign exchange	Other	
Long term borrowings	3,331.96	(3,328.37)	-	-	3.59
Short term borrowings	4,599.35	(4,570.36)	-	-	28.99
Total liabilities from financing activities	**7,931.31**	**(7,898.73)**	**-**	**-**	**32.58**

Particulars	As at 31st March, 2021	Cash flow	Non-cash flow changes - Other		As at 31st March, 2021
			Foreign exchange	Other	
Long term borrowings	3,510.00	(178.04)	-	-	3,331.96
Short term borrowings	15,545.82	(10,946.47)	-	-	4,599.35
Total liabilities from financing activities	**19,055.82**	**(11,124.51)**	**-**	**-**	**7,931.31**

HINDWARE LIMITED

LODHA & CO. New Delhi Chartered Accountants

Hindware Limited (Formerly Brilloca Limited)
Standalone cash flow statement for the year ended 31 March 2022

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

For and on behalf of the Board of Directors

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

Shyamal Kumar
Partner
M. No. 509325
Place : New Delhi
Date : 17 May 2022

C.L. Sultania
Director
DIN: 00060931

Sandip Somany
Chairman and Managing Director
DIN: 00053597

Payal M. Puri
Company Secretary
ACS No.: 16068

Sandeep Sikka
Chief Financial Officer

Place : Gurugram
Date : 17 May 2022

LODHA & CO. New Delhi Chartered Accountants

HINDWARE LIMITED

Hindware Limited (Formerly Brilloca Limited)
Standalone statement of changes in equity for the year ended 31 March 2022

a. Equity share capital **(₹ in lakh)**

Particulars	Number of shares	Amount
Issued and paid up capital		
Balance as at 1 April 2020	**5,00,000**	**10.00**
Changes in equity share capital during the year*	2,40,00,000	480.00
Balance as at 31 March 2021	**2,45,00,000**	**490.00**
Changes in equity share capital during the year	-	-
Balance as at 31 March 2022	**2,45,00,000**	**490.00**

b. Other equity **(₹ in lakh)**

Particulars	Reserves and surplus				Total
	Securities Premium Account	General Reserve	Retained Earnings	Actuarial gain / (loss)	
Balance as at 1 April 2020	**3,913.05**	**1,323.86**	**13,324.35**	**8.00**	**18,569.26**
Profit for the year	-	-	7,192.32	-	**7,192.32**
Other comprehensive income for the year (net of income tax)	-	-	-	153.74	**153.74**
Total comprehensive income for the year	-	-	**7,192.32**	**153.74**	**7,346.06**
Issue of bonus shares *	(480.00)	-	-	-	**(480.00)**
Balance as at 31 March 2021	**3,433.05**	**1,323.86**	**20,516.67**	**161.74**	**25,435.32**
Profit for the year	-	-	11,652.31	-	**11,652.31**
Other comprehensive income for the year (net of income tax)	-	-	-	44.88	**44.88**
Total comprehensive income for the year	-	-	**11,652.31**	**44.88**	**11,697.19**
Payment of Dividend	-	-	(2,450.00)	-	**(2,450.00)**
Balance as at 31 March 2022	**3,433.05**	**1,323.86**	**29,718.98**	**206.62**	**34,682.51**

* Ordinary equity shares allotted as fully paid up bonus shares during financial year 2020-21 (bonus shares of ₹480.00 lakh, i.e. 2,40,00,000 bonus equity shares of ₹ 2/- each fully paid up).

HINDWARE LIMITED

LODHA & CO. New Delhi Chartered Accountants

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

For and on behalf of the Board of Directors

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

G.L. Shahania
Director
DIN: 00060931

Sandip Somany
Vice Chairman and Managing Director
DIN: 00053597

Shyamal Kumar
Partner
M. No. 509325
Place : New Delhi
Date : 17 May 2022

Payal M. Puri
Company Secretary
ACS No.: 16068

Sandeep Sikka
Chief Financial Officer

Place : Gurugram
Date : 17 May 2022

LODHA & CO. New Delhi Chartered Accountants

HINDWARE LIMITED

Hindware Limited (Formerly Brilloca Limited)

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

1. **Corporate information**

Hindware Limited (the 'Company') (formerly known as Brilloca Limited) is a public limited company incorporated in India under the Companies Act 2013. The registered office of the Company is located in Kolkata and the corporate office is in Gurugram. The Company is engaged into the business of trading of Building products. The Company is wholly owned subsidiary of Somany Home Innovation Limited.

These financial statements were approved and authorized for issue in accordance with the resolution of the Company's Board of Directors on 17th May 2022.

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

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

2.1 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below:

i. **Amendments to Ind AS 103: Reference to Conceptual Framework**

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103.

ii. **Amendments to Ind AS 16: Proceeds before intended use**

The amendments clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of Property Plant and Equipment.

iii. **Amendment to Ind AS 37: Onerous Contracts - Costs of Fulfilling a Contract**

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification.

iv. **Amendment to Ind AS 116 – Annual Improvements to Ind AS (2021)**

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration.

v. **Amendment to Ind AS 109: Annual Improvements to Ind AS (2021)**

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability.

The Company does not expect the above amendments to have any significant impact in its financial statements.

HINDWARE LIMITED

LODHA & CO. Chartered Accountants New Delhi

3. Significant accounting policies and other explanatory information

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

The standalone financial statements of the Company have been prepared in accordance with Ind AS notified by the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. (as amended) and presentation requirement of division II of the schedule IIII of the companies act 2013. Accordingly, the standalone financial statements for the year ended 31 March 2022 are prepared complying applicable Ind AS.

3.2 Historical cost convention

These standalone financial statements have been prepared on a historical cost convention except where certain financial assets and liabilities have been measured at fair value. (refer accounting policy of financial instruments)

3.3 Business combinations

Business combinations involving entities under common control are accounted for using the pooling of interest's method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonise accounting policies. Any excess or shortfall of the consideration paid over the share capital of transferor entity or business is recognised as capital reserve under equity.

The Company accounts for business combinations using the acquisition method of accounting, and accordingly, the identifiable assets acquired and the liabilities assumed in the business are recorded at their acquisition date fair values (except certain assets and liabilities which are required to be measured as per the applicable standard) The consideration transferred for the acquisition of a business is aggregation of the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Company in exchange for control of the business.

The consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Any contingent consideration transferred is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is subsequently measured at fair value with changes in fair value recognised in statements of profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

3.4 Goodwill

Goodwill represents the future economic benefits arising from a business combination that are not individually identified and separately recognised. Goodwill is carried at cost less accumulated impairment losses.

3.5 Revenue Recognition

Revenue from contracts with customers are recognized when the performance obligation towards customer have been made i.e on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services.

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

HINDWARE LIMITED

LODHA & CO. New Delhi Chartered Accountants

Sale of products:

Revenue from the sale of products is recognized when the Company has transferred control of the goods to the buyer and the buyer obtains the benefits from the goods, the potential cash flows and the amount of revenue (the transaction price) can be measured reliably, and it is probable that the Company will collect the consideration to which it is entitled to in exchange for the goods.

Sales-related warranties associated with the goods are integral to sales price and cannot be purchased separately, hence they serve as an assurance that the products sold comply with agreed-upon specifications. Accordingly, the Company accounts for warranties in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Rendering of services:

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

Interest and dividends

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

3.6 Leases

The Company's lease asset classes primarily consist of leases for Land and Buildings. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(i) The contract involves the use of an identified asset

(ii) The Company has substantially all of the economic benefits from use of the asset through the period of the lease and

(iii) The Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

HINDWARE LIMITED

LODHA & CO. New Delhi Chartered Accountants

3.7 Foreign currency transactions and translations

Initial recognition

The Company's standalone financial statements are presented in INR, which is also the Company's functional currency. Transactions in foreign currencies are recorded on initial recognition in the functional currency at the exchange rates prevailing on the date of the transaction.

Measurement at the balance sheet date

Foreign currency monetary items of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Treatment of exchange difference

Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognised as income or expenses in the period in which they arise.

3.8 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 capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale.

All other borrowing costs are expensed in the period in which they are incurred and reported in finance cost.

3.9 Employee benefits

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

Defined contribution plans

The Company's contribution to provident fund and pension fund is considered as defined contribution plan and is charged as an expense as they fall due based on the amount of contribution required to be made and when services are rendered by the employees. The Company has no legal or constructive obligation to pay contribution in addition to its fixed contribution.

Defined benefit plans

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using 'the Projected Unit Credit method', with actuarial valuations being carried out at each Balance Sheet date. Re-measurements, comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to the statement of profit and loss in subsequent periods. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under:





(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits

Compensated absences which are allowed to carried forward over a period in excess of 12 months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date out of which the obligations are expected to be settled.

3.10 Taxation

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

Current tax

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

Deferred tax

Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilised against future taxable income.

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

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

3.11 Operating cycle

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

3.12 Operating expenses

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

3.13 (a) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Property, plant and equipment are stated at their original cost including freight, duties, taxes and other incidental expenses relating to acquisition and installation.

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The carrying amount of assets, including those assets that are not yet available for use, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, recoverable amount of asset is determined. An impairment loss is recognised in the statement of profit and loss whenever the carrying amount of an asset exceeds its recoverable amount. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined if no impairment loss had been recognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(b) Intangible assets

Intangible are stated at cost less accumulated amortisation and impairment losses, (if any). Cost related to technical assistance for new projects are capitalized.

(c) Capital work-in-progress

Expenditure incurred during the period of construction, including all direct and indirect expenses, incidental and related to construction, is carried forward and on completion, the costs are allocated to the respective property, plant and equipment. Capital work-in-progress includes capital inventory.

3.14 Depreciation and amortisation

Depreciation is charged on a pro-rata basis on the straight line method at rates prescribed in Schedule II to the Companies Act, 2013 and is charged to the statement of profit and loss. Freehold land is not depreciated. The estimated useful life of the items of property, plant and equipment are as follows:

Asset class	Useful life
Property, plant and equipment	
Plant and machinery	7.5-40 years** #
Buildings	10-70 years^
Furniture and fixtures	10 years
Office equipment	5 years
Computer	3-6 years
Vehicles	8 years*
Intangible assets	
Software	6 years

* Vehicles are being depreciated using written down value method as per life of 8 years mentioned in Schedule II of the Act

** Moulds, included in Plant and machinery, are depreciated over a lesser useful life than mentioned in above table depending on the actual use of the asset

Plant and machinery of the pipe division are depreciated over a life of 10 to 20 years which is different from life prescribed in Schedule II of the Act, based on independent chartered engineer certificate

^Temporary sheds, included in buildings are depreciated over a lesser useful life than mentioned in above table depending on the actual use of the asset

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3.15 Impairment of property, plant and equipment and intangible assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable and impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash generating units). If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost and the same is accordingly reversed in the statement of profit and loss.

3.16 Investment in Associates, Joint Ventures and Subsidiaries

The Company has accounted for its investment in subsidiaries, associates and joint venture at cost less impairment, if any

3.17 Investment in Mutual Funds

Investments in Mutual Funds are accounted for at cost. Any subsequent fair value gain or loss is recognized through Profit or Loss Account.

3.18 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and demand deposits, together with other short-term, highly liquid investments maturing within 90 days from the date of acquisition. Cash and cash equivalent are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

3.19 Cash flow statement

Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

3.20 Inventories

Inventories are stated at the lower of cost and net realisable value. The cost of inventories comprises of all costs of purchase, (net of tax credits where applicable) costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Costs of inventories are determined on weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses.

3.21 Provisions and contingencies

A provision is recognised in the standalone financial statements where there exists a present obligation as a result of a past event, the amount of which can be reliably estimated, and it is probable that an outflow of resources would be necessitated in order to settle the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised but are disclosed in the notes unless the outflow of resources is considered to be remote. Contingent assets are neither recognised nor disclosed in the standalone financial statements.

3.22 Equity, reserves and dividend payments

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

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Retained earnings include current and prior period retained profits. All transactions with owners of the Company are recorded separately within equity.

Dividend distribution payable to equity shareholders are included in other liabilities when the dividends have been approved in a general meeting prior to the reporting date.

3.23 Earnings per share

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

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

3.24 Fair value measurement

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

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

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

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

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

3.25 Financial instruments

I. Financial assets

a. Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset, which are not at fair value through profit and loss, are added to fair value on initial recognition. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit and loss.

b. Subsequent measurement

(i) Financial assets carried at amortised cost

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

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

(iii) Financial assets at fair value through profit or loss (FVTPL)
A financial asset which is not classified in any of the above categories are subsequently fair valued through statement of profit and loss.

c. Impairment of financial assets
The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its assets measured at amortised cost and assets measured at fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 40 details how the Company determines whether there has been a significant increase in credit risk.

d. Derecognition of financial assets
A financial asset is derecognised when:
- The Company has transferred the right to receive cash flows from the financial assets or
- Retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay the cash flows to one or more recipients.

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

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

II. Financial liabilities
a. Initial recognition and subsequent measurement
All financial liabilities are recognized initially at fair value and in case of borrowings and payables, net of directly attributable cost.

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

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

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IV. Offsetting of financial instruments

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

3.26 Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in statement of profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedging relationship and the nature of the hedged item.

3.27 Significant accounting judgements, estimates and assumptions

The preparation of the Company's standalone financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

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

(i) Estimation of defined benefit obligation

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(ii) Estimation of current tax and deferred tax

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

(iii) Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain property, plant and equipment.

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(iv) Impairment of trade receivables

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 recognised based on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

(v) Fair value measurement

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date (refer note 40).

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Hindware Limited (Formerly Brilloca Limited)
Significant accounting policies and other explanatory information to the Standalone financial statements as at and for the year ended 31 March 2022

Note 4a - Property, plant and equipment

(₹ in lakh)

Description of assets	Land- Freehold*	Right to use - Land	Buildings*	Lease hold improvement	Right to use - Building	Plant and equipment	Office equipment	Furniture and fixtures	Computers	Vehicles	Total
I. Gross block											
Balance as at 1 April 2020	-	-	-	-	**3,344.48**	**5,183.40**	**391.70**	**5,371.85**	**726.56**	**517.69**	**15,535.68**
Additions	-	-	-	25.06	746.12	57.82	42.77	667.35	231.32	432.99	**2,203.43**
Disposals/adjustment	-	-	-		(499.61)	(2.91)	(19.00)	-	(90.09)	(189.36)	**(800.97)**
Balance as at 31 March 2021				**25.06**	**3,590.99**	**5,238.31**	**415.47**	**6,039.20**	**867.79**	**761.32**	**16,938.14**
Additions	-	-	-	-	14,963.88	72.00	182.29	1,329.67	204.33	385.71	**17,137.88**
Disposals/adjustment	-	-	-	-	(878.36)	-	(11.79)	(482.33)	(47.41)	(22.60)	**(1,442.49)**
Assets acquired under business acquisition (refer note 59)	4,328.62	2,355.00	9,796.29	-	-	23,323.64	158.29	345.63	114.43	433.96	**40,855.86**
Balance as at 31 March 2022	**4,328.62**	**2,355.00**	**9,796.29**	**25.06**	**17,676.51**	**28,633.95**	**744.26**	**7,232.17**	**1,139.14**	**1,558.39**	**73,489.39**
II. Accumulated depreciation and amortisation											
Balance as at 1 April 2020	-	-	-	-	**528.48**	**924.63**	**213.56**	**2,234.20**	**534.92**	**172.96**	**4,608.75**
Depreciation and amortisation charge for the year	-	-	-	3.10	607.02	349.93	58.95	1,054.69	147.20	112.79	**2,333.68**
Disposals/adjustment	-	-	-	-	(180.36)	(0.73)	(18.00)	-	(67.80)	(108.09)	**(374.98)**
Balance as at 31 March 2021	-	-		**3.10**	**955.14**	**1,273.83**	**254.51**	**3,288.89**	**614.32**	**177.66**	**6,567.45**
Depreciation and amortisation charge for the year	-	-	-	5.34	777.39	364.55	72.32	820.27	167.89	252.29	**2,460.05**
Disposals/adjustment	-	-	-	-	(323.24)	-	(10.24)	(367.42)	(38.84)	(15.60)	**(755.34)**
Balance as at 31 March 2022	-	-	-	**8.44**	**1,409.29**	**1,638.38**	**316.59**	**3,741.74**	**743.37**	**414.35**	**8,272.16**
Net block (I-II)											
Balance as at 31 March 2022	**4,328.62**	**2,355.00**	**9,796.29**	**16.62**	**16,267.22**	**26,995.57**	**427.67**	**3,490.43**	**395.77**	**1,144.04**	**65,217.23**
Balance as at 31 March 2021	-	-	-	**21.96**	**2,635.85**	**3,964.48**	**160.96**	**2,750.31**	**253.47**	**583.66**	**10,370.69**

Refer note 18 for details of property, plant and equipment hypothecated as security by the Company
*Refer note 55 for details of title deeds of land and building not held in the name of the Company





Note 4b - Capital work-in-progress

(₹ in lakh)

Particulars	As at 31 March 2022	As at 31 March 2021
Capital work in progress	5,192.01	89.68
	5,192.01	**89.68**

Detalls and Ageing of CWIP

As at 31st March 2022 (₹ in lakh)

Particulars	Amount in CWIP for a period of				Total
	less than year*	1 to 2 years	2 to 3 years	more than 3 years	
Project in progress	5,179.77	11.89	0.35	-	5,192.01

*Assets acquired under business acquisition (refer note 59)

As at 31st March 2021 (₹ in lakh)

Particulars	Amount in CWIP for a period of				Total
	less than year*	1 to 2 years	2 to 3 years	more than 3 years	
Project in progress	74.09	15.59	-	-	89.68

There are no projects which are overdue / over-run as on 31 March, 2022 as well as 31 March, 2021

Note 4c - Goodwill

(₹ in lakh)

Particulars	As at 31 March 2022	As at 31 March 2021
Goodwill (refer note 59)	191.00	-
	191.00	**-**

Reconciliation of the carrying amount of goodwill at the beginning and end of the reporting period

(₹ in lakh)

Particulars	Amount
Balance as at 1 April 2020	-
Impairment for the year	-
Balance as at 31 March 2021	-
Goodwill generated under business acquisition (refer note 59)	191.00
Balance as at 31 March 2022	**191.00**

Note 5 - Other intangible assets

(₹ in lakh)

Description of assets	Computer software	Total
I. Gross block		
Balance as at 1 April 2020	**491.04**	**491.04**
Disposals/adjustment	(9.89)	**(9.89)**
Balance as at 31 March 2021	**481.15**	**481.15**
Additions	150.91	**150.91**
Assets acquired under business acquisition (refer note 59)	50.80	**50.80**
Balance as at 31 March 2022	**682.86**	**682.86**
II. Accumulated amortisation		
Balance as at 1 April 2020	**382.48**	**382.48**
Amortisation charge for the year	41.50	**41.50**
Disposals/adjustment	(9.59)	**(9.59)**
Balance as at 31 March 2021	**414.39**	**414.39**
Amortisation charge for the year	48.30	**48.30**
Disposals/adjustment	-	-
Balance as at 31 March 2022	**462.69**	**462.69**
Net block (I-II)		
Balance as on 31 March 2022	**220.17**	**220.17**
Balance as on 31 March 2021	**66.76**	**66.76**

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Note 6 - Non current investments

(₹ in lakh)

Particulars	As at 31 March 2022			As at 31 March 2021		
	Number		Amount	Number		Amount
I. Unquoted investments (fully paid-up) (At cost)						
Investments in equity instruments						
Neycer India Limited (face value ₹ 10 each) (refer note 59)	125		0.01	-		-
Water Management & Plumbing Skill Council (Formerly Indian Plumbing Skills Council)	10,000		1.00	-		-
Investment in Subsidiaries measured at cost less impairments, if any						
Halis International Limited, Mauritius (Equity share, face value USD 1 each)	17,05,000	782.50		17,05,000	782.50	
Less : Provision for impairment of investments		(782.50)	-		(782.50)	-
Halis International Limited, Mauritius (Preference Share, face value USD 1 each)	21,06,000	1,228.15		21,06,000	1,228.15	
Less : Provision for impairment of investments		(1,189.31)	38.84		(1,177.65)	50.50
Unquoted investments			39.85			50.50
Total investments carried at cost			**39.85**			**50.50**
Other disclosures						
Aggregate amount of unquoted investments			2,011.66			2,010.65
Aggregate amount of impairment in value of investments			1,971.81			1,960.15

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Note 7 - Non-current financial assets - loans

(₹ in lakh)

Particulars	As at 31 March 2022	As at 31 March 2021
(unsecured and considered good unless otherwise specified, as considered by the management)		
Loans to related party *	1,700.00	1,000.00
	1,700.00	**1,000.00**

*Given to Somany Home Innovation Limited for normal business operations

Note 8 - Other non-current financial assets

(₹ in lakh)

Particulars	As at 31 March 2022	As at 31 March 2021
(unsecured and considered good unless otherwise specified, as considered by the management)		
Other bank balances		
- Deposit account with other banks for more than 1 year^	23.34	-
Other financial assets		
Security deposits*	640.04	291.37
	663.38	**291.37**

^Deposited with government departments / courts as security ₹ 23.34 lakh
* Including of AGI Greenpac Limited nil (previous year ₹ 2.52 lakh)

Note 9 - Other non-current assets

(₹ in lakh)

Particulars	As at 31 March 2022	As at 31 March 2021
(unsecured and considered good, unless stated otherwise, as considered by the management)		
Capital advances	1,329.27	19.10
Considered doubtful	15.15	15.15
Less : Provision for doubtful advances	(15.15)	(15.15)
Prepaid expenses	30.29	0.18
Balances with government authorities	111.64	91.50
Others	1.00	1.00
	1,472.20	**111.78**

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Note 10 - Inventories

(₹ in lakh)

Particulars	As at 31 March 2022	As at 31 March 2021
(valued at cost or net realisable value, whichever is lower)		
Raw materials @	20,199.63	-
Work-in-progress	3,639.30	-
Finished goods (including stock in trade) @	27,567.94	15,114.00
Stores and spares	755.07	125.16
Packing material	849.01	0.16
Oils, fuels, lubricants and others	150.52	-
	53,161.47	**15,239.32**
@Included above, goods-in-transit:		
Raw materials	3,523.19	-
Finished goods (including stock in trade)	220.67	5.64
	3,743.86	**5.64**

Refer note 24 for information on inventory hypothecated as security by the Company

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Note 11 - Current investments

(₹ in lakh)

Particulars	As at 31 March 2022		As at 31 March 2021	
	Units	Amount	Units	Amount
Fair value through profit and loss (FVTPL)				
Quoted investments				
Investments in mutual fund				
UTI Overnight Fund-Direct Growth Plan	17,184.72	500.07	10,700.32	301.50
Aditya Birla Sun Life overnight fund- Growth direct plan	-	-	36,093.27	401.70
Axis Overnight Fund Direct Growth	35,593.95	400.02	1,70,253.23	1,852.22
HDFC Overnight Fund-Direct Plan-Growth Option	57,010.74	1,800.09	-	-
HDFC Liquid Fund-Regular Plan-Growth	213.999	8.88	213.999	8.60
		2,709.06		**2,564.02**
Other disclosures				
Aggregate cost of quoted investments		2,708.69		2,559.66
Aggregate market value of quoted investments		2,709.06		2,564.02

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Note 12 - Trade receivables

(₹ in lakh)

Particulars	As at 31 March 2022	As at 31 March 2021
(i) Trade receivables considered good - Secured	1,284.21	1,510.10
(ii) Trade receivables considered good - Unsecured*	15,232.44	23,196.42
(iii) Trade receivables with significant increase in credit risk	2,936.94	3,534.82
(iv) Trade receivables with credit impaired	-	-
	19,453.59	**28,241.34**
Less: Allowance for bad & doubtful debts	2,936.94	3,534.82
	16,516.65	**24,706.52**

Ageing As at 31 March 2022 (₹ in lakh)

Particulars	Outstanding for following period from due date of payment						Total
	Not Due	Less than 6 months*	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	8,500.89	5,694.67	680.03	686.02	557.49	-	16,119.10
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	91.22	186.43	802.27	1,079.92
(iv) Disputed Trade Receivables– considered good	0.12	1.94	26.29	110.72	258.48	-	397.55
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	17.31	86.42	1,753.29	1,857.02
Total	8,501.01	5,696.61	706.32	905.27	1,088.82	2,555.56	19,453.59
Less: Allowance for bad & doubtful debts	-	-	-	108.53	272.85	2,555.56	2,936.94

*including acquired under business acquisition (refer note 59)

Ageing As at 31 March 2021 (₹ in lakh)

Particulars	Outstanding for following period from due date of payment						Total
	Not Due	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	13,879.42	7,978.45	573.92	1,026.67	560.06	-	24,018.52
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	113.88	187.35	1,700.66	2,001.89
(iv) Disputed Trade Receivables– considered good	-	8.58	26.20	222.16	431.06	-	688.00
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	24.68	142.97	1,365.28	1,532.93
Total	13,879.42	7,987.03	600.12	1,387.39	1,321.44	3,065.94	28,241.34
Less: Allowance for bad & doubtful debts	-	-	-	138.56	330.32	3,065.94	3,534.82

Movement in the allowance for provision for impairment/Expected credit loss (₹ in lakh)

Particulars	As at 31 March 2022	As at 31 March 2021
Opening balance	3,534.82	2,580.62
Expected credit losses provided for during the year (refer note 38)	823.63	954.20
Amount written back during the year (net) (refer note 38)	(1,421.51)	-
	2,936.94	**3,534.82**

Trade receivables are hypothecated against the borrowings obtained by the Company as referred in note 24

Note 13 - Cash and cash equivalents

(₹ in lakh)

Particulars	As at 31 March 2022	As at 31 March 2021
Balances with banks	2,257.48	86.51
Cheques, drafts on hand	18.11	-
Cash in hand	1.70	2.18
Remittance in transit	64.30	402.39
	2,341.59	**491.08**

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

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HINDWARE LIMITED

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Note 14 - Current financial assets - Other financial assets

(₹ in lakh)

Particulars	As at 31 March 2022	As at 31 March 2021
(unsecured and considered good by the management)		
Security deposits-Current*	62.11	59.59
Interest accrued on deposits, loans and advances	11.96	
Other receivable ^	1,268.33	817.92
	1,342.40	**877.51**

* Including of AGI Greenpac Limited of ₹ 62.11 Lakh (previous year ₹ 59.59 lakh)

^ Including of AGI Greenpac Limited of ₹ 209.98 lakh (previous year nil), Somany Home Innovation Limited of ₹ 114.70 lakh (previous year ₹ 816.46 lakh) and Hintastica Private Limited of ₹ 92.71 lakh (previous year ₹ 1.46 lakh)

Note 15 - Other current assets

(₹ in lakh)

Particulars	As at 31 March 2022	As at 31 March 2021
(unsecured and considered good by the management)		
Prepaid expenses	312.30	48.81
Balances with government authorities	5,474.72	3,456.58
Others		
- Advance to suppliers #	1,012.22	2,883.54
Considered doubtful	41.36	41.36
less : Provision against Advance to Vendors	(41.36)	(41.36)
- Employee advances	47.79	23.54
- Other current assets *	582.75	860.85
Considered doubtful	684.25	30.00
less : Provision against Advance to Vendors	(684.25)	(30.00)
	7,429.78	**7,273.32**

* Including of Somany Home Innovation Limited of nil (previous year ₹ 168.50 lakh)
# Including of AGI Greenpac Limited of nil (previous year ₹ 2,078.91 lakh)

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HINDWARE LIMITED

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Note 16 - Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares	(₹ in lakh)	No. of shares	(₹ in lakh)
Authorised:				
Equity shares of ₹ 2 each	3,00,00,000	600.00	3,00,00,000	600.00
Issued:				
Equity shares of ₹ 2 each	2,45,00,000	490.00	2,45,00,000	490.00
Subscribed and fully paid:				
Equity shares of ₹ 2 each (refer note (e) below)	2,45,00,000	490.00	2,45,00,000	490.00
	2,45,00,000	**490.00**	**2,45,00,000**	**490.00**

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

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	(₹ in lakh)	Number	(₹ in lakh)
Equity shares outstanding at the beginning of the year	2,45,00,000	490.00	5,00,000	10.00
Add: Shares issued during the year (refer note (e) below)	-	-	2,40,00,000	480.00
Equity shares outstanding at the end of the year	**2,45,00,000**	**490.00**	**2,45,00,000**	**490.00**

(b) Statement of changes in promoters stake
Shares held by promoters^ at the end of the year

S.no	Promoter name	No of shares as on 1 April 2021	% of total holding	No of shares as on 31 March 2022	% of total holding	% change during the year
1	Somany Home Innovation Limited	2,44,99,706	99.9988%	2,44,99,706	99.9988%	No change
2	Rajendra Kumar Somany	49	0.0002%	49	0.0002%	
3	Niranjan Kumar Goenka	49	0.0002%	49	0.0002%	
4	Girdhari Lal Sultania	49	0.0002%	49	0.0002%	
5	Ajay Kumar Dokania	49	0.0002%	49	0.0002%	
6	Manoj Kumar Agarwal	49	0.0002%	49	0.0002%	
7	Ravi Kedia	49	0.0002%	49	0.0002%	
Total		**2,45,00,000**	**100.00%**	**2,45,00,000**	**100.00%**	

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

(c) Terms and rights attached to equity shares

The Company has issued only one class of equity shares having par value of ₹ 2 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after settling of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

(d) List of shareholders holding more than 5% of the equity share capital of the Company as at: *

Particulars	31 March 2022		31 March 2021	
	Number	% of holding	Number	% of holding
Somany Home Innovation Limited** (including nominee)	2,45,00,000	100.00	2,45,00,000	100.00

** Information is furnished as per shareholder register as at the year end.*

** Holding company

Note 16 - Equity share capital (contd.)

(e) Board of Directors in their meeting held on 6th November 2020 had approved issue of bonus shares of ₹480 lakh, i.e. 2,40,00,000 bonus equity shares of ₹ 2/- each fully paid up (in the proportion of 48 equity shares for every 1 (one) equity share held) of the Company, out of balance available in the Securities Premium Account. Subsequent to approval of Shareholders obtained in their extra ordinary general meeting held on 1st December 2020, shares were allotted in the meeting held on 14th December 2020 of Corporate Affairs Committee of Board of Directors. Accordingly, the paid up shares capital of the Company increased from ₹10 lakh to ₹490 lakh (from 5,00,000 nos. to 2,45,00,000 nos.).

(f) Aggregate value of Issued, Subscribed and Paid-up Share Capital as on the Balance Sheet date for the period of preceding five years includes:

- Aggregate of 2,40,00,000 (31st March, 2021: 2,40,00,000) Equity shares of ₹2 each allotted during the year ended 31 March 2021, as fully paid-up bonus shares without payment being received in cash. Except this, there are no buyback and/or issue of shares other than in cash.

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HINDWARE LIMITED

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Hindware Limited (Formerly Brilloca Limited)
Significant accounting policies and other explanatory information to the Standalone financial statements as at and for the year ended 31 March 2022

Note 17- Other equity

(₹ in lakh)

Particulars	Reserves and surplus				Total
	Securities Premium Account	General Reserve	Retained Earnings	Actuarial gain / (loss)	
Balance as on 1st April 2020	**3,913.05**	**1,323.86**	**13,324.35**	**8.00**	**18,569.26**
Profit for the year			7,192.32		**7,192.32**
Other comprehensive income for the year (net of income tax)				153.74	**153.74**
Total comprehensive income for the year	-	-	**7,192.32**	**153.74**	**7,346.06**
Bonus issue (refer note 16(e))	**(480.00)**				**(480.00)**
Balance as at 31 March 2021	**3,433.05**	**1,323.86**	**20,516.67**	**161.74**	**25,435.32**
Profit for the year	-	-	11,652.31	-	**11,652.31**
Other comprehensive income for the year (net of income tax)	-	-	-	44.88	**44.88**
Total comprehensive income for the year	-	-	**11,652.31**	**44.88**	**11,697.19**
Payment of Dividend			(2,450.00)		**(2,450.00)**
Balance as at 31 March 2022	**3,433.05**	**1,323.86**	**29,718.98**	**206.62**	**34,682.51**

Nature and purpose of other reserve:

1. Securities premium account is used to record the premium on issue of shares. The same is utilised in accordance with the provisions of the Act
2. General reserves was created by transferring certain amount out of profits at the time of distribution of dividend in the past

HINDWARE LIMITED

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Chartered Accountants * LODHA & CO. *

Note 18 - Non current financial liabilities - Borrowings

(₹ in lakh)

Particulars	As at 31 March 2022	As at 31 March 2021
Measured at amortised cost		
Secured:		
Term loan from bank:		
Rupee loan^	-	3,325.00
Term loans from NBFC:		
Vehicle loan	3.59	6.96
	3.59	**3,331.96**
Less: Current maturities of long term borrowing (refer note 24)	3.59	353.32
	-	**2,978.64**

^ Loan was originally repayable in 14 half yearly installments starting from June 2020, now fully repaid

*Vehicle loan carrying ₹ 3.59 lakh (previous year ₹ 6.96 lakh), is secured by way of hypothecation of the respective vehicle thus purchased and repayable in 12 monthly instalments from 1 April 2022 carrying interest rate @ 8.99% p.a..

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HINDWARE LIMITED

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Note 19 - Non-current financial liabilities - Lease liability

(₹ in lakh)

Particulars	As at 31 March 2022	As at 31 March 2021
Lease liability (Refer note 49)	15,022.13	2,363.81
	15,022.13	**2,363.81**

Note 20 - Non-current financial liabilities - Other financial liabilities

(₹ in lakh)

Particulars	As at 31 March 2022	As at 31 March 2021
Trade deposits	3,660.26	2,983.89
	3,660.26	**2,983.89**

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HINDWARE LIMITED

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Note 21 - Non-current liabilities - Provisions

(₹ in lakh)

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for employee benefit		
Long-term employee benefits		
Provision for compensated absences	576.00	328.35
Provision for long service award	82.31	70.87
Provision for warranty	356.07	231.64
	1,014.38	**630.86**

Details of movement in provision for warranty (including current portion) (₹ in lakh)

Particulars	Amount
Balance as at 1 April 2020	**186.64**
Additional provisions recognised (included in Other expenses)	45.00
Utilised during the year	-
Balance as at 31 March 2021	**231.64**
Additional provisions recognised (included in Other expenses)	59.98
Liability assumed on Business acquisition (refer note 59)	64.45
Utilised during the year	-
Balance as at 31 March 2022	**356.07**

Warranty claims:

The provision for warranty claims represent the present value of best estimate of the future outflow of economic benefits that will be required under the Company obligations for warranties under the local sale of goods. The estimate has been made based on historical warranty trends and may vary as a result of new materials, altered manufacturing process or other events. Assumptions used to calculate the provision for warranties were based on current sales levels and current information available about returns based on warranty period of certain products up to 12 years.

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Note 22 - Deferred tax assets (net)

(₹ in lakh)

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred tax liability arising on account of		
Unrealised foreign exchange gain	-	1.25
	-	**1.25**
Deferred tax asset arising on account of		
Difference between book balance and tax balance of property, plant and equipment and Right-to-use asset (net of lease liability)	382.36	193.42
Provision for doubtful debts and loans and advances	926.24	907.60
Provision for employee benefits	199.42	42.31
Others	8.13	23.72
	1,516.15	**1,167.05**
Deferred tax assets (net)	**1,516.15**	**1,165.80**

Deferred tax assets (net) in relation to: (₹ in lakh)

Particulars	As at 1 April 2021	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at 31 March 2022
Deferred tax liability arising on account of				
Unrealised foreign exchange gain	1.25	(1.25)	-	-
Sub total	**1.25**	**(1.25)**	**-**	**-**
Deferred tax asset arising on account of				
Difference between book balance and tax balance of property, plant and equipment and Right-to-use asset (net of lease liability)	193.42	188.94	-	**382.36**
Provision for doubtful debts and loans and advances	907.60	18.64	-	**926.24**
Provision for employee benefits	42.31	172.21	(15.10)	**199.42**
Others	23.72	(15.59)	-	**8.13**
Sub total	**1,167.05**	**364.20**	**(15.10)**	**1,516.15**
Net deferred tax assets	**1,165.80**	**365.45**	**(15.10)**	**1,516.15**

Deferred tax assets (net) in relation to: (₹ in lakh)

Particulars	As at 1 April 2020	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at 31 March 2021
Deferred tax liability arising on account of				
Unrealised foreign exchange gain	-	1.25		**1.25**
Sub total	**-**	**1.25**	**-**	**1.25**
Deferred tax asset arising on account of				
Difference between book balance and tax balance of property, plant and equipment	80.09	113.33	-	**193.42**
Provision for doubtful debts and loans and advances	662.43	245.17	-	**907.60**
Provision for employee benefits	86.78	7.24	(51.71)	**42.31**
Others	72.97	(49.25)		**23.72**
Sub total	**902.27**	**316.49**	**(51.71)**	**1,167.05**
Net deferred tax assets	**902.27**	**315.24**	**(51.71)**	**1,165.80**

Note 23 - Other non-current liabilities

(₹ in lakh)

Particulars	As at 31 March 2022	As at 31 March 2021
Employee related payables	317.59	88.39
	317.59	**88.39**

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Note 24 - Current financial liabilities - Borrowings

(₹ in lakh)

Particulars	As at 31 March 2022	As at 31 March 2021
Secured borrowings		
From banks		
Cash credit - loans repayable on demand	28.99	572.49
Working capital demand loan	-	4,026.86
	28.99	**4,599.35**
Current maturities of long-term borrowings (refer note 18)	3.59	353.32
	3.59	**353.32**
	32.58	**4,952.67**

Details of security and term of repayment of each type of borrowing:

a) The interest rate for the above Cash credit is MCLR + 0.65 % p.a.

b) Working Capital and Cash credit facilities are secured by hypothecation of Inventories, finished / semi-finished goods / receivables of the Company. The Working Capital facilities and cash credit facilities are repayable on demand.

c) The company has been sanctioned a working capital limit in excess of Rs. 5 crore, in aggregate, at points of time during the year, from bank on the basis of security of current assets. The quarterly returns/ statements filed by the company with the bank, are generally in agreement with the unaudited books of accounts of the company of the respective quarters, and differences if any are not material and are not having any impact over actual withdrawal utilization of working capital limits.

Note 25 - Current financial liabilities - Lease liability

(₹ in lakh)

Particulars	As at 31 March 2022	As at 31 March 2022
Lease liability (Refer note 49)	1,552.19	446.64
	1,552.19	**446.64**

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HINDWARE LIMITED

LODHA & CO. Chartered Accountants New Delhi

Note 26 - Trade payables

(₹ in lakh)

Particulars	As at 31 March 2022	As at 31 March 2021
Due to Micro, Small and Medium Enterprises (MSME)	3,809.94	1,929.38
Other than Due to Micro, Small and Medium Enterprises (MSME)	13,207.24	2,188.96
	17,017.18	4,118.34

* Including of AGI Greenpac Limited of ₹ 4,393.59 lakh (previous year ₹ 230.57 lakh)

Ageing As at 31 March 2022

Particulars	Outstanding for following period from due date of payment						Total
	Unbilled	Not Due*	Less than 1yr	1 to 2 years	2 to 3 years	More than 3 years	
i MSME	0.35	3,582.90	226.69	-	-	-	3,809.94
ii Others	465.22	11,629.50	1,047.69	11.35	3.88	49.60	13,207.24
iii Disputed-MSME		-	-	-	-	-	-
iv Disputed-Others		-	-	-	-	-	-

* including assumed on Business acquisition (refer note 59)

Ageing As at 31 March 2021

Particulars	Outstanding for following period from due date of payment						Total
	Unbilled	Not Due	Less than 1yr	1 to 2 years	2 to 3 years	More than 3 years	
i MSME	-	1,924.75	4.63	-	-	-	1,929.38
ii Others	26.23	1,687.38	385.33	34.49	50.74	4.79	2,188.96
iii Disputed-MSME		-	-	-	-	-	-
iv Disputed-Others		-	-	-	-	-	-

Disclosure under MSME Act, 2006

Dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act (MSMED), 2006 to the extent identified and information available with the Company pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006, details as certified by the management are mentioned below:

(₹ in lakh)

Particulars	As at 31 March 2022	As at 31 March 2021
Principal amount overdue remaining unpaid to any supplier	66.13	17.14
Interest due thereon remaining unpaid to any supplier	0.52	0.61
Interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers beyond the appointed day during the year	2.82	63.47
Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	3.06	136.27
Liability assumed under business acquisition (refer note 59)	45.24	-
Interest accrued and remaining unpaid	182.36	136.88

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HINDWARE LIMITED

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Note 27 - Current financial liabilities - Other financial liabilities

(₹ in lakh)

Particulars	As at 31 March 2022	As at 31 March 2021
Interest accrued but not due on borrowings	0.03	37.49
Earnest money deposits	16.63	4.21
Security deposits/retention money payable	431.62	45.72
Others		
Towards capital creditors	314.75	3.97
Employee related payables	3,386.47	2,027.01
Towards expenses payable *	2,029.14	1,269.63
Commission payable to directors	144.54	248.85
Gratuity payable (net of obligation)	104.46	67.69
Other payables ^	72,315.98	10,462.84
	78,743.62	**14,167.41**

* Including payable to AGI Greenpac Limited nil (previous year ₹ 178.80 lakh)

^ Including payable to AGI Greenpac Limited ₹ 59,095.55 lakh (previous year nil) (refer note 59)

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HINDWARE LIMITED

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Note 28 - Other current liabilities

(₹ in lakh)

Particulars	As at 31 March 2022	As at 31 March 2021
Advances received from customers	951.13	613.67
Payable towards statutory dues	5,606.64	4,199.42
	6,557.77	**4,813.09**

Note 29 - Current liabilities - Provisions

(₹ in lakh)

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits		
Long-term employee benefits		
Provision for compensated absences	276.34	45.21
Provision for long service award	262.19	4.50
	538.53	**49.71**

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HINDWARE LIMITED

LODHA & CO. Chartered Accountants

Note 30 - Current tax liabilities (net)

(₹ in lakh)

Particulars	As at 31 March 2022 .	As at 31 March 2021
Provision for Income tax opening	779.58	554.13
Provision for the year	4,116.96	2,863.33
Earlier year income tax	-	(427.44)
	4,896.54	**2,990.02**
Less: Advance tax paid	4,812.34	2,210.44
	84.20	**779.58**

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HINDWARE LIMITED

LODHA & CO. Chartered Accountants

Note 31 - Revenue from operations

(₹ in lakh)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Sale of goods	1,75,701.79	1,23,807.35
Sale from rendering of services	19.26	21.11
Other operating revenue @	3,824.58	2,367.55
	1,79,545.63	**1,26,196.01**
Segment wise revenue information		
a) Building Products	1,79,545.63	1,26,196.01
b) Others	-	-
Total	**1,79,545.63**	**1,26,196.01**
Total income from operations	**1,79,545.63**	**1,26,196.01**

ii) Unsatisfied Performance Obligation

Aggregated amount of Transaction Price allocated to the contracts that are fully or partially unsatisfied at the end of the reporting period

i) Sale of Goods	951.13	613.67

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

Contract Price		
a) Sale of goods & services	3,02,059.19	2,10,650.49
b) Sale of Service	19.26	21.11
c) Other operating revenue	3,824.58	2,367.55
Adjustment:-		
Discount/Rebate	1,26,357.40	86,843.14
Revenue recognised in the statement of profit and loss account	**1,79,545.63**	**1,26,196.01**

@ Other operating revenues comprise of:		
Sundry balances and liabilities no longer required, written back	2,036.26	1,650.54
Gain on foreign exchange fluctuations	165.65	87.11
Insurance claims received	52.76	60.34
Scrap sales	20.38	9.52
Miscellaneous receipts	1,549.53	560.04
	3,824.58	**2,367.55**

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HINDWARE LIMITED

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Note 32 - Other income

(₹ in lakh)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest income on financial assets	156.08	137.92
Rental income	0.04	0.08
Profit on sale of current investments (net)	138.15	0.71
Profit on sale of property, plant and equipment	9.15	7.82
Gain arising on financials instruments designated as at FVTPL (net)	0.37	4.09
Management fee	2,121.35	1,515.16
Miscellaneous income	47.10	156.34
	2,472.24	**1,822.12**

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HINDWARE LIMITED

Note 33 - Purchases of traded goods

(₹ in lakh)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Sanitaryware and other products(net)	1,29,864.62	83,620.48
	1,29,864.62	**83,620.48**

Note 34 - Changes in inventories of stock-in-trade

(₹ in lakh)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Inventories at the end of the year:		
Finished goods (including stock in trade) (A)	27,567.94	15,114.00
	27,567.94	**15,114.00**
Inventories at the beginning of the year:		
Finished goods (including stock in trade) (B)	15,114.00	17,534.58
	15,114.00	**17,534.58**
Inventory (Finished goods) transferred under Business acquisition (refer note 59 (c))	7,126.77	-
Changes in inventories of stock-in-trade (D=A+B+C)	**(5,327.17)**	**2,420.58**

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HINDWARE LIMITED

Note 35 - Employee benefits expense

(₹ in lakh)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries, wages and bonus	16,159.41	11,793.91
Contribution to provident funds and other funds	747.43	629.55
Staff welfare expenses	679.86	454.37
	17,586.70	**12,877.83**

Note 36 - Finance cost

(₹ in lakh)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest expense on financial liabilities	247.51	1,126.35
Interest on lease liability (Refer note 49)	309.07	275.57
Other	3.13	133.62
	559.71	**1,535.54**

Note 37 - Depreciation and amortisation

(₹ in lakh)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation and amortisation of Property, plant and equipment (Refer note 4a)	1,682.67	1,726.66
Amortisation of other intangible assets (Refer note 5)	48.30	41.50
Depreciation on right to use - Building (Refer note 4a)	777.39	607.02
	2,508.36	**2,375.18**

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Note 38 - Other expenses

(₹ in lakh)

Particulars		For the year ended 31 March 2022	For the year ended 31 March 2021
Consumption of stores and spares		19.38	8.31
Consumption of packing material		579.07	400.70
Repairs and maintenance:			
Buildings		4.46	5.54
Plant and machinery		8.43	1.87
Others		484.22	404.96
Rent (including lease charges)		935.98	961.47
Rates and taxes		13.97	5.61
Directors sitting fees		5.30	4.30
Independent Directors Commission		144.54	-
Insurance		821.82	239.53
Travelling and conveyance		2,518.17	1,653.64
Commission on sales		367.45	334.66
Freight and forwarding charges		97.63	111.95
Advertisement and publicity		4,992.13	3,776.68
Transportation and forwarding		6,431.87	4,615.74
Sales promotion expenses *		408.82	249.86
Other selling expenses		564.21	409.13
Provision for expected credit loss (refer note 12)		823.63	954.20
Provision for doubtful advances/debts		635.75	66.93
Bad debts written off	1,421.52		
Less: Withdrawal from expected credit loss (refer note 12)	(1,421.52)	-	5.44
Corporate social responsibility expenditure (refer note 50)		111.51	42.00
Charity and donation		-	26.00
Loss on sale of property, plant and equipment		116.20	0.70
Management fees		1.69	249.67
Provision against diminution in Investment		11.66	76.94
Miscellaneous expenses		1,323.94	1,269.72
		21,421.83	**15,875.55**

* Including of warranty expenses

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Note 39 Current tax and deferred tax

(a) Income tax expense through profit and loss

(₹ in lakh)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Current tax:		
Current income tax charge (including Minimum alternate tax)	4,116.96	2,863.33
Earlier year income tax	-	(427.44)
	4,116.96	**2,435.89**
Deferred tax:		
In respect of current year origination and reversal of temporary differences	(365.45)	(315.24)
Total tax expense recognised in profit and loss account	**3,751.51**	**2,120.65**

(b) Income tax on other comprehensive income

(₹ in lakh)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Current tax		
Re-measurement of defined benefit obligations	(15.10)	(51.71)
	(15.10)	**(51.71)**

(c) Numerical reconciliation between average effective tax rate and applicable tax rate :

The major components of tax expense and the reconciliation of the expected tax expense based on the domestic effective tax rate of the Company at 25.168% (31 March 2021: 25.168%) and the reported tax expense in the statement of profit and loss are as follows:

(₹ in lakh)

Particulars	As at 31 March 2022	As at 31 March 2021
Profit / (loss) before tax	**15,403.82**	**9,312.97**
Domestic tax rate for the Company	25.168%	25.168%
Income tax computed for the Company	3,876.83	2,343.89
Tax effect of :		
- Non deductible expenses	69.60	77.56
- Tax rate difference	(11.06)	-
- Earlier year income tax	-	(427.44)
Others	(183.86)	126.64
Income-tax recognised in statement of profit and loss	**3,751.51**	**2,120.65**

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Note - 40 Financial instruments and risk review

Capital management

The Company manages its capital to be able to continue as a going concern while maximising the returns to shareholders through optimisation of the debt and equity balance. The capital structure consists of debt which includes the borrowings as disclosed in note 18 and 24; cash and cash equivalents as disclosed in note 13 and equity attributable to equity holders of the Company, comprising issued share capital, reserves and retained earnings as disclosed in the Statement of changes in equity. For the purpose of calculating gearing ratio, debt is defined as non current and current borrowings (excluding derivatives). Equity includes all capital and reserves of the Company attributable to equity holders of the Company. The Company is not subject to externally imposed capital requirements. The Board reviews the capital structure and cost of capital on an annual basis but has not set specific targets for gearing ratios. The risks associated with each class of capital are also considered as part of the risk reviews presented to the Board of Directors.

The following table summarises the capital of the Company **(₹ in lakh)**

	Note	As at 31 March 2022	As at 31 March 2021
Equity		**35,172.51**	**25,925.32**
Liquid assets (cash and cash equivalent and current investments) (a)		**5,050.65**	**3,055.09**
Current borrowings	24	28.99	4,599.35
Non- current borrowings	18	-	2,978.64
Current maturities of non current borrowings	24	3.59	353.32
Total debt (b)		**32.58**	**7,931.31**
Net debt [c = (b) - (a)]		(5,018.07)	4,876.22
Total capital (equity + net debt)		**30,154.44**	**30,801.54**
Gearing ratio			
Debt to equity		0%	31%
Net debt to equity ratio		NA*	19%

* At the year end, no long term borrowing was outstanding, except for vehicle loan

Categories of financial instruments

Categories of financial assets/(liabilities) **(₹ in lakh)**

Particulars	Notes	31 March 2022			31 March 2021		
		Carrying value	Gain/(loss) to income	Gain/(loss) to equity	Carrying value	Gain/(loss) to income	Gain/(loss) to equity
Financial assets measured at amortised costs							
Trade receivable	12	16,516.65	-	-	24,706.52	-	-
Loans	7	1,700.00	-	-	1,000.00	-	-
Other financial assets	14, 8	2,005.78	-	-	1,168.88	-	-
Cash and bank balances	13	2,341.59	-	-	491.08	-	-
Investments	6	39.85	-	-	50.50	-	-
Total Financial assets measured at amortised costs		**22,603.87**	-	-	**27,416.98**	-	-
Financial assets measured at fair value							
Investments	11	2,709.06	0.37	-	2,564.02	4.09	-
Derivative contracts	13	-	-	-	-		-
Financial assets at fair value		**2,709.06**	**0.37**	-	**2,564.02**	**4.09**	-
Total financial assets		**25,312.93**	**0.37**	-	**29,981.00**	**4.09**	-
Financial liabilities measured at amortised cost							
Current payables	24, 26, 27	95,793.38	-	-	23,238.42	-	-
Lease liabilities	19, 25	16,574.32			2,810.45		
Non-current payables	20	3,660.26	-	-	2,983.89	-	-
Non-current borrowings	18	-	-	-	2,978.64	-	-
Financial liabilities measured at amortised cost		**1,16,027.96**	-	-	**32,011.40**	-	-
Total financial assets/(liabilities)		**(90,715.03)**	**0.37**	-	**(2,030.40)**	**4.09**	-

Financial risk management objective

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

The use of any derivative is approved by the management, which provide guidelines on the acceptable levels of interest rate risk, credit risk, foreign exchange risk and liquidity risk and the range of hedging requirement against these risks.

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Note - 40 Financial instruments and risk review (contd.)

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 financial loss. The Company is exposed to credit risk for receivables, cash and cash equivalents, short term investments, financial guarantee and derivative financial instruments.

Cash and cash equivalents and short term investments

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

Trade receivables

The Company extends credits to customer in normal course of the business. The Company considers the factors such as credit track record in the market of each customer and past dealings for extension of credit to the customer. The Company monitors the payment track record of each customer and 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 at several jurisdiction and industries and operate in large independent markets. The Company also takes advances and security deposits from customers which mitigate the credit risk to an extent.

The average credit period taken on sales of goods is 30 to 60 days. Generally, no interest has been charged on the receivables. Allowances against doubtful debts are recognised against trade receivables based on estimated irrecoverable amounts determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position.
Before accepting any new customer, the Company uses an internal credit system to assess the potential customer's credit quality and defines credit limits by customer. Limits attributed to customers are reviewed periodically. There are no customers who represent more than 10 per cent of total net revenue from operations.
The Company does not hold any collateral or other credit enhancements over any of its trade receivables nor does it have a legal right of offset against any amounts owed by the Company to the counterparty.

Expected credit loss :

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

Ageing	Expected credit loss (%)
Not due for payment	0
Up to 6 months	0
From 6 months to 1 year	0
From 1 year to 3 years	10 to 100
More than 3 years	100

Ageing of trade receivables **(₹ in lakh)**

Period	As at 31 March 2022	As at 31 March 2021
Not due for payment	8,501.01	13,879.42
Up to 6 months*	5,696.61	7,987.03
From 6 months to 1 year	706.32	600.12
From 1 year to 3 years	1,994.09	2,708.83
More than 3 years	2,555.56	3,065.94

*including acquired under business acquisition (refer note 59)

Ageing of impaired trade receivables

Period	As at 31 March 2022	As at 31 March 2021
Up to 6 months	-	-
From 6 months to 1 year *	-	-
From 1 year to 3 years	381.38	468.88
More than 3 years	2,555.56	3,065.94

* Based upon lifetime expected credit loss

Liquidity risk:

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

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies on a mix of borrowings, capital infusion and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure that it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities so that it does not breach borrowing limits.

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Note - 40 Financial instruments and risk review (contd.)

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

(₹ in lakh)

Particulars	Notes	As at 31 March 2022			
		not later than one year	later than one year and not later than five years	later than five years	Total
Financial liabilities					
Borrowings - bank loans	18, 24	32.58	-	-	32.58
Current payables	20, 25, 26, 27	98,353.95			98,353.95
Non-current payables	19	-	9,452.88	13,666.68	23,119.56
Total		**98,386.53**	**9,452.88**	**13,666.68**	**1,21,506.09**

(₹ in lakh)

Particulars	Notes	As at 31 March 2021			
		not later than one year	later than one year and not later than five years	later than five years	Total
Financial liabilities					
Borrowings - bank loans	18, 24	4,952.67	2,103.64	875.00	7,931.31
Current payables	20, 25, 26, 27	18,951.78			18,951.78
Non-current payables	19	-	2,130.62	3,806.14	5,936.76
Total		**23,904.45**	**4,234.26**	**4,681.14**	**32,819.85**

Market risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company enters into a variety of derivative financial instruments to manage its exposure to foreign currency risk, including :

Forward foreign exchange contract to hedge the exchange rate risk arising on the export and import of its products.

Currency risk

The Company undertakes various transactions denominated in foreign currencies, consequently, exposure to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts.

The Company transacts business primarily in Indian Rupee, USD, Euro and AED. The Company has obtained foreign currency loans and has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk. Certain transactions of the Company act as a natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure to foreign exchange risk, the Company adopted a policy of selective hedging based on risk perception of the management. Foreign exchange hedging contracts are carried at fair value.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

(in lakh)

Particulars	Currency	As at 31 March 2022	As at 31 March 2021
Trade receivables	USD	2.40	5.77
Trade payables	USD	65.15	0.91
	EUR	0.15	0.19

Currency rate	As at 31 March 2022	As at 31 March 2021
USD	75.8071	73.5047
EUR	84.6599	86.0990

Of the above foreign currency exposures, following exposures are not hedged:

(in lakh)

Particulars	Currency	As at 31 March 2022	As at 31 March 2021
Trade receivables	USD	2.40	5.77
Trade payables	USD	65.15	0.91
	EUR	0.15	0.19

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Note - 40 Financial instruments and risk review (contd.)

Sensitivity analysis

The following table demonstrates the sensitivity of profit and equity in USD, Euro, GBP and AED to the Indian Rupee with all other variables held constant. The impact on the Company's profit before tax and other comprehensive income due to changes in the fair value of monetary assets and liabilities is given below:

(₹ in lakh)

Currency	Change in currency exchange rate	Effect on profit before tax 31 March 2022	Effect on profit before tax 31 March 2021
USD	5%	(237.84)	17.87
	-5%	237.84	(17.87)
EUR	5%	(0.64)	(0.80)
	5%	0.64	0.80

This is mainly attributable to the exposure outstanding on foreign currency receivables and payables in the Company at the end of each reporting period.

Interest rate risk

The Company's exposure to the risk of changes in market interest rates relates primarily to long term debts. Its objective in managing its interest rate risk is to ensure that it always maintain sufficient head room to cover interest payment from anticipated cash flows which is regularly reviewed by the board/nominated committee as well.

The following table demonstrates the sensitivity in the interest rate with all other variables held constant. The impact on the Company's profit before tax and other comprehensive income due to changes in the interest rates is given below :

(₹ in lakh)

Particulars	Change in interest rate	Effect on profit before tax 31 March 2022	Effect on profit before tax 31 March 2021
Long term borrowings from bank	0.50%	-	(16.66)
	-0.50%	-	16.66

Commodity risk

The Company is exposed to the movement in the price of key traded goods in the domestic and international markets. The Company has in place policies to manage exposure to fluctuation the prices of key traded goods. The Company enter into contracts for procurement of traded goods, most of the transactions are short term fixed price contract and a few transactions are long term fixed price contracts.

Note 41 - Fair value measurement

Fair valuation techniques and inputs used

(₹ in lakh)

Financial assets	Fair value as at 31 March 2022	Fair value as at 31 March 2021	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value and sensitivity
Current investments	2,709.06	2,564.02	1	-	-	-

Other financial instruments

The carrying amount of the financial assets and liabilities carried at amortised cost is considered a reasonable approximation of fair value.

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Note 42 - Employee benefits

A. Defined contribution plan

The Company operates defined contribution retirement benefit plans for all employees. The Provident Fund contributions are made to Regional Provident Fund, the Company has no further obligations beyond its monthly contributions.

The Company's contribution to Provident Fund and Superannuation Fund aggregating to ₹ 573.45 lakh (previous year ₹ 440.31 lakh) has been recognised in the Statement of Profit and Loss under the head Employee Benefits Expense.

B. Defined benefit plans

Gratuity

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company Scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the group gratuity Scheme administered by the Birla Sun Life Insurance Company Limited.

Details of the Company's defined benefit plans are as follows:

(₹ in lakh)

Particulars	Gratuity (Funded plan)	
	31 March 2022	31 March 2021
Current service cost	164.35	141.31
Net interest expense/(income)	2.68	4.43
Components of defined benefit costs recognised in profit or loss	167.03	145.74
Net actuarial (gain)/loss	(68.81)	(42.01)
Expected return on plan assets excluding interest income	8.83	(163.44)
Components of defined benefit costs recognised in other comprehensive income	(59.98)	(205.45)
I. Net asset/(liability) recognised in the balance sheet as at 31 March 2022		
1. Present value of defined benefit obligation	2,170.41	563.86
2. Fair value of plan assets	2,065.95	496.17
3. Deficit	104.46	67.69
4. Current portion of the above	104.46	67.69
II. Change in the obligation during the year ended 31 March 2022		
1. Present value of defined benefit obligation at the beginning of the year	563.86	557.45
2. Expenses recognised in the statements of profit and loss		
- Current service cost	164.35	141.31
- Interest expense	39.00	34.32
3. Recognised in other comprehensive income		
- Actuarial (gain)/loss arising from experience adjustments	(53.53)	(20.97)
- Actuarial (gain)/loss arising from financial assumption	(15.28)	(21.04)
4. Benefit payments	(62.04)	(127.21)
5. Liability assumed on Business acquisition (refer note 59)	1,534.05	-
6. Present value of defined benefit obligation at the end of the year	**2,170.41**	**563.86**

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HINDWARE LIMITED

Note 42 - Employee benefits (contd.)

(₹ in lakh)

Particulars	Gratuity (Funded plan)	
	31 March 2022	31 March 2021
III. Change in fair value of assets		
1. Fair value of plan assets at the beginning of the year	496.17	430.05
2. Recognised in the statement profit and loss		
- Expected return on plan assets	36.32	29.89
3. Recognised in other comprehensive income		
- Actual return on plan assets in excess of the expected return	(8.83)	163.44
4. Contributions by employer (including benefit payments recoverable)	124.69	-
5. Benefit payments	(62.04)	(127.21)
6. Assets transferred under Business acquisition (refer note 59)	1,479.64	-
7. Fair value of plan assets at the end of the year	**2,065.95**	**496.17**

IV. The major categories of plan assets

The Company made annual contribution to the Birla Sun Life Insurance Company Limited ('BSL') of an amount advised by the BSL. The Company was informed by BSL that the planned assets are held in growth/fixed interest bonds.

V. Actuarial assumptions	**31 March 2022**	**31 March 2021**
1. Discount rate	7.32%	6.95%
2. Expected rate of increase in compensation level	6.50%	6.50%
3. Expected rate of return on plan assets	7.32%	6.95%
4. Attrition rate	1.00%	1.00%
5. Mortality table	IALM 2012-14	IALM 2012-14
6. Superannuation age	58	58

VI. Sensitivity analysis

(₹ in lakh)

Particulars	31 March 2022		31 March 2021	
	Change in assumption	Effect on gratuity obligation	Change in assumption	Effect on gratuity obligation
Discount rate	0.50%	(35.95)	0.50%	(32.65)
	-0.50%	39.24	-0.50%	35.71
Expected rate of increase in compensation level	0.50%	37.68	0.50%	34.01
	-0.50%	(34.78)	-0.50%	(31.51)

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.

VII. Experience adjustments : (₹ in lakh)

Particulars	FY 2021-22	FY 2020-21
1. Defined benefit obligation	2,170.41	563.86
2. Fair value of plan assets	2,065.95	496.17
3. Surplus/(deficit) unfunded asset	(104.46)	(67.69)
4. Experience adjustment on plan liabilities gain/(loss)	53.53	20.97

The expected rate of return on plan assets is based on the average long term rate of return expected on investments of the fund during the estimated term of obligation.

The estimate of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

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Note 42 - Employee benefits (contd.)

C. Other long-term benefits - Compensated absences (unfunded)

(₹ in lakh)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Amounts recognised in the balance sheet		
Non current (Refer note 21)	576.00	328.35
Current (Refer note 29)	276.34	45.21
	852.34	**373.56**
Amounts recognised in the statement of profit and loss		
Current service cost	144.38	117.46
Interest cost	25.40	23.03
Actuarial gain	191.03	49.31
Total included in employee benefits expense	**360.81**	**189.80**
Reconciliation of opening and closing balances of benefit obligations		
Change in benefit obligation		
Defined benefit obligation at the beginning of the year	373.56	338.66
Interest cost	25.40	23.03
Current service cost	144.38	117.46
Benefits paid	(139.23)	(154.90)
Actuarial gain	191.03	49.31
Liability assumed on Business acquisition (refer note 59)	257.20	-
Defined benefit obligation at the end of the year	**852.34**	**373.56**

The average duration of remaining working life at the end of the reporting period is 16.20 years (Previous year 16.52 years)

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HINDWARE LIMITED

Note 43 - Segment Information

The Company operates in a single segment i.e. Building Products.

Note 44 - Earnings per share

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit / (loss) for the year attributable to owners of the Company (₹ in lakh)	11,652.31	7,192.32
Weighted average number of equity shares (nos.)	2,45,00,000	2,45,00,000
Nominal value per share (₹)	2.00	2.00
Earnings per share - basic and diluted (₹)	47.56	29.36

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

Note - 45 Contingent liabilities not provided for in respect of:

(₹ in lakh)

Particulars	As at 31 March 2022	As at 31 March 2021
a) Demands made by the sales tax authorities against which appeals have been filed	616.99	461.30
b) Claims against the Company not acknowledged as debts	231.98	143.11

Note - 46 Capital and other commitments

(₹ in lakh)

Particulars	As at 31 March 2022	As at 31 March 2021
a) Commitments relating to contracts remaining to be executed on capital account and other commitments not provided for	6,167.89	262.46

Note - 47 Payment to statutory auditors (excluding goods and service tax)

(₹ in lakh)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
As auditors	8.56	8.00
For taxation matters	2.14	2.00
Other services	3.62	2.40
For reimbursement of expenses	0.83	0.23
	15.15	**12.63**

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Note 48 - Related party transactions

In accordance with the requirement of Indian Accounting Standard (Ind AS) 24 "Related Party Disclosures" name of the related party, related party relationship, transactions and outstanding balances including commitments where control exist and with whom transactions have taken place during the reported period are as follows:

List of related parties **Relationship**	**Name of related party (as identified by the management)**
Key management personnel (KMP)	**Executive directors** Mr. Sandip Somany (Chairman & Managing Director)
	Executives / Key Managerial Personnel Mr. Sandeep Sikka (CFO) Ms Payal M Puri (CS)
	Non-executive directors Mr. G.L. Sultania Mr. Ashok Jaipuria Mr. Salil Bhandari Dr. Rainer Siegfried Simon Ms. Alpana Parida
Relative of Key management personnel	Ms. Sumita Somany (Wife of Mr. Sandip Somany)
Holding company	Somany Home Innovation Limited
Subsidiaries	Halis International Limited, Mauritius Queo Bathroom Innovations Limited, UK (subsidiary of Halis International Limited)
Fellow Subsidiaries	Hindware Home Retail Private Limited Luxxis Heating Solutions Private Limited Hintastica Private Limited (ceased to be subsidiary of Somany Home Innovation Limited w.e.f 19 May,2021)
Entities where significant influence is exercised by KMP/KMP of holding company/ and/or their relatives	Textool Mercantile Private Limited Khaitan & Co. LLP Hintastica Private Limited (Joint venture of holding company w.e.f. 20 May, 2021)
Others	AGI Greenpac Limited (Formerly known as HSIL Limited) (Subsidiary of Somany Impresa Limited)
Corporate Social Responsibility	HSIL Corporate Social Responsibility Foundation
Post employment benefit plan	Brilloca Employee Gratuity Fund

The following transactions were carried out with related parties in the ordinary course of business and on arm's length basis.

(₹ in lakh)

Particulars	**Holding/Subsidiary/Fellow Subsidiaries**		**Entities where significant influence is exercised by KMP/KMP of holding company/ and/or their relatives and other related parties**	
Transactions during the year	**31 March 2022**	**31 March 2021**	**31 March 2022**	**31 March 2021**
Investment made in				
Equity component in redeemable preference shares of Halis International Limited	-	52.10	-	-
Management fees received from				
Somany Home Innovation Limited	317.56	321.90	-	-
Hintastica Private Limited	-	-	99.56	-
AGI Greenpac Limited		-	1,713.76	1,193.26
Management fees paid to				
AGI Greenpac Limited	-	-	1.48	249.07
Rent paid to				
Somany Home Innovation Limited	33.60	33.60	-	-
Textool Mercantile Private Limited	-	-		2.80
AGI Greenpac Limited	-	-	745.31	745.31
Loan given to				
Somany Home Innovation Limited	700.00	1,000.00	-	-
Interest received from				
Somany Home Innovation Limited	145.75	77.42	-	-

HINDWARE LIMITED

LODHA & Co. New Delhi Chartered Accountants

Note 48 - Related party transactions (contd.)

(₹ in lakh)

Particulars	Holding/Subsidiary/Fellow Subsidiaries		Entities where significant influence is exercised by KMP and/or their relatives and other related parties	
Transactions during the year	**31 March 2022**	**31 March 2021**	**31 March 2022**	**31 March 2021**
Sale of fixed assets to				
Somany Home Innovation Limited	-	21.45	-	-
AGI Greenpac Limited	-	-	1.17	32.96
Purchase of fixed assets from				
Somany Home Innovation Limited	-	2.13	-	-
AGI Greenpac Limited	-	-	7.97	-
Purchase of investments from				
AGI Greenpac Limited	-	-	1.00	-
Purchase of BPD business under slump sale				
AGI Greenpac Limited	-	-	69,995.55	-
Purchase (net) of goods from				
Somany Home Innovation Limited	2.21	5.50	-	-
Hindware Home Retail Private Limited	-	5.36	-	-
AGI Greenpac Limited	-	-	93,038.71	59,504.30
Sale of goods and services to				
AGI Greenpac Limited	-	-	314.09	17.48
Rent received from				
Hintastica Private Limited	-	0.82	-	-
Reimbursement of expense received from				
AGI Greenpac Limited	-	-	10.40	3.58
Reimbursement of expenses paid to				
AGI Greenpac Limited	-	-	219.26	10.86
Reimbursement of VAT/CST liability paid to				
AGI Greenpac Limited	-	-	96.21	-
Security Deposit given				
AGI Greenpac Limited	-	-	-	62.11
Contribution made				
Brilloca Employee Gratuity Fund	-	-	124.69	-
Corporate Social Responsibility				
HSIL Corporate Social Responsibility Foundation	-	-	31.51	-
Consultancy fees paid to				
Khaitan & Co. LLP	-	-	0.34	0.58
Balances outstanding as at the end of the year - Receivable				
Somany Home Innovation Limited				
Loan receivable*	1,700.00	1,000.00	-	-
Others	114.70	984.96	-	-
Hintastica Private Limited	-	1.46	92.71	-
AGI Greenpac Limited	-	-	-	1,731.65
Balances outstanding as at the end of the year - Payable				
Textool Mercantile Private Limited	-	-		
AGI Greenpac Limited				
- Slump sale	-	-	59,095.55	-
- Others	-	-	4,121.50	-
Khaitan & Co. LLP	-	-	0.08	0.09

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Note 48 - Related party transactions (Contd.)

(₹ in lakh)

Particulars	Key management personnel and their relatives	
Transactions during the year	**31 March 2022**	**31 March 2021**
Remuneration of key management personnel and their relatives		
Mr. Sandip Somany	1,456.84	496.71
Mr. Sandeep Sikka	335.12	260.83
Ms. Sumita Somany	94.91	58.37
Commission and other payments to non executive directors	149.84	103.68
Remuneration payable as at the end of the year		
Mr. Sandip Somany	601.83	153.87
Mr. Sandeep Sikka	1.51	9.70
Ms Sumita Somany	1.09	2.59
Commission and other payments to non executive directors	144.54	99.38

The remuneration and other transactions with members of key managerial personnel and their relatives during the year are as follows:

(₹ in lakh)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Short-term employee benefits #	1,928.31	874.05
Post-employment benefits		
- Defined contribution plan S	108.40	45.54
- Defined benefit plan *	-	-
- Other long-term benefits *	-	-
Rent paid	-	-
Total	**2,036.71**	**919.59**

Including bonus, sitting fee, commission on accrual basis and value of perquisites.

S including provident fund, leave encashment paid and any other benefit.

* As the liability for gratuity and leave encashment are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key managerial personnel are not included above.

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HINDWARE LIMITED

LODHA & CO. New Delhi Chartered Accountants

Note 49 Leases

The company recorded the lease liability at the present value of the future lease payments discounted at the incremental borrowing rate and the right of use asset. Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

Break-up of current and non-current lease liabilities as at:

(₹ in lakh)

Particulars	As at 31 March 2022	As at 31 March 2021
Current lease liabilities	1,552.19	446.64
Non current lease liabilities	15,022.13	2,363.81
Total	**16,574.32**	**2,810.45**

Movement in lease liabilities during the year ended:

(₹ in lakh)

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning	2,810.45	2,850.19
Addition	14,961.75	736.43
Finance cost accrued during the period	309.07	275.57
Deletions /adjustment	587.56	309.57
Payment of lease liabilities	876.76	651.87
Lease concession	42.63	90.30
Balance at the end	**16,574.32**	**2,810.45**

Details regarding the contractual maturities of lease liabilities on an undiscounted basis:

(₹ in lakh)

Particulars	As at 31 March 2022	As at 31 March 2021
Less than one year	2,593.15	666.02
One to five years	9,452.88	2,130.62
More than five years	10,006.42	822.26
Total	**22,052.45**	**3,618.90**

Rental expense recorded for short-term leases was ₹ 935.98 lakh (Previous period ₹ 961.47 lakh) for the year ended March 31,2022

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HINDWARE LIMITED

LODHA & CO. New Delhi Chartered Accountants

Note: 50 Corporate social responsibility

In accordance with the provisions of section 135 of the Act, the Board of Directors of the Company had constituted a Corporate Social Responsibility (CSR) Committee. In terms, with the provisions of the said Act, the Company was to spend a sum of ₹ 111.10 lakh (previous year ₹ 42.00 lakh) towards CSR activities during the year ended 31 March 2022. The CSR Committee has been examining and evaluating suitable proposals for deployment of funds towards CSR initiatives, however, the committee expects finalization of such proposals in due course. During the year ended 31 March 2022, the Company has contributed the following sums towards CSR initiatives. (Refer note 38)

(₹ in lakh)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
(i) Amount required to be spent on CSR activities during the year (a)	111.10	42.00
(ii) Amount on expenditure incurred on:		
(a) On construction/acquisition of any asset	80.00	36.80
(b) On purposes other than (i) above	31.51	5.20
(iii) Shortfall at the end of the year	-	-

(iv) Nature of CSR activities amount spent on:

-COVID-19 -oxygen plant and preventive & relief measures

-Construction /Renovation of Toilets at vaious location

-Providing sanitaryware, faucets and other allied products

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HINDWARE LIMITED

LODHA & CO. New Delhi Chartered Accountants

Note 51 - Financial instrument by category

(₹ in lakh)

Particulars	31 March 2022			31 March 2021		
	FVOCI	FVTPL	Amortised cost	FVOCI	FVTPL	Amortised cost
Non current financial assets						
Investments	-	-	39.85	-	-	50.50
Loans	-	-	1,700.00	-	-	1,000.00
Other financial assets	-	-	663.38	-	-	291.37
Current financial assets						
Investments	-	2,709.06	-	-	2,564.02	-
Trade receivable	-	-	16,516.65	-	-	24,706.52
Cash and cash equivalents	-	-	2,341.59	-	-	491.08
Other financial assets			-			-
Bank balances other than cash and cash equivalents	-	-	-	-	-	-
Other financial assets	-	-	1,342.40	-	-	877.51
Total financial assets	**-**	**2,709.06**	**22,603.87**	**-**	**2,564.02**	**27,416.98**
Non Current financial liabilities						
Non-current borrowings	-	-	-	-	-	2,978.64
Lease liabilities			15,022.13			2,363.81
Other financial liabilities	-	-	3,660.26	-	-	2,983.89
Current financial liabilities						
Current borrowings	-	-	32.58	-	-	4,952.67
Lease liabilities			1,552.19			446.64
Trade payables	-	-	17,017.18	-	-	4,118.34
Other financial liabilities	-	-	78,743.62	-	-	14,167.41
Total financial liabilities	**-**	**-**	**1,16,027.96**	**-**	**-**	**32,011.40**

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HINDWARE LIMITED

LODHA & CO. New Delhi Chartered Accountants

Note 52 - Disclosure under section 186(4) of the Companies Act, 2013

(₹ in lakh)

Particulars	Halis International Limited, Mauritius (Wholly owned subsidiary)	Halis International Limited, Mauritius (Wholly owned subsidiary)
	As at 31 March 2022	As at 31 March 2021
Guarantee		
Guarantees given as at the beginning of the financial year	-	-
Guarantees given during the financial year	-	-
Guarantee closed during the year	-	-
Guarantees given as at the end of the financial year	-	-
Investments		
Investments at the beginning of the financial year	50.50	75.22
Additions during the financial year	-	52.10
Provision for diminution in the value of during the year	11.66	76.82
Investment at the end of the financial year	39.85	50.50
Loans and advances		
Loans at the beginning of the financial year	-	-
Additions during the financial year	-	-
Return back during the year	-	-
Loans at the end of the financial year	-	-

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HINDWARE LIMITED

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Note 53 - Transactions with Struck-off companies

(₹ in lakhs)

S. No.	Name of Struck-off company (as per MCA)	Nature of transaction with struck-off company	Balance as on 31st March'2022	Balance as on 31st March'2021	Relationship with the struck-off company
1	Anupriaa Associates Private Limited	Sale of goods	-	(0.02)	Customer
2	EL BORNE (India) Trading Company Private Limited	Sale of goods	-	0.42	Customer
3	GCL Enterprises Private Limited	Sale of goods	(0.05)	3.78	Customer
4	Concept Ceramics Private Limited	Sale of goods	(0.00)	-	Customer
5	S S Realityworld Private Limited	Sale of goods	-	0.40	Customer
6	S V Electronics Limited	Purchase of goods	(0.00)	-	Vendor
7	Orcalo Software Solutions Private Limited	Purchase of goods	-	(0.81)	Vendor
8	Khandelwal Polymers Pvt Ltd	Purchase of goods	(0.02)	-	Vendor

Note 54 - Impact of Covid-19

The Company is closely monitoring the impact of the COVID-19 pandemic and believes that there will not be any adverse impact on the long-term operations and performance of the Company.

Note 55 :- Details of title deeds of Immovable properties not held in the name of the Company*

Particulars	Description of item of Property	Gross carrying value (in ₹ lakh)	Title deeds held in the name of	Whether title holder is director / promoter / relative of the same	Property held since which date	Reason for not being held in the name of the Company
1	Leasehold Land & Buildings at Kaharani	8,507.80	AGI Greenpac Limited	No	Close of business hours of 31 March 2022	Slump sale transaction executed after close of business hours of 31 March 2022
2	Land & Buildings at Bibinagar	7,972.11	AGI Greenpac Limited	No		

* (refer note 59)+B4

Note 56 - Social security code

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Indian Parliament's approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently, on November 13, 2020, draft rules were published and stakeholders' suggestions were invited. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Note 57 :- Dividend declaration

The Board of Directors have recommended a dividend of 600% i.e. ₹ 12/- on equity share of ₹2/- each for the year ended 31st March 2022 subject to approval of shareholders in the ensuing Annual General Meeting. (The total estimated equity dividend to be paid is ₹ 2,940.00 lakh)

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HINDWARE LIMITED

LODHA & CO. New Delhi Chartered Accountants

Note 58 :- Ratios disclosure

Particulars		As at 31 March 2022	As at 31 March 2021	Variance	Remarks
(i)	**Current Ratio (times)** Total Current assets / Total current liabilities	0.80	1.74	-54.20%	Due to business combination transaction
(ii)	**Total Debts to Equity Ratio (times)** (Non-current borrowings + Current Borrowings + Trade Deposits) / Net worth*) * Net worth = Equity Share Capital + Securities premium account + General reserve + Retained earnings + Actuarial gain / (loss)	0.10	0.42	-75.06%	Due to prepayment of rupee term loan during the year
(iii)	**Debt Service Coverage Ratio (times)** (Profit after Tax + Depreciation + Interest on loan + loss / (gain) on sale of Property Plant and Equipment/ Interest on loan + principal scheduled repayment of loan + lease repayment)	10.03	5.60	79.04%	Due to prepayment of rupee term loan during the year
(iv)	**Return on Equity (%)** (Profit for the year / Average Net worth*) * Net worth = Equity Share Capital + Securities premium account + General reserve + Retained earnings + Actuarial gain / (loss)	38.14%	32.32%	18.01%	
(v)	**Inventory Turnover (times)** (Cost of Goods Sold / Average Inventories)	3.64	5.25	-30.61%	Due to business combination transaction
(vi)	**Trade Receivables Turnover (times)** (Revenue from Operations / Average Trade receivables)	8.71	5.16	68.93%	Due to business combination transaction
(vii)	**Trade Payables Turnover (times)** (Total Purchases / Average Trade payables)	12.29	19.13	-35.76%	Due to business combination transaction
(viii)	**Net Capital Turnover (times)** (Revenue from Operations / Average Working Capital) (Working Capital = Current assets - Current liabilities)	449.31	6.83	6480.04%	Due to business combination transaction
(ix)	**Net Profit Ratio (%)** (Profit for the year / Revenue from Operations)	6.49%	5.70%	13.87%	
(x)	**Return on Capital Employed (%)** (Earnings before interest and tax / Capital employed*) * Capital employed = Tangible Net worth + Borrowings + Deferred tax liability + Trade deposits - Intangible assets	41.51%	29.39%	41.23%	Due to business combination transaction
(xi)	**Return on Mutual funds (%)** (Income during the year / Time weighted average of investments)	3.18%	3.20%	-0.74%	

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HINDWARE LIMITED

LODHA & CO. New Delhi Chartered Accountants

Note 59 :- Business Combination (Acquisition of BPD manufacturing operations of AGI Greenpac limited)

a) The Board of Directors of the Company, in its meeting held on 15th January, 2022, had approved the acquisition of one of the business undertaking of the AGI Greenpac Limited ("AGIGL") (formerly known as HSIL Limited) that was engaged in the business of manufacturing, on contract basis, of sanitaryware, faucets and plastic pipes (PVC and CPVC) and fittings, through its operating manufacturing plants, along with all the related assets and liabilities including but not limited to the embedded goodwill, movable and immovable assets (except certain land and buildings), employees, contracts (including lease deeds), intellectual property and other intangible assets, licenses, permits, consents, approvals, inventory and insurance policies, for a lump sum consideration of ₹ 63,000 lakh which amount was mutually negotiated between the Company and AGI Greenpac (based on the recommendations in the valuation report issued by an independent valuer), subject to customary closing date adjustments and on such other terms as set out in the business transfer agreement executed between the Company and AGI Greenpac.

b) The date of consummation of transaction is 31st March 2022, after close of business hours, at the agreed value of ₹ 69,995.55 lakhs^

c) Details of acquisition of business on slump sale basis are:

(₹ in lakhs)

Particulars	Amount
Non Current assets (A)	46,032.69
Current assets (B)	34,986.49
Less : Current liabilities (C)	11,214.63
Net Assets taken over (D=A+B-C)	**69,804.55**
Purchase consideration post closing date adjustments (E)	69,995.55
Goodwill generated / acquired under transaction (F = E - D)	**191.00**

^ read with note 27

Note 60 - Change of Name

Pursuant to the issuance of the fresh certificate of incorporation dated 13th April 2022 by Registrar of Companies Kolkata, the name of Company stands changed from Brilloca Limited to Hindware Limited

Note 61 - Other Disclosures

(a) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period

(b) The Company have not traded or invested in crypto currency or virtual currency during the financial year

(c) There are no loans or advances in the nature of loans granted to Promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are: (a) repayable on demand; or (b) without specifying any terms or period of repayment

(d) The Company has complied with the requirements of the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017

(e) The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 to 1988) and Rules made thereunder

(f) The Company has not been declared as wilful defaulter by any bank or financial institution or other lender or government or any government authority

(g) Utilisation of borrowed funds and share premium

I. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(ii) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

II. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the

(i) 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

(ii) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

(h) There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.

(i) Previous period figures have been regrouped /re-arranged wherever considered necessary to confirm to the current year's classification.

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As per our report of even date attached

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

Shyamal Kumar
Partner
M. No. 509325
Place : New Delhi
Date : 17 May 2022

For and on behalf of the Board of Directors

G.L. Sultania
Director
DIN: 00060931

Sandip Somany
Vice Chairman and Managing Director
DIN: 00053597

Payal M. Puri
Company Secretary
ACS No.: 16068

Sandeep Sikka
Chief Financial Officer

Place : Gurugram
Date : 17 May 2022

Hindware Limited (Formerly Brillioca Limited)

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rule, 2014)

Statement containing salient features of the financial statement of subsidiary/associate companies/joint ventures

Part "A" : Subsidiaries

(₹ in lakh)

Sr. No.	Name of Subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Share capital	Reserves & surplus	Total assets	Total liabilities	Investments (Other than subsidiary)	Turnover (including other operating income)	Profit before taxation	Provision for taxation	Profit after taxation	Other comprehensive income	Total comprehensive income for the year	Proposed dividend	% of shareholding (including stepdown subsidiary holding)
1	Halis International Ltd. (Subsidiary of Hindware Ltd.)	NA	USD 1 = INR 75.8071	2,010.62	(1,991.95)	19.81	19.81	-	-	(6.59)	-	(6.59)	(0.50)	(7.08)	-	100%
2	Queo Bathroom Innovations Ltd. (Subsidiary of Halis International Ltd.)		GBP 1 = INR 99.5524	5.36	14.85	26.02	26.02	-	-	(6.82)	-	(6.82)	0.02	(6.80)	-	100%

Note 1 **Name of subsidiaries which are yet to co : Nil**

Note 2 **Name of subsidiaries which have been liquidated or sold during t 1. Alchemy International Cooperatief U.A. 2. Haas International B.V.**

Part "B" : Associates and Joint Ventures

Statement pursuant to section 129 (3) of the Companies Act, 2013 related to associate companies/joint ventures

(₹ in lacs)

Sr. No.	Name of Associates/Joint Ventures	1. Latest audited Balance Sheet Date	2. Share of Associate/Joint Venture held by the company on the year end			3.Description of how there is significant influence	4. Reason why the associate/joint venture is not consolidated	5. Net worth attributable to Shareholding as per latest audited Balance Sheet	6.Profit/Loss for the year	
			No.	Amount of investment in Associates/Joint Venture	Extend of Holding %				i. Considered in Consolidation	i. Not considered in Consolidation
Nil										

Note 1 **Name of associates or joint ventures which are yet to commence operations : Nil**

Note 2 **Name of associates or joint ventures which have been liquidated or sold during the year : Nil**

HINDWARE LIMITED

G.L. Sultania
Director
DIN: 00060931

Sandip Somany
Chairman and Managing Director
DIN: 00053597

Payal M. Puri
Company Secretary
ACS No.: 16068

Sandeep Sikka
Chief Financial Officer

Place : Gurugram
Date : 17 May 2022

HINDWARE LIMITED

HINDWARE LIMITED
(FORMERLY KNOWN AS BRILLOCA LIMITED)
Regd. Office: 2, Red Cross Place, Kolkata-700 001
CIN: U74999WB2017PLC223307
Phone: 033-22487407/5668,
E-mail: ngoenka@hindware.co.in
Website: www.brilloca.com

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the Fifth Annual Report and the Company's Audited Financial Statements for the financial year ended on 31 March 2022.

FINANCIAL RESULTS:

The Company's financial performance, for the year ended 31 March 2022 is summarised below:

(Rs. in lakhs#)

Financial Results	**2021-2022**	**2020-2021**
Revenue from Operations	1,79,546	1,26,196
Add: Other Income	2,472	1,822
Total Income	**1,82,018**	**1,28,018**
Profit before tax	**15,404**	**9,313**
Less: Tax expenses		
- Current year tax	4,117	2,863
- Earlier year tax	-	(427)
- Deferred tax	(365)	(315)
Net tax	3,752	2,121
Profit after tax (i)	**11,652**	**7,192**
Other Comprehensive Income (net of tax)	45	154
Total Comprehensive Income	11,697	7,346
Add: balance brought forward (ii)	20,517	13,324
Amount available for appropriation [(i) + (ii)]	**32,169**	**20,516**
APPROPRIATIONS :		
Dividend paid on equity shares	2,450	-
Balance carried forward	**29,719**	**20,516**

(#Figures have been rounded off)

OPERATIONAL REVIEW

Your Company achieved Revenue from Operations of Rs. 1,79,546 lakhs in FY 2021-2022 as against Rs. 1,26,196 lakhs in FY 2020-2021. This has resulted in EBITDA of Rs. 18,472 lakh in FY 2021-2022 compare to Rs.13,224 lakh in FY 2020-2021.

KEY INITIATIVES

Sanitary ware and Faucets

- Introduction of Colour range in Sanitary Ware & Faucets
- Sanitary ware: Introduced 15 new SKUs under Hindware & Hindware Italian
- Launched first in India Touch free 1 Pc & Wall Mount Tankless
- Over 51 new SKUs launched in Faucets including Aspiro
- 296 Unique Distributors in DMS (Distribution Management System) Exit March 2022. Tool has started giving outputs on Retail expansion, Secondary Sales, Width of Distribution visibility
- About 20,000 Unique Retailer base created with GSTIN numbers tagged in system
- New Initiative on Sales Hygiene taken through conducting Projects Audits to control Infiltration
- Around 10,000 Unique Plumber data base
- Around 100 new Brand Stores created in last year
- Awards: ET Architecture & Design, Best Brand in Bath & Sanitation E4M HMA Best Experiential Marketing Award, CIA World Construction and Infra Awards, Best Company in CSR Activity, CEO of the Year - Mr. Sudhanshu Pokhriyal, Brilloca limited - CMO Asia, Thoughtful is Beautiful Named Campaign of the Year - CMO Asia , Market Leadership Award - Star of the Industry - CMO Asia , E4M Pride of India Award: The Best of Bharat
- Awarded with Great Place to Work

Tiles

- International Operations started in SAARC (Nepal & Bhutan)
- Launched Ceramic tiles along with GVT

Pipes

- Received ISO 9001:2015 certification for the production facility
- Complete production in the flagship production facility – Isnapur is now Lead free
- Commissioned new water tank manufacturing facility at Isnapur, Hyderabad. The facility currently has a capacity to manufacture 45 lakh litres volume of water tanks per month. Dispatch of tanks have already started to cater to southern markets
- Connected with more than 60,000 plumbers across the Country
- Partnered with Water Management and Plumbing Skill Council (Formerly known as Indian Plumbing Skill Council) to train and nurture skills among the plumbing fraternity
- Honored and rewarded the national winners of plumbing contest under National Skill Development Corporation (NSDC) program
- New production facility for plumbing and column pipe is almost ready and set to start functioning
- 270+ active distributors with more than 20,000 retail outlets
- Awarded with Great Place to Work

MATERIAL CHANGES AND COMMITMENTS

Acquisition of BPD Business

Pursuant to the approval of the Board of Directors vide its resolution dated 15 January 2022 and the shareholders of the Company vide special resolution passed in the Extra Ordinary General Meeting held on 21 February 2022, approved the acquisition of the business undertaking of AGI Greenpac Limited (Formerly Known as HSIL Limited) engaged in the business of manufacturing, on contract basis, of sanitaryware, faucets and plastic pipes (PVC and CPVC) and fittings, through its operating manufacturing plants, along with all the related assets and liabilities ("BPD Undertaking") on a slump sale basis at Rs. 630 Crores.

The shareholders are further informed that the aforesaid slump sale of BPD Undertaking was made effective from closing of business hours of 31 March 2022 ("Effective Date"), therefore, the BPD Undertaking was transferred and vested from AGI Greenpac Limited (Formerly Known as HSIL Limited) in Hindware Limited (Formerly Known as Brilloca Limited) as on the Effective Date.

Change of Name

The Company is engaged, inter-alia, in the business of sanitaryware and faucets under the brand name "Hindware". The brand name "Hindware" is a prominent and renowned brand and has substantial market presence in the industry in which the Company operates. Accordingly, the name of the Company has been changed from Brilloca Limited to "Hindware Limited" with effect from 13 April 2022 vide fresh Certificate of Incorporation issued by the Registrar of Companies, Kolkata, West Bengal.

CHANGE IN NATURE OF BUSINESS

During the period under review, there were no changes in nature of business of the Company except the Company had acquired of the business undertaking of AGI Greenpac Limited (Formerly Known as HSIL Limited) engaged in the business of manufacturing, on contract basis, of sanitaryware, faucets and plastic pipes (PVC and CPVC) and fittings, through its operating manufacturing plants, along with all the related assets and liabilities ("BPD Undertaking") on a slump sale basis. After the aforesaid slump sale, the Company is in the business of manufacturing and retail trading of sanitaryware, faucets and plastic pipes (PVC and CPVC) and fittings.

PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANY

During the year under review, no new subsidiary has been incorporated.

Further, in accordance with the provision of Section 129 of the Companies Act, 2013 read with Rules made thereunder (including the Companies (Accounts) Rules, 2014 (as amended) and applicable Ind AS; if ultimate or any intermediate holding company of the entity files consolidated financial statements with the Registrar which are in compliance with the applicable Accounting Standards then an entity that is a parent is exempted from preparation and submission of consolidated financial statements with the Registrar.

Accordingly, the Company is exempted from preparation of consolidated financial statements as its parent company i.e. Somany Home Innovation Limited prepared consolidated financial statements for all the wholly owned subsidiaries /subsidiaries which are available on website of the Company.

Further, a statement containing the salient features of the financial statements of our subsidiaries in the prescribed format AOC-1 is enclosed as **Annexure A.**

DIVIDEND

Your Directors have recommended a dividend of Rs. 12 /- (i.e. 600%) (previous year Dividend of Rs. 10/-) on equity shares of Rs. 2/- each for the financial year ended 31 March 2022, amounting to Rs. 2,940 lakhs. The dividend payout is subject to approval of members at the ensuing Annual General Meeting. The dividend will be paid to those shareholders whose names appeared in the Register of Members of the Company as on 22 June, 2022.

TRANSFER TO RESERVES

The Board proposes not to transfer any amount to the General Reserve out of the profit for the year under review.

DEPOSITS

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and as such no amount of principal or interest was outstanding as on the Balance Sheet date.

AUDITORS AND AUDITORS' REPORT

Statutory Auditors

At the 1st Annual General Meeting of the Company held on 6 September 2018, the shareholders approved the appointment of M/s. Lodha & Co, Chartered Accountants, as Statutory Auditors of the Company having Firm's Registration No. 301051E to hold the office till the conclusion of the 6th Annual General Meeting. As per the notification issued by Ministry of Corporate Affairs (MCA) dated 7 May 2018 for the Companies (Amendment) Act, 2017 and Companies (Audit and Auditors) Amendment Rules, 2018, the appointment of Statutory Auditors is not required to be ratified at every Annual

General Meeting, therefore no resolution for such ratification is taken in the Notice of the ensuing AGM.

The Notes on financial statements referred to in the Auditors' Report are self-explanatory and therefore do not require any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Board under Section 143(12) of the Companies Act, 2013 and the rules made thereunder.

Secretarial Auditor

The Board had appointed M/s. DMK Associates, Company Secretaries, New Delhi, (Ms. Monika Kohli, Practicing Company Secretary CP No.4936) to conduct Secretarial Audit for the financial year 2021-2022, pursuant to the provisions of Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Secretarial Audit Report in Form MR – 3 for the financial year 2021-2022 is enclosed as **Annexure B** to this Report. The Secretarial Audit Report does not contain any observation or adverse remark.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The provisions of Section 134(3)(m) read with Companies (Accounts) Rules, 2014 of the Companies Act, 2013 do not apply to our Company, as the Company is not carrying Manufacturing or any other Industrial activity as on 31 March 2022.

The details of foreign exchange inflow or outflow are as follows:

(Rs in Lakhs)

Particulars	2021-2022	2020-2021
Earning in foreign currency	568.29	738.27
Outgo of foreign currency		
- Raw Material, spare part and others	13,137.02	8,357.60
- Capital Equipment	-	-

SHARE CAPITAL

The paid-up Equity Share Capital of the Company as on 31 March 2022 is Rs. 4,90,00,000.

NUMBER OF BOARD MEETINGS

During the year under review, five Board Meetings were convened and held i.e. on 19 May, 2021, 9 August 2021, 22 October 2021, 15 January 2022 and 4 February 2022. Further, one resolution was passed by the Board of Directors of the Company through circulation on 15 March, 2022 for approval of Change of Name of Company.

EXTRA ORDINARY GENERAL MEETING

During the year under review, Two Extra Ordinary General Meeting of the members of the Company was held:

Date of Extra Ordinary General Meeting	No. of Ordinary/Special Resolution passed	Particulars	
21 February, 2022	1	1.	Ordinary Resolution :Approval of related party transactions to be undertaken with HSIL Limited
31 March 2022	1	1.	Special Resolution: Approval for change of name of the company from "Brilloca Limited" to "Hindware limited" and consequent alteration in Memorandum and Articles of Association of the company

DISCLOSURE UNDER SECRETARIAL STANDARDS

The Directors state that the Company is complying with all the applicable Secretarial Standards on meetings of the Board of Directors.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis. The disclosure in Form AOC-2 is enclosed as **Annexure C** to this report.

Your Directors draw attention of the members to Note 48 to the financial statements which set out related party disclosures.

ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act, 2013, the Annual Return in prescribed format i.e. MGT-9, may be accessed on the Company's website i.e. www.brilloca.com.

VIGIL MECHANISM (WHISTLE BLOWER)

The Company has in place a Whistle Blower Policy to establish a vigil mechanism for Directors/Employees and other stakeholders of the Company to report concerns affecting the smooth and efficient running of operations of the Company. This Policy documents the Company's commitment to maintain an open work environment in which employees, consultants and contractors are able to report instances of unethical or undesirable conduct, actual, suspected fraud or violation of the Company's Code of Conduct.

The Vigil Mechanism (Whistle Blower) Policy is available on Company's website at the link: https://www.brilloca.com/docs/vigilmechanismpolicy.pdf

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has a Corporate Social Responsibility Committee in place as per the provisions of Section 135 of the Act, comprising of Mr. Salil Kumar Bhandari, Chairman, Mr. Sandip Somany, Mr. Ashok Jaipuria and Mr. G.L. Sultania as other members of the Committee.

The Company's Corporate Social Responsibility Policy (CSR Policy) duly approved by the Board, indicates the activities to be undertaken by the Company to fulfil the expectation of our Stakeholders and to continuously improve our social, environmental and economical performance while ensuring sustainability and operational success of our Company. The Company would also undertake other need based initiatives in compliance with Schedule VII to the Act.

The guiding principles for all CSR initiatives of the Company are as follows:

- Establishing a guideline for compliance with the provisions of Regulations to dedicate a percentage of Company's profits for social projects;
- Ensuring the implementation of CSR initiatives in letter and spirit through appropriate procedures and reporting; and
- Creating opportunities for employees to participate in socially responsible initiatives.

The CSR Policy may be accessed on the Company's website at the link: https://www.brilloca.com/docs/csr_policy_brilloca.pdf

The Annual Report on CSR Activities for the financial year 2021-2022 is enclosed as **Annexure D** to this report.

INTERNAL CONTROLS

The Internal Audit team monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of

internal audit function, process owners undertake corrective action(s) in their respective area(s) and thereby strengthen the controls.

Significant audit observations and corrective action(s) thereon are presented to the Board members. The members of the Board reviews the reports submitted by the Internal Auditors in each of its meeting.

INTERNAL FINANCIAL CONTROLS

In line with best practices applicable to organizations of a similar size, nature and complexity, the Company's internal control framework has been designed with reference to financial statements. This defined and adequate Internal Financial Controls are tested from time to time for necessary improvement.

RISK MANAGEMENT

A robust governance structure has been developed across the Organization. Risk Management framework developed which identifies and assesses strategic, operational, financial and compliance risks and monitors the effectiveness and efficiency of risk mitigation and control measures. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continual basis.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors in terms of Section 134(3)(c) of the Companies Act, 2013 state that:

a) in the preparation of the annual accounts for the year ended 31 March 2022, the applicable accounting standards read with requirements set out under Schedule III to the Act, had been followed and there are no material departures from the same;
b) the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2022 and of the profit of the Company for the period ended on that date;
c) the Directors had taken proper and sufficient care for the 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 fraud and other irregularities;
d) the Directors had prepared the annual accounts on a 'going concern' basis; and
e) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Particulars of loans, guarantees and investments covered under Section 186 of the Act forms part of the notes to the Financial Statements (Please refer Note Nos. 6,7 and 11).

PARTICULARS OF EMPLOYEES

Being an unlisted Company, the provisions of section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place a Sexual Harassment Policy in compliance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Company has an Internal Complaints Committee (ICC) to redress complaints regarding sexual harassment.

The Directors further state that during the year under review, there were no complaints filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, there were no change in directorship of the Company.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Girdhari Lal Sultania, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

BOARD EVALUATION

Pursuant to the provisions of the Act, Independent Directors in a separate meeting evaluated the performance of Non-Independent Directors, performance of Board as a whole and performance of the Chairman taking into account the views of the Executive Directors and Non-executive Directors. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Boards functioning such as adequacy of the composition of the Board, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its shareholders etc.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013. In the opinion of the Board, they fulfil the conditions of independence as specified in the Companies Act, 2013 and are independent of the management.

The Independent Directors of the Company are persons of integrity and comprise of appropriate skills/expertise/competencies (including proficiency) and have rich and varied experience in diversified domains for effective functioning of the Board of Directors of the Company.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the period under review:

1. Your Company has not accepted any fixed deposits within the meaning of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

2. Your Company has not issued equity shares with differential rights as to dividend, voting or otherwise or issued shares (including sweat equity shares) to employees of the Company under any scheme or Issue of employees' stock option to employees of the Company under any scheme under the Companies (Share Capital and Debentures) Rules, 2014.

3. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

4. The provisions of section 178 of the Companies Act, 2013 (Nomination and Remuneration Policy) does not apply to our Company for the period under review.

5. The Company is not required to maintain cost records as specified in section 148(1) of the Companies Act, 2013.

6. Neither any application is made nor any proceeding is pending against the Company under the Insolvency and Bankruptcy Code, 2016.

7. The Company has not defaulted in the repayment of loans to the Banks or Financial Institutions. Accordingly, disclosure relating to one-time settlement with the Banks of Financial Institutions is not required

ACKNOWLEDGEMENT

Your Directors would like to express their appreciation for assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by all employees of the Company.

For and on behalf of the Board of Directors of
Hindware Limited
(Formerly Known as Brilloca Limited)



Sandip Somany
Chairman and Managing Director

Place: Gurugram
Date: 17 May, 2022

Hindware Limited (Formerly Brilloca Limited)

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rule, 2014)

Statement containing salient features of the financial statement of subsidiary/associate companies/joint ventures

Part "A" : Subsidiaries

(₹ in lakh)

Sr. No.	Name of Subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Share capital	Reserves & surplus	Total assets	Total liabilities	Investments (Other than subsidiary)	Turnover (including other operating income)	Profit before taxation	Provision for taxation	Profit after taxation	Other comprehensive income	Total comprehensive income for the year	Proposed dividend	% of shareholding (including stepdown subsidiary holding)
1	Halis International Ltd. (Subsidiary of Hindware Ltd.)	NA	USD 1 = INR 75.8071	2,010.62	(1,991.95)	19.81	19.81	-	-	(6.59)	-	(6.59)	(0.50)	(7.08)	-	100%
2	Queo Bathroom Innovations Ltd. (Subsidiary of Halis International Ltd.)		GBP 1 = INR 99.5524	5.36	14.85	26.02	26.02	-	-	(6.82)	-	(6.82)	0.02	(6.80)	-	100%

Note 1 : **Name of subsidiaries which are yet to co : Nil**

Note 2 : **Name of subsidiaries which have been liquidated or sold during t** 1. Alchemy International Cooperatief U.A. 2. Haas International B.V.

Part "B" : Associates and Joint Ventures

Statement pursuant to section 129 (3) of the Companies Act, 2013 related to associate companies/joint ventures

(₹ in lacs)

Sr. No.	Name of Associates/Joint Ventures	1. Latest audited Balance Sheet Date	2. Share of Associate/Joint Venture held by the company on the year end			3.Description of how there is significant influence	4. Reason why the associate/joint venture is not consolidated	5. Net worth attributable to Shareholding as per latest audited Balance Sheet	6.Profit/Loss for the year	
			No.	Amount of investment in Associates/Joint Venture	Extend of Holding %				i. Considered in Consolidation	i. Not considered in Consolidation
Nil										

Note 1 : **Name of associates or joint ventures which are yet to commence operations : Nil**

Note 2 : **Name of associates or joint ventures which have been liquidated or sold during the year : Nil**

HINDWARE LIMITED

ANNEXURE-II

G.L. Sultania
Director
DIN: 00060931

Payal M. Puri
Company Secretary
ACS No.: 16068

Sandip Somany
Chairman and Managing Director
DIN: 00053597

Sandeep Sikka
Chief Financial Officer

HINDWARE LIMITED

Place : Gurugram
Date 17 May 2022

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members,
M/s Hindware Limited
(Formerly Known as Brilloca Limited)
CIN: U74999WB2017PLC223307
2, Red Cross Place
Kolkata, West Bengal 700001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Hindware Limited (Formerly known as Brilloca Limited)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has during the audit period covering the financial year ended on 31 March 2022 (Audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter along with **Annexure 1** attached to this report.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2022 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder **(Not applicable to the Company during the Audit Period)**;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; **(Not applicable to the Company during the Audit Period)**;

DMK ASSOCIATES CS FRN: P2006DE003100 COMPANY SECRETARIES

31/36, Basement, Old Rajinder Nagar, New Delhi-110060 Telephone : 91-011-42432721, 42430027
Mob. : 9871315000, 9810480983 E-mail : deepak.kukreja@dmkassociates.in Website : www.dmkassociates.in

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB); **(No FDI and ECB were taken by the company during the Audit Period);**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended till date; **(Not applicable to the Company during the Audit Period being an unlisted company)**

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended till date; **(Not applicable to the Company during the Audit Period being an unlisted company)**

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended till date; **(Not applicable to the Company during the Audit Period being an unlisted company)**

d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended till date; **(Not applicable to the Company during the Audit Period being an unlisted company)**

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended till date; **(Not applicable to the Company during the Audit Period being an unlisted company)**

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client as amended till date; **(Not applicable to the Company during the Audit Period being an unlisted company)**

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 as amended till date; **(Not applicable to the Company during the Audit Period being an unlisted company)** and

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 as amended till date. **(Not applicable to the Company during the Audit Period being an unlisted company)**

(vi) **OTHER LAWS**

As per the information provided and confirmed by the management that the Company is into trading business. The Company has acquired / taken on lease various depots and warehouses for which registrations under Shop & Establishment Act (s) in different State(s) & UT(s) have been made. The Company had registered under Shop & Establishment Act (s) wherever applicable and obtained necessary Licenses, Certificates under various laws and statue(s) such as Trade Licenses, Professional Tax Certificates, GST Certificates etc. Further, as per

MMK ASSOCIATES COMPANY SECRETARIES

the information provided and confirmed by the management, no sector specific law is applicable on the Company.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India; and

(ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time. **(Not applicable to the Company during the Audit Period being an unlisted company).**

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines to the extent applicable, Standards, etc. as mentioned above.

Based on the information received and records maintained, we further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-executive, Women and Independent Directors. No changes in the composition of the Board of Directors took place during the period under review.

2. Adequate notice of at least seven days was given to all Directors to schedule the Board Meetings along with agenda and detailed notes on agenda and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting in compliance of the Act.

3. Majority decision is carried through and recorded in the minutes of the Meetings. Further as informed, no dissent was given by any director in respect of resolutions passed in the Board and Committee meetings.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has not incurred any specific event / action that can have major bearing on the Company's affairs in pursuance of above referred laws, rules, regulations, guidelines, standards etc. except the following: -

1. Board of Directors in their meeting held on 5th February, 2021 passed a resolution under Section 188 of the Companies Act, 2013 to enter into material contract(s)/ arrangement(s)/ transaction(s) with AGI Greenpac Limited (Formerly Known as HSIL Limited), a related party as defined under the provisions of the Companies Act, 2013 ("Act"), upto a maximum aggregate value of Rs.1996 Crore plus applicable Goods and Service Tax during the financial year 2021-2022 shall be in the ordinary course of business of the Company and at arm's length basis.

DMK ASSOCIATES FRN: P2006DE009100 COMPANY SECRETARIES

2. Ordinary Resolution pursuant to the provisions of Section 188 of the Companies Act, 2013 ("Act") and any other applicable provisions of the Act, read with Rule 15 of the Companies (Meeting of the Board and its Powers) Rules, 2014, and other applicable rules, was passed by members in its Extra Ordinary General Meeting held on 21 February 2022, for acquisition of undertaking of AGI Greenpac Limited (Formerly Known as HSIL Limited) engaged in the business of manufacture of sanitaryware, faucets and plastic pipes (PVC and CPVC) and fittings, through its manufacturing plants, as a going concern on a Slump Sale Basis at a lumpsum consideration of INR.630 Crores.

3. Board Resolution pursuant to provision of Section 4(4), 13(2) of Companies Act, 2013 and read with rule 14 of the Companies (Incorporation) Rules, 2014 was passed in the meeting of Board of Directors held on 4 February 2022, subject to consent of the shareholders and Central Government/Registrar of Companies for proposal of change in name of the Company from "Brilloca Limited" to "Hindware Limited".

4. Board Resolution pursuant to provisions of Section 186 of the Companies Act, 2013 and rules thereof, and/or any other law for the time being in force, was passed on 4February 2022, to make investments in the form of Capital Contribution in the proposed incorporation of a new Company "Truflo Pipes Limited" as wholly owned subsidiary as may be incorporated by making necessary application to the Ministry of Corporate Affairs by way of subscribing shares of such subsidiary.

5. Special Resolution under Section 4, 5, 13, 14 & 15 of the Companies Act, 2013 was passed by the members in its Extra Ordinary General Meeting held on 31 March 2022 for change of name of the Company from Brilloca Limited to Hindware Limited and consequent alteration in Memorandum and Articles of Association of the Company.

For DMK ASSOCIATES
COMPANY SECRETARIES

Date: 17.05.2022
Place: New Delhi
UDIN: F005480D000330992

DMK ASSOCIATES CS FRN: P2006DE003100 COMPANY SECRETARIES

(MONIKA KOHLI)
B. Com (H), FCS, LL.B. I.P.
PARTNER
FCS 5480, C P 4936
Peer Review No. 779/2020

ANNEXURE 1

To

The Members,
M/s Hindware Limited
(Formerly Known as Brilloca Limited)
CIN: U74999WB2017PLC223307
2, Red Cross Place, Kolkata
West Bengal 700001

Sub: Our Secretarial Audit for the Financial Year ended 31 March 2022 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our Audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. We believe that the processes and practices, we followed provide a reasonable basis our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules, and regulations and happening of events etc.

5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. Our examination was limited to the verification of the procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

31/36, Basement, Old Rajinder Nagar, New Delhi-110060 Telephone : 91-011-42432721, 42430027
Mob. : 9871315000, 9810480983 E-mail : deepak.kukreja@dmkassociates.in Website : www.dmkassociates.in

7. As per the information provided by the Company, there are certain disputes / cases filed by or against the Company, which are currently lying pending with the various Courts. However as informed these cases have no major impact on the Company.

For DMK ASSOCIATES
COMPANY SECRETARIES

Date: 17.05.2022
Place: New Delhi
UDIN: F005480D000330992



(MONIKA KOHLI)
B. Com (H), FCS, LL.B. I.P.
PARTNER
FCS 5480, C P 4936
Peer Review No. 779/2020

ANNEXURE - C

Form No. AOC-2

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

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

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

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Name(s) of the related party and nature of relationship	**Nature of contracts/ arrangements/ transactions**	**Duration of the contracts/ arrangements/ transactions**	**Salient terms of the contracts or arrangements or transactions including the value, if any**	**Justification for entering into such contracts or arrangements or transactions**	**Date(s) of approval by the Board**	**Amount paid as advances, if any**	**Date on which the special resolution was passed in general meeting as required under first proviso to section 188**
NIL							

2. Details of material contracts or arrangement or transactions at arm's length basis:

(a)	(b)	(c)	(d)	(e)	(f)
Name(s) of the related party and nature of relationship	**Nature of contracts/ arrangements/ transactions**	**Duration of the contracts/ arrangements/ transactions**	**Salient terms of the contracts or arrangements or transactions including the value, if any**	**Date(s) of approval by the Board, if any**	**Amount paid as advances, if any**
AGI Greenpac Limited (Formerly Known as HSIL Limited) – Company under common control	Sale and Purchase of Goods	On-going	As per agreement executed between the parties. Amount not exceeding Rs. 1850.00 crores plus applicable Goods and Service Tax.	5 February 2021	Nil
AGI Greenpac Limited (Formerly Known as HSIL Limited)– Company under common control	Contract for Services	On-going	As per agreement executed between the parties. Amount not exceeding Rs. 50 crores plus applicable Goods and Service Tax.	5 February 2021	Nil
AGI Greenpac Limited (Formerly Known as HSIL Limited)– Company under common control	Rent of Premises	On-going	As per agreement executed between the parties. Amount not exceeding Rs. 20 crores plus applicable Goods and Service Tax.	5 February 2021	Nil
AGI Greenpac Limited (Formerly Known as HSIL Limited)– Company under common control	sale or purchase of assets	On-going	Amount not exceeding Rs. 1 crores plus applicable Goods and Service Tax.	5 February 2021	Nil
AGI Greenpac Limited (Formerly Known as HSIL Limited)– Company under common control	Reimbursement to and from	On-going	On actual	5 February 2021	Nil

For and on behalf of the Board of Directors



Sandip Somany
Chairman and Managing Director

ANNEXURE D

FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR FINANCIAL YEAR 2021-2022

1 **Brief outline on CSR Policy of the Company**

Please refer Corporate Social Responsilbitly section in this report and also in Director's Report. For detailed CSR Policy please refer Company's website at the link : https://www.brilloca.com/docs/csr_policy_brilloca.pdf

2 **Composition of CSR Committee**

Si.No	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Salil Kumar Bhandari	Chairman of the Committee and Independent Director of the Company	3	2
2	Mr. Sandip Somany	Member of the Committee and Chairman and Managing Director of the Company	3	3
3	Mr. Ashok Jaipuria	Member of the Committee and Independent Director of the Company	3	3
4	Mr. G.L.Sultania	Member of the Committee and Non-executive Non-Independent Director of the Company	3	3

3 **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.**

https://www.brilloca.com/csr_initiatives.html

4 **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).**

N.A

5 **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any**

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be setoff for the financial year, if any (in Rs)
1			
2	NOT APPLICABLE		
3			

6 **Average net profit of the company as per section 135(5).** Rs. 5554.91 lakhs

7 **(a) Two percent of average net profit of the company as per section 135(5)** Rs. 111.10 lakhs

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. Nil

(c) Amount required to be set off for the financial year, if any Nil

(d) Total CSR obligation for the financial year (7a+7b7c). Rs. 111.10 lakhs

8 **(a) CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Rs. 11151207	NIL		NIL		

(b) Details of CSR amount spent against ongoing projects for the financial year:

1	2	3	4	5		6	7	8	9	10	11	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section	Mode of Implementa tion - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1	Construction /Renovation of Toilets at vaious location *	Clause no. (i) promoting health care including preventive health care and sanitation	PAN India	Haryana, Rajasthan	District- Jhajjar; District -Gurugram; District - Udaipur	3 Years	20,000,000	8,000,000	Nil	No	Ma My Anchor Foundation	CSR00002099
							20,000,000	8,000,000	-	-		
	Total											

* This project was approved for 3 years with total budget of Rs. 2.00 crores. Year wise breakup is as follows: i) Rs. 80.00 lakhs for FY 2021-2022; ii)Rs. 60.00 lakhs for FY 2022-2023; and iii)Rs. 60.00 lakhs for FY 2023-2024

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

1	2	3	4	5		6	7	8	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number.
1	Contribution to Global Vikas Trust for the rural development programme to help farmers for changing their cropping pattern to remunerative crops for increasing their annual income	Clause no. (iv) ensuring environmrntal, subtainability, ecological balance and maintaining quality of soil	No	Maharashtra	District- Aurangabad	3,000,000	No	HSIL Corpoarte Social Responsibility Foundation	CSR00003455
2	Providing sanitaryware, faucets and other allied products to All India Federation of the Deaf	Clause no. (i) promoting health care including preventive health care and sanitation	No	New Delhi	New Delhi	151,207	No	HSIL Corpoarte Social Responsibility Foundation	CSR00003455
	Total					3,151,207			

(d) Amount spent in Administrative Overheads Nil

(e) Amount spent on Impact Assessment, if applicable N.A

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) 11,151,207

(g) Excess amount for set off, if any

Sl.No	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the	11,110,000
(ii)	Total amount spent for the Financial Year	11,151,207
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	41,207

9 **(a) Details of Unspent CSR amount for the preceding three financial years:**

Sl.No	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount	Date of transfer	
	Not Applicable						
	Total						

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

1	2	3	4	5	6	7	8	9
Sl.No	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs)	Cumulative amount spent at the end of reporting Financial Year	Status of the project - Completed /Ongoing
		NIL						

10 **In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).**

(a) Date of creation or acquisition of the capital asset(s)	Not Applicable
(b) Amount of CSR spent for creation or acquisition of capital asset	Not Applicable
(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Not Applicable
(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	Not Applicable

11 Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

During the year, the Company has spent Rs. 111.51 lakhs towards CSR activities, which is equal to two per cent of the average net profit of the last three financial years.

Sandip Somany
Chairman and Managing Director

Salil Kumar Bhandari
Chairman of CSR Committee

HINDWARE LIMITED
(FORMERLY KNOWN AS BRILLOCA LIMITED)
Regd. Office: 2, Red Cross Place, Kolkata-700 001
CIN: U74999WB2017PLC223307
Phone: 033-22487407/5668
E-mail: ngoenka@hindware.co.in
Website: www.brilloca.com

Notice is hereby given that the 5th Annual General Meeting of the members of Hindware Limited (Formerly Known as Brilloca Limited) will be held on Thursday, 30 June, 2022 at the registered office of the Company at 2, Red Cross Place, Kolkata -700001 at 11:00 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt:

   The audited financial statements of the Company for the financial year ended 31 March 2022, the reports of the Board of Directors and Auditors thereon.

2. To declare Dividend on Equity Shares for the year ended 31 March 2022.

3. To appoint a Director in place of Mr. Girdhari Lal Sultania (DIN: 00060931) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. **TO APPROVE INCREASE IN BORROWING LIMITS OF THE COMPANY UNDER SECTION 180 (1)(C) OF THE COMPANIES ACT, 2013**

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

   "**RESOLVED THAT** in supersession of the earlier resolutions passed, the consent of the Company be and is hereby accorded in terms of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, read with the relevant Rules thereof (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof) for borrowing from time to time any sum or sums of monies which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up share capital of the Company, free reserves and securities premium that is to say, reserves not set apart for any specific purpose, provided that the total amount so borrowed shall not at any time exceed Rs.2,000 Crores (Rupees Two Thousand Crores Only).

   RESOLVED FURTHER THAT the Board of Directors or Company Secretary be and are hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, applications, documents and writings that may be

required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

5. TO APPROVE THE AMENDMENT IN CAPITAL CLAUSE OF MEMORANDUM OF ASSOCIATION

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

"RESOLVED THAT pursuant to the provisions of Section 61(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Share Capital & Debentures) Rules, 2014, including any statutory modification(s) thereof, consent of the members be and is hereby accorded to increase the Authorised Share Capital of the Company from Rs. 6,00,00,000/- (Rupees Six Crore only) divided into 3,00,00,000 Equity Shares of Rs. 2/- each to Rs. 15,00,00,000/- (Rupees Fifteen Crore only) divided into 7,50,00,000 Equity Shares of Rs. 2/- each and that Capital Clause 5 of the Memorandum of Association of the Company be amended suitably.

RESOLVED FURTHER THAT pursuant to Section 13 and all other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Incorporation) Rules, 2014 including any statutory modification(s) thereof, the existing Clause 5 of the Memorandum of Association relating to the Share Capital of the Company be and is hereby altered/amended by substituting in its place the following as Clause 5:

5. The Authorised Share Capital of the Company is Rs. 15,00,00,000/- (Rupees Fifteen Crore only) divided into 7,50,00,000 Equity Shares of Rs. 2/- each.

RESOLVED FURTHER THAT any Director of the Company or Company Secretary, be and are hereby severally authorised to do all such act(s), deed(s) and things including executing and filing all forms, documents as may be necessary and incidental to give effect to the aforesaid resolution."

6. TO APPROVE THE ISSUANCE OF BONUS SHARES TO THE SHAREHOLDERS OF THE COMPANY

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

"RESOLVED THAT pursuant to Section 63 and all other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Share Capital & Debentures) Rules, 2014, including any other applicable laws, rules, regulations and statutory modification(s) thereof, and as per the Articles of Association of the Company and subject to such approvals, consents, permissions and sanctions as may be necessary from appropriate authorities, approval of the members be and is hereby accorded for capitalization of such sum standing to the credit of securities premium / free reserves of the Company, as may be considered necessary by the Board, for the purpose of issuance of bonus shares in the proportion of 1 (One) fully paid-up Equity Shares of Rs. 2/- each for every 1 (One) fully paid-up Equity Share of Rs. 2/- each held by them, credited as fully paid-up to the holders of the Equity shares of the Company whose names shall appear on the Register of Members on the 'Record Date' to be determined by the Board, and the Bonus Shares so allotted

shall, for all purposes, be treated as an increase in the Paid-up share capital of the Company.

RESOLVED FURTHER THAT the Bonus shares so allotted shall rank pari passu in all respects with fully paid-up Equity Shares of the Company as existing on the Record Date.

RESOLVED FURTHER THAT the Bonus equity shares be issued and credited to the respective beneficiary account of the shareholders in dematerialized form, within such time as prescribed by law and the relevant authorities.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any Director of the Company or Company Secretary severally and /or Corporate Affairs Committee of the Company, be and are hereby authorised to do all such acts, deeds, matters and things and to give such directions as may be necessary, proper, expedient or desirable and to settle any question, difficulty or doubt that may arise in this regard as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding."

By Order of the Board
For Hindware Limited
(Formerly Known as Brilloca Limited)

Payal M Puri
(Company Secretary & V.P. Group General Counsel)

Place: Gurugram
Date: 17th May, 2022

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ON HIS / HER BEHALF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

2. A proxy should be sent in the form enclosed and in order to be effective must reach the Registered Office of the Company at least **FORTY EIGHT HOURS** before the scheduled time of the meeting. Proxies submitted on behalf of companies, societies etc. must be supported by appropriate resolution / authority as applicable.

3. M/s Lodha & Co., Chartered Accountants (Firm Registration No. 301051E), were appointed as Statutory Auditors of the Company at first Annual General Meeting of the Company held on 6 September, 2018 for a period of 5 years i.e. to hold office from the conclusion of the first Annual General Meeting until the conclusion of the sixth Annual General Meeting of the Company, at such remuneration as agreed between the Board of Directors of the Company and the Auditors including out of pocket expenses and other expenses subject to ratification at Annual General Meeting every year. The Ministry of Corporate Affairs (MCA) vide its circular dated 7 May 2018 notified various sections of The Companies (Amendment) Act, 2017, thereby modifying Section 139 of Companies Act, 2013. Accordingly, the requirement for ratification of appointment of Statutory Auditors by the shareholders at every Annual General Meeting has been omitted, hence no such resolution is proposed at this Annual General Meeting.

4. A proxy shall not have the right to speak and shall not be entitled to vote except on a poll.

5. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person / shareholder.

6. Members are requested to carry the Attendance slip as attached in the Notice.

7. Documents, if any, referred to in the Notice may be inspected at the Registered Office of the Company on any working day prior to the date of meeting during business hours between 3:00 p.m. to 5:00 p.m. and will also be available at the meeting.

8. Corporate members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board Resolution / Power of Attorney authorising their representatives to attend and vote on their behalf at the Annual General Meeting.

9. Dividend on equity shares, will be paid to those shareholders whose names appear on the Company's Register of Members on 22 June 2022.

10. Members who hold equity shares in the dematerialized form and want to provide/change/ correct the bank account details should send the same immediately to their concerned Depository Participant and not to the Company. Members are also requested to give the MICR Code of their bank to their Depository Participants. The Company will not entertain any direct request from Members for change of address, transposition of names, deletion of name

of deceased joint holder and change in the bank account details. While making payment of Dividend, the Registrar and Share Transfer Agent is obliged to use only the data provided by the Depositories, in case of equity shares held in dematerialised form.

11. Members who are holding equity shares in physical form, if any, are advised to submit particulars of their bank account, viz. name and address of the branch of the bank, MICR code of the branch, type of account and account number to our Registrar and Share Transfer Agent.

12. Members of the Company are informed that pursuant to the provisions of Section 124(5) of the Companies Act, 2013, the amount of dividend which remains unpaid / unclaimed for a period of 7 consecutive years is required to be transferred to the 'Investor Education & Protection Fund' (IEPF) constituted by the Central Government. It is further informed that no amount of dividend is unpaid/unclaimed for any financial year so declared by the Company.

13. A route map of the venue of AGM is attached herewith.

14. Pursuant to the Companies (Prospectus and Allotment of Securities) Third Amendment Rules, 2018, the Company has facilitated dematerialisation of all its existing securities by way of registration and admission of its existing securities with the depository. It is further informed that all the shares/securities issued by the Company are held in dematerialised form only.

EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4

The Company vide its Special Resolution passed by the Members of the Company at its 1st Extra-ordinary General Meeting held on 5 January 2019 (1st EOGM), had accorded its consent to the Board of Directors to borrow funds to the extent of Rs. 1000 crore in excess of the paid up capital and free reserves of the Company.

In view of Company's consistent requirements for financing the capital expenditure on expansion and modernization programs and partly to augment the long term capital requirements for Company's growing activities and operations, it is necessary to raise the existing borrowing limit of Rs. 1000 Crore to Rs. 2000 Crore.

Thus, pursuant to provisions of Section 180 of the Companies Act, 2013 consent of the members is required by way of a Special Resolution for said enhancement in borrowing limit of the company.

None of the Directors or Key Managerial Personnel or their relatives, except to the extent of their shareholdings in the Company, are interested in this resolution.

The Board recommends the Special Resolution set out under item no.4 of the Notice for approval by the members.

ITEM NO. 5

The present Authorised Share Capital of the Company is Rs. 6,00,00,000/- (Rupees Six Crore only) comprising of 3,00,00,000 Equity Shares of Rs. 2/- each and the subscribed and paid-up share capital of the Company stands at Rs. 4,90,00,000 /- (Rupees Four Crore Ninety Lakh Only) divided into 2,45,00,000 Equity Shares of Rs. 2/- each.

The Board of Director in their meeting held on 17 May, 2022 proposed a resolution to increase the Authorised Share Capital of the Company from Rs. 6,00,00,000/- (Rupees Six Crore only) divided into 3,00,00,000 Equity Shares of Rs. 2/- each to Rs. 15,00,00,000/- (Rupees Fifteen Crore only) divided into 7,50,00,000 Equity Shares of Rs. 2/- each subject to approval of shareholders of the Company.

Such increase in the authorised share capital of the Company will require consequential amendment in the Clause 5 of the Memorandum of Association of the Company.

Pursuant to Section 13 and 61 of the Companies Act, 2013, alteration of the Capital Clause requires approval of the Members of the Company by way of passing an Ordinary Resolution to that effect.

A copy of the Memorandum and Articles of Association of the Company incorporating the aforesaid amendment will be available for inspection of the Members at the Registered Office of the Company on any working day of the Company between 3:00 p.m. and 5:00 p.m. and upto and including the date of this Annual General Meeting of the Company or any adjournment(s) thereof and the same will also be available at the meeting.

None of the Directors of the Company and/or their relatives and/or Key Management Personnel, if any, are concerned or interested in the above resolution.

The Board accordingly recommends the ordinary resolution as set out under item No. 5 of the accompanying notice for approval of the Members.

ITEM NO. 6

In terms of Sections 63 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder, the Board of Directors at their meeting held on 17 May, 2022 have recommended issuance of Bonus Shares in the ratio of 1 (One) Equity Share of Rs. 2 each for every 1 (One) fully paid-up Equity Share of Rs. 2/- each, credited as fully paid-up to the holders of the

Equity shares of the Company whose names shall appear on the Register of Members/benpos provided by the Depository Participants on the 'Record Date' to be determined by the Board, and the Bonus Shares so allotted shall, for all purposes, be treated as an increase in the Paid-up share capital of the Company and shall rank pari-passu in all respect with the existing shares of the Company. .

The resolution set out under item no. 6 of the accompanying Notice is intended for seeking member's approval.

None of the Directors of the Company and/or their relatives and/or Key Management Personnel, are concerned or interested in the above resolution.

The Board accordingly recommends the ordinary resolution as set out under item No. 6 of the accompanying notice for approval of the Members.

HINDWARE LIMITED (FORMERLY KNOWN AS BRILLOCA LIMITED)
Regd. Office: 2, Red Cross Place, Kolkata-700 001
CIN: U74999WB2017PLC223307
Phone: 033-22487407/5668
E-mail: ngoenka@hindware.co.in
Website : www.brilloca.com

Form No. MGT-11
Proxy form
[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies
(Management and Administration) Rules, 2014*]*

Name of the member (s) : Registered address : E-mail Id: Folio No/ Client Id : DP ID :

I/We, being the member (s) of ..... Equity shares of the above named company, hereby appoint

1. Name:.....Address:.....

   E-mailId:.....Signature:.....or failing him/her

2. Name:..... Address:.....

   E-mail Id:.....Signature:.....or failing him/her

3. Name:.....Address:.....

   E-mail Id: .....Signature:.....as my/our proxy

to attend and vote (on a poll) for me/us and on my/our behalf at the 5th Annual General Meeting of the Company, to be held on Thursday, 30 June, 2022 at 11:00 a.m. at the registered office of the Company at 2, Red Cross Place, Kolkata -700001 and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution No.	**Ordinary Business**	**Number of Shares Held**	**For**	**Against**
1.	To consider and adopt: The audited financial statements of the Company for the financial year ended 31 March 2022, the reports of the Board of Directors and Auditors thereon			
2.	To declare Dividend on Equity Share for the year ended 31 March 2022			
3.	To appoint a Director in place of Mr. Girdhari Lal Sultania (DIN: 00060931) who retires by rotation and being eligible, offers himself for re-appointment.			

	Special Business			
4.	To approve Increase in Borrowing Limits of the Company under Section 180 (1)(C) of the Companies Act, 2013 (As a Special Resolution)			
5.	To approve the amendment in capital clause of Memorandum of Association. (As an Ordinary Resolution)			
6.	To Approve the issuance of bonus shares to the shareholders of the Company. (As an Ordinary Resolution)			

Signed this..... day of..... 2022

Affix Revenue Stamp

Signature of shareholder
Signature of Proxy holder(s)

Notes: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

HINDWARE LIMITED (FORMERLY KNOWN AS BRILLOCA LIMITED)

Regd. Office: 2, Red Cross Place, Kolkata-700 001
CIN: U74999WB2017PLC223307
Phone: 033-22487407/5668
E-mail: ngoenka@hindware.co.in
Website: www.brilloca.com

ATTENDANCE SLIP

The Folio No. and Name(s) of the Member(s) is / are to be furnished below in block letters

Folio No..... No. of Shares held .....

Client ID ..... DP ID .....

Full Name(s) of Member / Joint Members

1..... 2.....

3..... 4.....

Full Name of the Proxy if attending the meeting .....

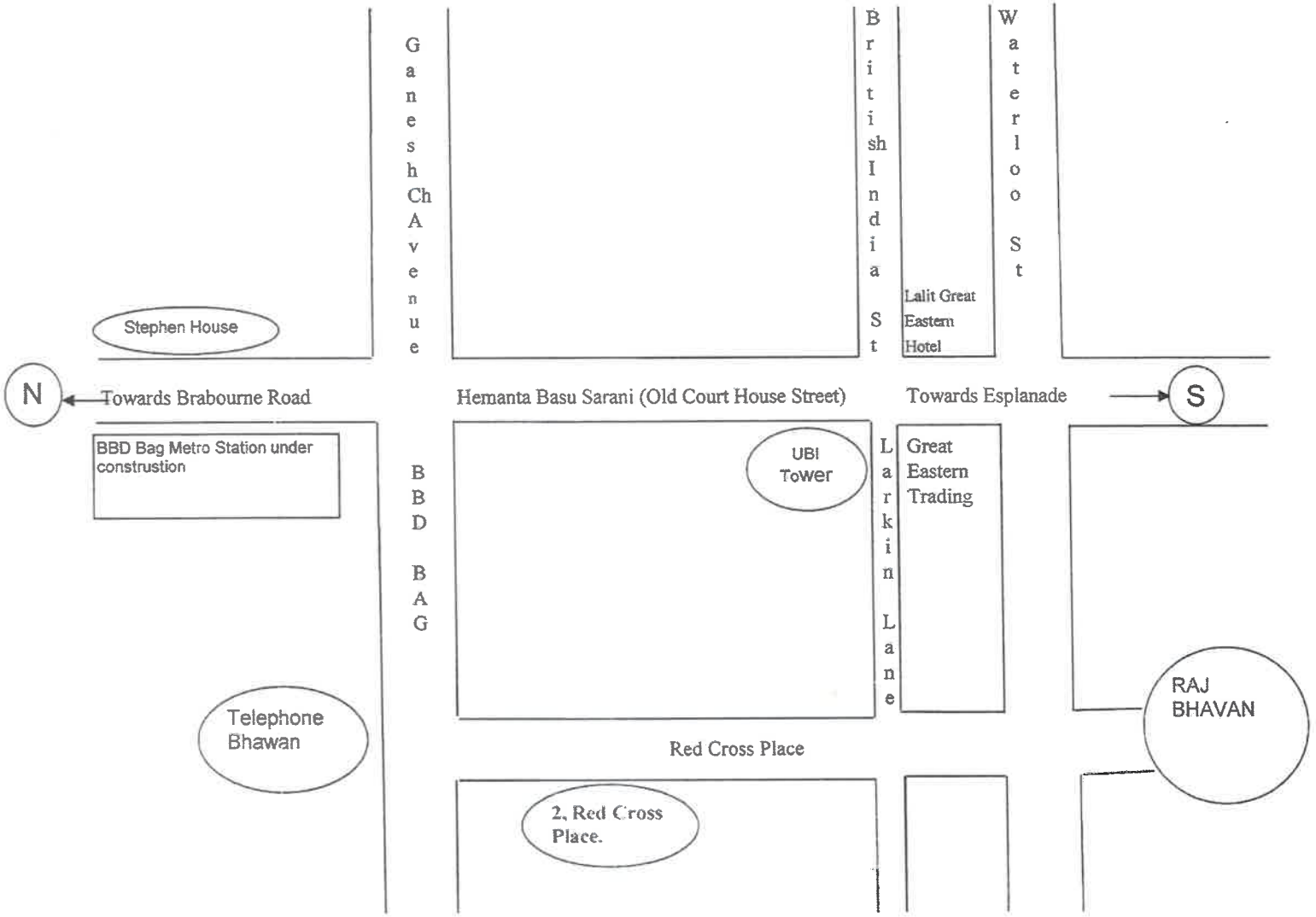
I hereby record my presence at the 5th Annual General Meeting of the Company held at its registered office of the Company at 2, Red Cross Place, Kolkata -700001, on Thursday, 30 June, 2022 at 11:00 a.m.

.....

Signature of the Member / Joint Members / Proxy attending the Meeting

Note:
Please complete this attendance slip and hand it over at the entrance of the Meeting hall.

ROUTE MAP OF THE VENUE OF THE ANNUAL GENERAL MEETING



ROUTE MAP