V S S A & ASSOCIATES
CHARTERED ACCOUNTANTS

A-1/255, Safdarjung Enclave,
New Delhi - 110029
Tel. : 9818629922
E-mail : vssaassociates@gmail.com

Auditor's Report on the audit of Conversion into Functional Currency (Indian Rupees) of Financial Information in foreign currency

The Board of Directors,

Hindware Home Innovation Limited (which is ultimate holding company of Hindware Limited)

We have audited the conversion of Ind AS financial statements of Halis International Limited, the accompanying special purpose financial information containing Balance Sheet, Statement of Profit & Loss, Statement of Changes in Equity and Cash Flow Statement with Significant Accounting Policies and explanatory Notes of Halis International Limited which is subsidiary company of Hindware Limited and ultimate subsidiary of Hindware Home Innovation Limited as of 31-03-2024 and for the year then ended 31-03-2024.

Report on the Audit of the conversion of Financial Statements

Opinion

We have audited the accompanying special purpose financial statements of Halis International Limited, which comprise the balance sheet as at March 31, 2024, statement of Profit and Loss, Statement of Changes in Equity and the statement of cash flows for the year then ended, and notes to the special purpose financial statements, including a summary of significant accounting policies (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of their state of affairs as at March 31, 2024, loss and cash flows for the year then ended.

We conducted our audit in accordance with Standards on Auditing (SAs) which are comparable with International Standards on Auditing. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the special purpose Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

V S S A & ASSOCIATES
FRN : [illegible]
NEW DELHI
Chartered Accountants

Responsibilities of Management and Those Charged with Governance for the special Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these special purpose financial information in term of the requirements of the Companies Act, 2013 that give a true and fair view of the financial position, financial performance and cash flows of the Component in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act.

The Board of Directors are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Component and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the financial statements as aforesaid.

Auditor's Responsibilities for the Audit of the conversion of special purpose Financial Statements

Our objectives are to obtain reasonable assurance about whether the special purpose financial statements are converted as per the requirements of Ind AS-21 "the effects of changes in the foreign exchange rates" and are in conformity with generally accepted accounting principles and other recognised accounting practices and policies in India.

We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the special purpose audit and significant audit findings.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the special purpose financial statements of the current period and are therefore the key audit matters. We describe these matters in our special purpose auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Our opinion on the special purpose financial statements, and our special purpose auditor's report on Other Legal and Regulatory Requirements below, is not modified with respect to our reliance on the financial statements / financial information certified by the Management.



Report on Other Legal and Regulatory Requirements

We report, to the extent applicable, 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 of the aforesaid special purpose financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid special purpose financial statements have been kept so far as it appears from our examination of those books.

c) The special purpose Balance Sheet, the special purpose Statement of Profit and Loss, and the special purpose Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the special purpose financial statements.

For **V S S A & Associates**
Chartered Accountants
Firm Registration No. 012421N

(CA KRITIKA TANEJA)
Partner
Membership No. 565614

Place: New Delhi
Date: 17.05.2024
UDIN: 24565614BKGVMR1351

HALIS INTERNATIONAL LIMITED
Balance sheet as at 31st March 2024

		Particulars	Note No.	As at 31st March 2024		As at 31st March 2023	
				INR	USD	INR	USD
A		ASSETS					
	1	Non-current assets					
		(a) Property, plant and equipment		-	-	-	-
		(b) Capital work-in-progress		-	-	-	-
		(c) Goodwill		-	-	-	-
		(d) Other intangible assets		-	-	-	-
		(e) Financial assets		-	-	-	-
		(i) Investments	2	524,928	7,158	524,928	7,158
		(ii) Loans		-	-	-	-
		(iii) Other financial assets		-	-	-	-
		(f) Other non-current assets		-	-	-	-
		Total non-current assets		524,928	7,158	524,928	7,158
	2	Current assets					
		(a) Inventories		-	-	-	-
		(b) Financial assets		-	-	-	-
		(i) Trade receivables		-	-	-	-
		(ii) Cash and cash equivalents	3	5,850	70	433,297	5,270
		(iii) Bank balances other than (ii) above		-	-	-	-
		(iv) Loans		-	-	-	-
		(v) Other financial assets		-	-	-	-
		(c) Other current assets	4	238,999	2,867	395,923	4,816
		Total current assets		244,849	2,937	829,220	10,086
		Total assets (1+2)		769,777	10,095	1,354,148	17,244
B		EQUITY AND LIABILITIES					
	1	Equity					
		(a) Equity Share capital	5(a)	201,062,426	3,811,000	201,062,426	3,811,000
		(b) Other Equity	5(b)	(200,542,771)	(3,803,905)	(199,831,603)	(3,795,256)
		Total equity		519,655	7,095	1,230,823	15,744
		Liabilities					
	2	Non-current liabilities					
		(a) Financial Liabilities					
		(i) Borrowings		-	-	-	-
		(ii) Trade payables		-	-	-	-
		(ii) Other financial liabilities measured at amortised cost		-	-	-	-
		(b) Provisions		-	-	-	-
		(c) Deferred tax liabilities (Net)		-	-	-	-
		(d) Other non-current liabilities		-	-	-	-
		Total non-current liabilities		-	-	-	-
	3	Current liabilities					
		(a) Financial liabilities		-	-	-	-
		(i) Borrowings		-	-	-	-
		(ii) Trade payables		-	-	-	-
		(iii) Other financial liabilities (other than those specified in item (a)(iii)) measured at amortised cost	6	250,122	3,000	123,325	1,500
		(b) Other current liabilities		-	-	-	-
		(c) Provisions		-	-	-	-
		(d) Current tax liabilities (Net)		-	-	-	-
		Total current liabilities		250,122	3,000	123,325	1,500
		Total equity and liabilities (1+2+3)		769,777	10,095	1,354,148	17,244

As per our report of even date
For VSSA & Associates
Chartered Accountants
Firm Registration No.

Kritika Taneja
Partner
Membership No.
Date : 17th May 2024
Place : Gurugram

GL Sultania
Director
Hindware Limited (Holding Company)
Date :17th May 2024
Place : Kolkata

HALIS INTERNATIONAL LIMITED

Statement of profit and loss for the period ended 31st March 2024

Particulars			Note no.	Period ended 31 March 2024		Period ended 31 March 2023	
				INR	USD	INR	USD
Continuining operations							
I	Revenue from operations			-	-	-	-
II	Other income			-	-	-	-
III	**Total revenue (I + II)**			-	-	-	-
IV	**Expenses**						
	Cost of materials consumed			-	-	-	-
	Changes in stock of finished goods, work-in-progress and stock-in-trade			-	-	-	-
	Employee benefits expense			-	-	-	-
	Finance costs			-	-	-	-
	Depreciation and amortisation expense			-	-	-	-
	Other expenses		7	716,069	8,649	733,265	9,121
	Total expenses (IV)			**716,069**	**8,649**	**733,265**	**9,121**
V	**Profit/(loss) before exceptional items and tax (III - IV)**			**(716,069)**	**(8,649)**	**(733,265)**	**(9,121)**
	Exceptional items			-	-	-	-
VI	**Share of profit / (loss) of joint ventures and associates**			-	-	-	-
VII	**Profit/(loss) before tax**			(716,069)	(8,649)	(733,265)	(9,121)
VIII	**Tax expense**						
	(1)	Current tax		-	-	-	-
	(2)	Deferred tax		-	-	-	-
	Total tax expense (VIII)			-	-	-	-
IX	**Profit/(loss) after tax (VII - VIII)**			(716,069)	(8,649)	(733,265)	(9,121)
X	**Other comprehensive income**						
A	(i)	Items that will not be reclassified to profit or loss		-	-	-	-
	(ii)	Income tax relating to items that will not be reclassified to profit or loss		-	-	-	-
B	(i)	Exchange difference on translation of foreign operations		4,902	-	(96,861)	-
	(ii)	Income tax on items that may be reclassified to profit or loss		-	-	-	-
	Total other comprehensive income			4,902	-	(96,861)	-
XI	**Total comprehensive income for the period (IX+X)**			(711,167)	(8,649)	(830,125)	(9,121)

As per our report of even date
For VSSA & Associates
Chartered Accountants
Firm Registration No.

VSSA & ASSOCIATES ★ Chartered Accountants ★ FRN : 012521N NEW DELHI

Kritika Taneja
Partner
Membership No. 565614
Date : 17th May 2024
Place : Gurugram

GL Sultania
Director
Hindware Limited (Holding Company)
Date :17th May 2024
Place : Kolkata

HALIS INTERNATIONAL LIMITED
Cash flow statement for the period ended 31st March 2024

Particulars	Period ended 31 March 2024 INR	Period ended 31 March 2023 INR
Cash flows from operating activities		
Profit before tax	(716,069)	(733,265)
Adjustments for:		
Exceptional Items (Impairment losses)	-	-
	(716,069)	**(733,265)**
Movements in working capital:		
Decrease in trade and other receivables	156,924	1,060
Increase in trade and other payables	126,796	9,615
	283,720	**10,675**
Cash generated from operations	**(432,349)**	**(722,590)**
Income taxes paid	-	-
Net cash generated by operating activities	**(432,349)**	**(722,590)**
Exchange difference on translation of foreign operations	4,902	96,862
Net increase in cash and cash equivalents:	(427,447)	(625,728)
Cash and cash equivalents at the beginning of the year	433,297	1,059,025
Cash and cash equivalents at the end of the period	**5,850**	**433,297**

This is the cashflow referred to in our report of even date.
As per our report of even date
For VSSA & Associates
Chartered Accountants
Firm Registration No.

VSSA & ASSOCIATES ★ Chartered Accountants ★ FRN : 012421N NEW DELHI

Kritika Taneja
Partner
Membership No. 561414
Date : 17th May 2024
Place : Gurugram

GL Sultania
Director
Hindware Limited (Holding Company)
Date :17th May 2024
Place : Kolkata

HALIS INTERNATIONAL LIMITED

Note 2- Non current investment

Particulars	As at 31st March 2024		As at 31st March 2023	
	INR	USD	INR	USD
Investments Carried at:				
Investments carried at fair value (unquoted)				
Investments in Equity Instruments				
- of Subsidiaries				
Opening balance	524,928	7,158	524,928	7,158
Add: Addition during the year	-	-	-	-
Less: Provision for impairment	-	-	-	-
Total investments carrying value	**524,928**	**7,158**	**524,928**	**7,158**

Note 3 - Cash and bank balances	As at 31st March 2024		As at 31st March 2023	
	INR	USD	INR	USD
Current Cash and bank balances				
(a) Balances with banks	5,850	70	433,297	5,270
	5,850	**70**	**433,297**	**5,270**

Note 4 - Other Current assets (unsecured, considered good unless otherwie stated)	As at 31st March 2024		As at 31st March 2023	
	INR	USD	INR	USD
Other current assets				
(i) Prepayments	42,526	510	202,176	2,459
(ii) Advance recoverable in cash or in kind from related party (Queo)	196,473	2,357	193,747	2,357
	238,999	**2,867**	**395,923**	**4,816**

HALIS INTERNATIONAL LIMITED

Note 5(a) Statement of changes in equity for the period	As at 31st March 2024		As at 31st March 2023	
	INR	USD	INR	USD
a. Share capital				
Opening balance	201,062,426	3,811,000	201,062,426	3,811,000
Changes in equity share capital during the year				
Closing balance	201,062,426	3,811,000	201,062,426	3,811,000

Note 5(b) - Other equity

Reserves and surplus	As at 31st March 2024		As at 31st March 2023	
	INR	USD	INR	USD
Foreign currency translation reserve				
Opening balance	(156,119)	-	(252,980)	-
Changes during the year	4,902	-	96,861	-
Closing balance	**(151,217)**	-	**(156,119)**	-
Retained earning				
Opening balance	(199,675,484)	(3,795,256)	(198,942,219)	(3,786,135)
Changes during the year	(716,069)	(8,649)	(733,265)	(9,121)
Closing balance	**(200,391,553)**	**(3,803,905)**	**(199,675,484)**	**(3,795,256)**
Total comprehensive income for the year	**(200,391,553)**	**(3,803,905)**	**(199,675,484)**	**(3,795,256)**
Total other equity	**(200,542,771)**	**(3,803,905)**	**(199,831,603)**	**(3,795,256)**

Note 6 - Other financial liabilities	As at 31st March 2024		As at 31st March 2023	
	INR	USD	INR	USD
Current				
Others				
(1) Creditors for expenses payable	250,122	3,000	123,325	1,500
	250,122	**3,000**	**123,325**	**1,500**

Note 7 Other expenses	As at 31st March 2024		Period ended 31 March 2023	
	INR	USD	INR	USD
Miscellaneous expenses	716,069	8,649	733,265	9,121
	716,069	**8,649**	**733,265**	**9,121**

SSA & ASSOCIATES Chartered Accountants FRN : 0 NEW DELHI

HALIS INTERNATIONAL LIMITED

SCHEDULE - A
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

1. NATURE OF OPERATIONS

Halis International Limited incorporated at Mauritius, is a wholly owned subsidiary of HSIL Limited and is engaged mainly in the business of holding investments.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

a) Accounting Methodology:

i) The Financial Statements are prepared on historical cost basis.

ii) The Organization follows the accrual method of accounting.

b) Investments:

Investments are stated at cost less impairment in value, if any.

c) Foreign Exchange Transactions:

In translating the financial statements of non-integral foreign operation for incorporation in financial statements

(a) the assets and liabilities, monetary items, are translated at the closing rate.

(b) non-monetary items are translated at the rates prevailing on the date of transaction.

(c) income and expense items are translated at average exchange rates prevailing during the year.

(d) all resulting exchange differences are accumulated in foreign currency translation reserve until the disposal of the net investment and shown in the balance sheet.

On the disposal of a non-integral foreign operation, the cumulative amount of the exchange differences which have been deferred and which relate to that operation are recognized as income or as expenses in the same period in which the gain or loss on disposal is recognized.

When there is a change in the classification of a foreign operation, the translation procedures applicable to the revised classification are applied from the date of change in the classification.

As per our report of even date
For V S S A & ASSOCIATES
CHARTERED ACCOUNTANTS

CA KRITIKA TANEJA
PARTNER
M.NO.565614

DATE: 7.05.2024
PLACE: NEW DELHI

Dated :
Place: Gurugram

G L Sultania
Director Hindware Limited
(Holding Company)