hindware

home innovation limited

TRANSCRIPT OF THE 9TH ANNUAL GENERAL MEETING OF HINDWARE HOME INNOVATION LIMITED HELD ON TUESDAY, 18TH AUGUST, 2026 AT 12:00 NOON (IST) THROUGH VIDEO CONFERENCING ("VC")/OTHER AUDIO VIDEO MODE ("OAVM")

PANELISTS:

Mr. Sandip Somany
Chairman and Non-Executive Director

Mr. Salil Kumar Bhandari
Independent Director

Mr. Ram Babu Kabra
Non-Executive Non- Independent Director

Dr. Nand Gopal Khaitan
Independent Director

Ms. Sonali Dutta
Independent Director

Mr. Naveen Malik
Chief Financial Officer and Chief Executive Officer

Mr. Sandeep Sikka
Group CFO

Ms. Payal M Puri
Company Secretary and Sr. V.P. Group General Counsel

Mr. Shyamal Kumar
Representative of M/s. Lodha & Co LLP, Chartered Accountants (Statutory Auditor)

Ms. Monika Kohli
Representative of M/s. DMK Associates, Company Secretaries (Secretarial Auditor)

Mr. Pravin Kumar Drolia
Representative of M/s. Drolia & Company, Scrutinizer

ATTENDEES:

Shareholders

Ms. Payal M Puri:

Good Afternoon to the Directors, Auditors and Shareholders, who have joined us today, for the 9th Annual General Meeting of Hindware Home Innovation Limited through Video Conferencing and Other Audio Video Mode.

I am Payal M Puri, Company Secretary and Group General Counsel.

Shareholders may note that this Annual General Meeting is being held through video conferencing in accordance with provisions of the Companies Act, 2013 and circulars issued by the Ministry of Corporate Affairs and SEBI in this regard from time to time. The facility for joining this meeting through video conferencing or other audio video mode is made available for the shareholders on a first-come-first-serve basis.

Before commencing the official proceedings, I would like to inform that all attendees in this meeting are by default placed on mute mode to avoid any disturbances to ensure smooth conduct of the meeting.

As the time is already 12:03 PM I thus hereby declare that the meeting has the presence of the requisite quorum attending the AGM through Webex, none of them are proxies and is in order to commence the proceedings of the meeting.

I now, request Mr. Sandip Somany, Chairman and Non-Executive Director of Hindware Home Innovation Limited to address the Directors, Auditors and Shareholders who have joined us today.

Mr. Sandip Somany:

I am Sandip Somany, Chairman and Non-Executive Director of Hindware Home Innovation Limited, joining from Gurugram.

Good Afternoon, ladies and gentlemen!

It is my privilege to welcome you all to the 9th Annual General Meeting of your Company. Thank you very much for joining us today.

Before I begin, I would like to introduce the Board members present in the meeting along with the Management Team, Statutory Auditor, Internal Auditor and Secretarial Auditor.

We have with us the following:

To my right is Mr. Sandeep Sikka, Group CFO. To my extreme left is Mr. Naveen Malik, CFO. To my left is Ms. Payal M Puri, Company Secretary and Group General Counsel.

In the Panel display we have with us:

1. Mr. Salil Kumar Bhandari, Independent Director and Chairman of Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee, joining from Udaipur
2. Mr. Ram Babu Kabra, Non-Executive Non-Independent Director, joining from Bahadurgarh
3. Dr. Nand Gopal Khaitan, Independent Director, joining from Kolkata
4. Ms. Sonali Dutta, Independent Director, joining from Gurugram
5. Mr. Shyamal Kumar, representative of M/s. Lodha & Co LLP, Statutory Auditor, joining from New Delhi
6. Ms. Monika Kohli, representative of M/s. DMK Associates, Secretarial Auditor, joining from New Delhi
7. Mr. Pravin Kumar Drolia, Scrutinizer, joining from Kolkata

Now I would like to highlight the performance of your Company along with key initiatives taken during the year under review.

FY 2025–26 was a year of persistent pressure on discretionary consumption, sharp input cost volatility, and geopolitical disruption to supply chains. Against this backdrop, our focus remained on executing our long-term strategy: driving premiumisation across our product portfolio while protecting margins through tighter cost discipline. I am happy to report the Company's Consolidated revenue for the year stood at ₹2,510 crore, with EBITDA expanding by 25% to ₹233 crore and EBITDA margin improving to 9.3%.

Our Bathware business remained the anchor of this performance. It outperformed a broader market that stayed under macroeconomic pressure, with revenue growing 10% to ₹1,520 crore. Operating EBITDA expanded 30% to ₹157 crore, a 150 basis point margin improvement to 10.3%. This was driven by premiumisation at key price points, a wider dealer network, and deeper penetration into Tier II and Tier III markets, with institutional and project sales contributing close to a quarter of segment turnover.

Our Pipes business operated in a much more demanding environment, marked by sharp PVC resin price volatility and West Asia-linked supply chain disruption that compressed profitability across the industry. The segment recorded revenue of ₹673 crore and an Operating EBITDA of ₹41 crore. The commissioning of our Roorkee facility in January 2026 added 12,500 tonnes of annual capacity, taking our total installed capacity to

78,500 tonnes per annum and giving us a manufacturing presence in North India for the first time.

Our Consumer Products business went through a period of deliberate consolidation. The segment recorded revenue of ₹317 crore and a negative Operating EBITDA of ₹12 crore. We undertook a portfolio rationalisation, exiting categories with structural limitations on profitability so that we could concentrate on core kitchen appliances, where our market positioning is strongest.

In December 2025, we divested our joint venture's manufacturing facility in Telangana, Hintastica Private Limited, and used the proceeds to repay outstanding debt in full. This substantially deleveraged the joint venture's balance sheet and moved us further towards a flexible, asset-light structure.

The most significant development of the year was the progress made on our proposed demerger, which will split the Company into two independently focused entities: Hindware Limited, comprising Bathware and Plastic Pipes and Fittings, and HHIL Limited, dedicated to Consumer Products particularly kitchen products. NCLT convened meetings of shareholders and creditors were held on 7 March 2026, and the Scheme now awaits remaining regulatory and procedural approvals. On completion, both resulting entities will be listed on the BSE and NSE, and the present corporate structure will cease to exist. This restructuring is intended to give each business a distinct pathway, sharper operational focus, and a platform suited to its own priorities.

During the year, we also introduced Designed for Sukoon, a new brand philosophy for Hindware that brings our Bathware, Tiles, and Consumer Products businesses under a common consumer promise. The campaign ran across television, OTT, digital, print, cinema, and outdoor media, and was accompanied by the relaunch of the Hindware website on a more intuitive, mobile-optimised platform. We also advanced our investment in leadership capability, including the launch of LEAD, our senior leadership development programme, and the expansion of GUIDE to over 300 managers.

As we enter FY 2026–27, we do so with a rationalised portfolio and a clearer corporate structure taking shape. Our priorities are to fortify our leadership position in Bathware, build scale in Plastic Pipes and Fittings through market expansion and better asset utilisation, and realise the potential of a more focused Consumer Products business, underpinned by strict capital allocation and rigorous cost management.

I would like to thank our Board members for their guidance and support through a demanding year, and our consumers, suppliers, channel partners, and bankers for their continued trust.

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Now I would like Mr. Naveen Malik, CFO & CEO of the Company to apprise you about the financial performance of the Company for the Financial Year 2025-26:

Mr. Naveen Malik:

Good afternoon, Mr. Chairman, Board Members, Shareholders, and everyone in attendance.

Thank you for your continued trust and investment in Hindware Home Innovation Limited.

The results for the year ended 31 March 2026 have been prepared in compliance with the applicable Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs.

On a consolidated basis:

- Revenue for FY 2025–26 stood at ₹2,510 crore
- EBITDA grew by 25% year-over-year to ₹233 crore, with margins expanding to 9.3%

I would now like to take you through the performance of our three business segments.

Bathware. Revenue grew 10% to ₹1,520 crore, representing 60% of consolidated revenue. Operating EBITDA expanded 30% to ₹157 crore, with margin improving by 150 basis points to 10.3%. This segment continues to be the primary driver of Group profitability.

Plastic Pipes and Fittings. Revenue stood at ₹673 crore, representing 27% of consolidated revenue. Operating EBITDA for the segment was ₹41 crore. The commissioning of our Roorkee facility in January 2026 added 12,500 tonnes of annual capacity, taking total installed capacity to 78,500 tonnes per annum.

Consumer Products. Revenue stood at ₹317 crore, representing 13% of consolidated revenue. Operating EBITDA was negative ₹12 crore, reflecting the segment's ongoing portfolio rationalisation.

Thank you for your attention.

I would like to now invite Mr. Sandip Somany, Chairman to continue with the proceeding of this meeting.

Mr. Sandip Somany:

Now, with your concurrence, I shall take the Notice of the 9th Annual General Meeting together with the Financial statements as on 31st March, 2026 and Directors' Report be taken as read.

As per the Companies Act, 2013, and applicable Secretarial Standard 2 issued by the Institute of Company Secretaries of India, the Auditors' Report and Secretarial Audit Report are required to be read only when there are qualifications or adverse observations or comments in the Reports.

I am happy to state that there are no qualifications, observations or comments in the Statutory Audit Report and Secretarial Audit Report.

The Company had provided remote e-voting facility through CDSL System. The remote e-voting period commenced at 9.00 A.M. on Saturday, 15th August, 2026 and ended on Monday, 17th August, 2026 at 5.00 P.M. Mr. Pravin Kumar Drolia, Company Secretary in Whole-time practice, Kolkata has been appointed as the Scrutinizer.

The results along with the report of Scrutinizer shall be sent to stock exchanges and also be uploaded on the Company's website and CDSL' s website.

Now, I will announce the names of the Shareholders who have been registered as speakers for this meeting. The speaker shareholder, if present, will then be unmuted by the host. If the Shareholder is not able to join through video mode for any reason, then the shareholder can join through audio mode. The Shareholders are advised to use headphones for clear audio and switch off other background applications.

If there is any connectivity issue from speaker shareholders' end, we would request the next speaker shareholder to join the meeting. The speaker shareholder who could not join, can thus join later. We would like to request the speaker shareholder to limit their queries to 3 minutes. Please note that the queries which have been received in advance will only be replied to.

Now I would like the host to unmute Ms. Lily Pradhan.

Ms. Lily Pradhan:

Am I audible? Hello.

Mr. Sandip Somany

Yes, Good Afternoon. You are audible.

Ms. Lily Pradhan

Very Good Afternoon, respected Chairman, Board members, and fellow shareholders. I myself, Lily Pradhan, a long-standing shareholder from Kolkata, attending through video conferencing. First of all, I sincerely thank the Board of Directors, respected Chairman, respected MD, respected CFO, respected Company Secretary with her entire team, and respected moderator for guiding us. Chairman Sir, I am genuinely proud of your polite, humble leadership and transparent, thoughtful nature and vision which inspire confidence among shareholders. I am hopeful that under your guidance, our Company will continue to achieve greater success in coming years. Thank you Company Secretary, I have received email well in advance and hard copy of Annual Report, which covers both meaningful and knowledgeable information with a transparent, sustainable practice. Now, I have put some specific questions and requests in present situation. Post restructuring, how will capital allocation be prioritized between the faster-growing plastic pipes segment and the core bathware business? Next, what measures are being taken to optimize the inventory turn days and receivables across the distributor network? Next, how is the joint venture with Group Atlantic performing in the water heater market? What are the revenue growth and break-even expectations of Hindware smart appliances over the coming fiscal year? Next, what steps plan are established to increase renewable energy adopting like rooftop solar panel across the Telangana and Uttarakhand manufacturing plants? Next, what progress has been made to expanding export footprint across ASEAN, the Middle East, and Australia? Chairman sir, it is a humble request, please consider to include suitable reward arrangement for felicitation, this would be highly desirable. Nothing more. Thank you. Thank you so much with warm regards and best wishes to all.

Mr. Sandip Somany

Thank you, Lily ji, for your good wishes. I will answer your questions now. In reference to your question number one, post-restructuring, how is capital allocation prioritized between faster-growing plastic pipes segment and the core bathware business? The answer is capital is allocated based on expected returns on the specific project related to the business, with free cash flow as priority. In our pipe business, the recently commissioned Roorkee plant in North India was strategic for enhancing our Northern presence, and shareholders will see the results of the same in the coming quarters as we will fully load the plant and apart of these in recent past we have invested in strategic segments with pipes like DWC, foam-core, fire-sprinkler and PTMT and all these new products constitute value added products. In our Bathware business capex is directed primarily towards de-bottlenecking of plants

and enhancing presence in market with Hindware brand-store expansion.

Question two, what measures are being taken to optimize inventory turn days and receivables across the distributor network? The answer is to optimize working capital across our distributor network, we are driving focused actions across both inventory management and receivables. On the inventory front, we are executing rigorous SKU rationalization and enhanced demand forecasting within our Bathware segment, while maintaining a deliberately lean resin inventory in Pipes to cushion the impact of PVC price cycles. On the receivables side, we are enforcing tighter credit discipline, expanding channel financing programs, and introducing collection-linked incentives to streamline cash flow. Collectively, these initiatives position us to achieve a further 10–15% optimization in working capital over the next 18 to 24 months.

On, Question three, how is the joint venture with Groupe Atlantic performing in the water heater market, what are the revenue growth and break-even expectations for Hindware Smart Appliances over the coming fiscal years? The answer is regarding our water heater business managed through Hintastica Private Limited, the entity transitioned during Q1 FY27 from a joint venture into a wholly owned subsidiary, now operating as a leaner, nearly debt-free, and asset-light business leveraging an outsourcing model to scale with low capital intensity under the Hindware brand. Looking ahead at our broader consumer appliances portfolio, we expect a 15–20% growth in revenue CAGR over the coming fiscal years, with targets to scale the business to approximately ₹500 crore within two years, after which operating leverage is projected to expand margins into double digits.

Question four was what step plans are established to increase renewable energy adoption, example, rooftop solar across the Telangana and Uttarakhand manufacturing plants? The answer is as part of our decarbonization roadmap, we are actively integrating renewable energy across our manufacturing matrix. In our Pipes segment, both the Isnapur plant in Telangana and the Roorkee plant in Uttarakhand are green-certified, have completed a full transition to energy-efficient LED lighting. In our Bathware segment, clean energy is being progressively integrated into manufacturing alongside ongoing efficiency measures. In Hindware Limited, our installed solar capacity across manufacturing plants currently stands around 8.2 MW, and we remain committed to expanding these solar installations and overall GHG-reduction initiatives in the coming years.

Your last question was what progress have we made in expanding export footprints across the ASEAN, the Middle East, and Australia. Answer to that is while our primary focus remains on capturing the large growth opportunity in the domestic market across India, we are taking a selective approach to expanding our international footprint. We

view export opportunities in SAARC, the Middle East, and ASEAN as a way to improve our product mix and margins, rather than as our main growth driver right now. Additionally, we are exploring entering the Australian market in a targeted manner using certified product ranges. This approach allows us to build an international presence prudently while keeping our core focus on driving growth at home. Thank you.

May I now ask for Mr. Amarendra Nath Ray.

Mr. Amarendra Nath Ray:

Am I audible, sir?

Mr. Sandip Somany:

Yes, you are audible. Thank you.

Mr. Amarendra Nath Ray:

Respected Chairman, Mr. Sandip Somany, esteemed members of the Board, I am Amarendra Nath Ray, an equity shareholder of Hindware Home Innovation Limited, joining 9th Annual General Meeting through video conferencing from Kolkata. I sincerely appreciate the chairman's initial speech at the AGM. It was very informative and provided valuable clarity in the company's future plan and other significant matters. Thanks to our Company Secretary and her secretarial department for rendering good investor service. The Company has a diversified product portfolio, could the management explain which product categories currently offer the highest growth potential and how the company plan to prioritize them. My next question, the Company has over 500 brand stores and more than 35,000 retail touchpoints in the bathware business, how is the management ensuring that such a large network remain productive and financially efficient? My third question, the Company aims to strengthen channel loyalty while maintaining high margin returns, could the management explain how it plans to balance dealer incentives and discount with higher margin protection? I've cast my vote in favor of all the resolutions. I have full trust in our strong and efficient management. I wish our Company's continued success and prosperity. I believe our Company will reach new heights in the near future. Thank you for patient hearing. Over to you for further proceedings. Thank you, sir.

Mr. Sandip Somany:

Thank you, Mr. Ray. I will answer the questions that you have raised, so, the question one is: The Company has a diversified product portfolio, could the management explain which product categories currently offer the highest growth potential and how the Company plans to prioritize them. The answer is our product prioritization strategy is strictly anchored in gross-margin accretion and asset efficiency, steering our capital and brand investments toward high-

return categories while selectively pruning low-return lines. In Bathware, our key growth drivers are the luxury Queo range positioned for substantial long-term scale alongside Sanitaryware & Faucets, where we anticipate strong growth as the premium mix continues to expand. Within Pipes, our priority remains on higher-margin CPVC, which accounts for a sizable share of our overall value mix, alongside high-potential value-added lines including DWC, foam-core, PTMT fittings, and BIS-certified fire-sprinkler systems. Lastly, in Consumer and Smart Appliances, we are focusing on our core Kitchen segment comprising chimneys, hobs, cooktops, and sinks which delivers healthy gross margins and is being scaled efficiently through e-commerce channels.

Question two was the Company has over 500 brand stores and more than 35,000 retail touchpoints in the Bathware business, how is the management ensuring that such a large network remains productive and financially efficient? To ensure our expansive Bathware network of brand stores and retail touchpoints remains highly productive and financially efficient, we employ a 'weighted dealer' approach that concentrates support on high-throughput partners while tracking secondary and tertiary sell-through rather than relying solely on primary dispatches. Brand stores contribute a significant portion of our general-trade volume, and with Tier 2 and Tier 3 markets driving the majority of overall Bathware sales, new store expansions in these regions are executed selectively based on strict payback metrics. Network throughput per outlet is further reinforced by our market-leading brand awareness in Bathware alongside the industry's largest after-sales service network. To safeguard financial discipline, we continuously monitor throughput and actively rationalize underperforming touchpoints.

Question number three was the Company has substantial manufacturing capacity in both Bath ware and Pipes. What is the current capacity utilization and by when does the management expect these capacities to reach optimal utilization? Across our manufacturing matrix, capacity utilization remains healthy with a clear trajectory toward optimal levels. In Bathware, our sanitaryware plants are operating at approximately 82% utilization and faucet plants at around 89%, backed by an increase in in-house manufacturing to nearly 70% for sanitaryware and ~50% for faucets, with optimal utilization targeted over the next 12 to 18 months via modest debottlenecking. In Pipes, where total installed capacity exceeds 78,500 TPA across our Isnapur and Roorkee facilities, overall utilization will continue to lift as the Roorkee plant, commercialized in January 2026, ramps up operations over the next two to three quarters to capture expanding demand in North India.

Question four was the Company mentions that consumer feedback and real-time market insights are being used to improve product offerings. How effectively is this translating into higher sales and margins. Consumer feedback directly drives our design-led product pipeline,

enabling targeted innovations such as smart toilets, tankless WCs, touch-free technology, sensor flush plates, and designer basins in Bathware, low-decibel smart chimneys in Consumer Appliances, and value-added CPVC and specialized piping in Pipes because premium products carry 2–3% higher gross margins and comprise nearly 40% of our Bathware mix, this insight-driven portfolio enrichment steadily expands our blended margins and reinforces revenue growth through continuous portfolio premiumization. Our marketing initiatives, such as the 'Designed for Sukoon' campaign, alongside enhanced retail and digital touchpoints, successfully convert brand strength into active sell-through. Concurrently, insight-led SKU rationalization and component localization lower costs and enhance product availability, driving ongoing operational efficiency and profitability.

Question number five that you've sent is the Company aims to strengthen channel loyalty while maintaining high-margin returns, could management explain how it plans to balance dealer incentives and discounts with margin protection? To balance channel loyalty with margin protection, we regularly benchmark dealer incentives against market dynamics while avoiding blanket discounting. Instead, we protect our realisations through strong brand pull driven by initiatives like our 'Designed for Sukoon' campaign a higher share of premium products, and enhanced productivity across our core dealer network. Our incentives are tightly structured and performance-driven, directly linking rewards to actual sell-through, premium range sales, and timely collections. Beyond this, operating leverage from expanding volumes and manufacturing cost optimizations provide a steady margin cushion. Specifically in our Pipes segment, greater stability in PVC resin prices and currency movements is expected to curb widespread market discounting and restore overall pricing discipline.

Your last question is the Annual Report highlights resource-efficient operations and waste reduction, could management provide measurable targets for reducing manufacturing waste and improving operating margins? To address operating margins, we are targeting strong EBITDA margin expansion in Bathware alongside an attractive return on capital profile over the medium term, while cost optimization in our Pipes segment is guided to progressively lift margins in the near term, and Consumer Appliances is projected to scale toward double-digit profitability supported by healthy gross margin profiles. On resource efficiency and waste reduction, we achieved a key sustainability milestone in the recent fiscal year by recycling all of our reported manufacturing waste with zero waste sent to landfill, reflecting substantial progress over prior years. Furthermore, we hold an importer Extended Producer Responsibility (EPR) license aligned with Pollution Control Board guidelines, are actively developing a Zero Liquid Discharge mechanism for the coming years, and enforce comprehensive plant-level practices including process mapping, waste segregation, advanced wastewater treatment, and vermicomposting.

May I ask Mr. Manjit Singh to speak?

Mr. Manjit Singh:

Am I audible?

Mr. Sandip Somany:

Yes, you are audible.

Mr. Manjit Singh:

"Good afternoon, sir. In your opening remarks, you provided a lot of information about the company and spoke about growth, mentioning that following the corporate movement executed in January, we will see better results over the next two to three quarters. What happened with the merger of our subsidiary Hintastica, and what kind of profits did it yield for us? Some of it has been shown in the balance sheet, but how many subsidiaries do we have in total? How much representation or involvement does our management have in those subsidiaries—are the same Directors and Independent Directors part of them, or are there different individuals? If you could shed some light on this, it would give us further clarity.

You have taken complete operational control of everything from kitchen solutions, cooling, and water management to home appliances—essentially covering everything from the bathroom to the kitchen—and I would like to congratulate you on this. Regarding our manufacturing plants, whether in Telangana, the facility near Delhi that you mentioned, or other plants you operate, are all products manufactured in-house at these locations, or do we outsource as well? Do we have a policy of importing certain products from abroad and selling them under our brand name? Explaining this would help us better understand the company. Furthermore, what are the future growth plans? You mentioned our retail outlets—are these outlets company-owned, or do we operate with business partners? Are the outlets opened across various locations rented, purchased outright, or run in partnership? Providing details on this would give us a clearer picture of the company.

Regarding executive compensation, our Company Secretary's salary ranges from approximately ₹9 lakh to ₹32 lakh. Does a similar ratio apply across the board? Please clarify this. Additionally, our CFO's salary is ₹88 lakh, and when taking the entire group figure into account, it comes to ₹4.61 crore. Is this amount fixed, or does it include other allowances—such as residential expenses, personal staff/cook allowances, or other perks? Please provide some details regarding these benefits.

Regarding our investments in the stock market, our share price has delivered a negative return of 25% to 35% over a 1 to 3-year period. When can we expect a recovery in growth? What steps are being taken to improve our margins, and how margins will expand moving forward.

Mr. Sandip Somany:

Your three minutes are up. We have to let other speakers speak as well. Thank you. May I now call upon Mr. Yusuf Rangwala? The previous two speakers submitted their questions in writing as per the government guidelines, so I have provided detailed replies to them. As for the remaining speakers who registered to speak, they have not submitted their questions in advance. Therefore, I request that you state your questions briefly, and I will answer all of them together." Mr. Rangwala is there?

Host :

He is not present in the meeting.

Mr. Sandip Somany

Can we go on to Mr. Jaydip Bakshi?

Mr. Jaydip Bakshi:

Yes. Very Good Afternoon Chairman and Board of Directors, myself Jaydip Bakshi connecting from the city of Kolkata. First of all, I convey my thanks to our Company Secretary, Payal madam, for giving the opportunity and also presenting a detailed and informative Annual Report. Sir, much of our queries have been replied by the first two speakers' replies which you have addressed. Just want to know, the second speaker you replied to about the capacity utilization, however, according to page 85 of the Annual Report, the Company engages solely in marketing and trading activities and does not own any manufacturing units. Could you please clarify how capacity utilization applies in this context? Also, regarding our this financial results from the present position compared to year-on-year basis, how do we come out from this present situation and move into the positive path and engage ourselves with the brand stores, kindly share thoughts regarding that and for technology implementation for our distribution network and outreach to the strategy, kindly share that and any risk factors which we foresee in our nature of business, and with the new generation's going for the branded products, and how do we see ourselves in this competitive market, because there are many competitors in this market in every field. Kindly share that. Nothing to add more, and festive greetings to all present in today's video conference. Thank you, sir, for the opportunity. Thank you, ma'am.

Mr. Sandip Somany:

Thank you, Mr. Bakshi. May I ask Mr. Badri Vishal to speak?

Mr. Badri Vishal Bajaj:

Very Good Morning, Sandip sir. I heard attentively to your Chairman speech and CFO speech clarifying all angles of the financials. However, based on my review of the annual reports and performance over the past three fiscal years, I would like to raise a few key concerns: Over the last three years, the Company's market capitalization has halved from ₹2,700 crores to ₹1,450 crores as of March 31, 2026. Revenues have remained flat, EBITDA margins declined by 8% in FY26, net debt stands at approximately ₹823 crores, and credit ratings have downgraded. Also, Commercialization at the Roorkee plant with a ₹180-crore Capex began in Q4 FY26, meaning its full financial impact is not reflected in this year's results. What is the revenue growth and margin projection for FY27 based on this expansion?

Mr. Sandip Somany:

We've lost you, Mr. Bajaj. We can't hear you. Mr. Bajaj, are you there? It seems we have lost Mr. Bajaj, we can't hear him. In the mean time, we can listen to Mr. Ram Chandra Singh. Mr. Ram Chandra Singh?

Mr. Ram Chandra Singh:

Hello, Sir. Am I audible?

Mr. Sandip Somany:

Yes, Good Afternoon. You are audible.

Mr. Ram Chandra Singh:

Greetings, Sir. I am Ram Chandra Singh from Delhi. Best wishes to everyone. From the management, I would like to know what is the company's Capex plan for the next 5 years? Also, how are we leveraging Gen AI within our operations? With these questions, I thank you all. Namaskar, Sir.

Mr. Sandip Somany:

Thank you. Is Mr. Gaurav Kumar Singh there?

Mr. Gaurav Kumar Singh:

Hello, am I audible? Hello? Respected Chairman, Board of Directors, and Secretarial team, Good Afternoon to all of you. Myself, Gaurav Kumar Singh, joining this AGM from Delhi. First of all, thank you so much for giving me this opportunity.

Mr. Sandip Somany:

We can't hear you.

Mr. Gaurav Kumar Singh:

Hello? Now is it okay, sir?

Mr. Sandip Somany:

Please speak loudly. There is disturbance on your side.

Mr. Gaurav Kumar Singh:

Am I Audible? Hello.

Mr. Sandip Somany:

Can we call other shareholder? You can come when line is clear we can call Ms. Debolina

Host:

She is not present in the meeting.

Mr. Sandip Somany:

Mr. Vinay Vishnu Bhide

Mr. Vinay Vishnu Bhide:

Can you hear me?

Mr. Sandip Somany:

Yes we can hear you clearly.

Mr. Vinay Vishnu Bhide:

Chairman and Managing Directors, Mr. Sandip Somany, and the Directors present on call today, Company Executives and fellow shareholders. As my name is already announced Vinay Vishnu Bhide. I am long term supporter and shareholder speaking from Mumbai. Thank you for performing steadily in the concluded financial year across all manufacturing activities, and for having a very nicely prepared Annual Report. Company Secretary, Payal Madam has made this available to me; I have gone through it and listed a few questions. Is it possible that some of these questions are answered extempore, while others you can choose to reply via e-mail.

My questions are follows: the first question is on our capacity utilization of our plants at Bibinagar and Sangareddy in Telangana, Haryana, Rajasthan and Uttarakhand for the concluded financial year. What has been the blended capacity utilization or the individual capacity utilization of these plants and how do you see the trend in coming

financial year? Second question is on new product launches which you have mentioned in the annual reports, we have launched variants in chimneys, cooktops and water heaters, could you please help us understand as to what has been the market and the consumer response in these product segments or variants have been launched and what is the market size and competition matrix in these segments? third and final question is on the demerger, as we are almost there to complete the procedure, what is the progress and when it is likely to list the demerged Company. Otherwise, most of details have been well explained by you in the annual report. I have already supported all the resolutions. The support we have received from the Secretarial Department, especially Payal Madam, has been very prompt. Thank you.

Mr. Sandip Somany:

Thank you Mr. Bhide. I will answer actually in reverse so I will start with Mr. Bhide, who is the last speaker. So in terms of capacity utilization, I'll also tell you where our plants are, there is a question from earlier speaker also, so we have in Hindware limited, sanitaryware plants (Haryana and Telangana), one faucet plant (Rajasthan), two plastic pipes and fittings plants (Telangana), and a newly commissioned pipes and fittings facility in Uttarakhand, so that is our overall layouts of our plants. In Hindware Home Innovation Limited, we actually have no factory, we are getting products produced to our design and our quality standards both nationally and internationally and selling these products. Hindware Home Innovation Limited, which is a listed company has no manufacturing facility, it had a 50:50 joint venture with Groupe Atlantic where we were making water heaters. Groupe Atlantic has recently been bought by very large japanese multinational Company which has no presence in India and therefore they decided to exit India and we have bought 50% back from them so Hintastica Private Limited is now a 100% subsidiary of Hindware Home Innovation Limited. It had a manufacturing plant which we have sold in December 2025. Broadly in terms of capacity utilization our sanitaryware at Bahadurgarh runs at around 90% capacity utilization our sanitary ware plant in Bibinagar which is in Telangana runs at 78-75%, our faucets plant in Rajasthan runs at 90% capacity utilization, we have 2 pipes and fittings plant which on an average runs at 65% capacity utilization and the new plant in Uttarakhand has just started so capacity utilization is currently is quite low but it will ramp up in the next few quarters that will give you broad idea of our capacity utilization.

In terms of new product launches we study the consumer requirements very deeply and continue to offer new products with new innovation to the customers. Broadly, the competitors in each segment are different, we have competitors in our faucets business, we have competitors in our sanitaryware business, some are common and we have to produce products to compete with them both at the mid end of the market and high end of the market. We believe that capacity utilization of our plants in the current year will further increase and we are doing some small

debottlenecking activities to generate more output from these plants and these will be at very low capex cost.

So I hope this answers your questions. Regarding the questions on technology implementation, I will now address Mr. Ram Chandra's query on AI. We have started using AI in every way. The first use of AI is in terms of predicting demand between our product categories we have probably around 25000 SKUs we are using AI for predicting future consumer demands from our dealers and distributors and are still work

in progress but we have seen significant benefits we are now using AI internally for speeding up response to consumers in our sales. We are also using AI for predicting maintenance so that the machinery does not actually break down and we can predict when it can breakdown and take prior maintenance. AI is helping us but we are still in preliminary stage, in near future AI will contribute greatly to the improvement in capacity of company. On the subject of Capex, our front-end investments primarily support our channel partner network and brand presence. We assist our dealers and distributors in setting up retail outlets, which remain entirely owned and operated by them, we do not own any real estate involved in these operations. Additionally, we invest in company-leased Hindware Galleries. These flagship display centers allow consumers, architects, and designers to experience our full product range, which standard retail stores typically cannot showcase entirely. These galleries are purely experiential and not direct sales locations. We currently operate one in Delhi, and two additional centers in Hyderabad and Bengaluru are scheduled to open by October 2026.

Regarding the query on key business risks, comprehensive details are outlined in the Management Discussion and Analysis section of our Annual Report. I have already addressed Mr. Jaydip Bakshi’s points concerning our manufacturing footprint and capacity utilization.

The last few years have been tough from both the macro-economic point of view and geopolitical point of view in our pipes business. Over the past few years, macroeconomic headwinds and geopolitical tensions have created significant volatility in our pipes division. The price of our primary raw material, PVC resin, experienced extreme fluctuations rising from ₹67–68 to approximately ₹180 before normalizing back to around ₹70, these sudden price drops resulted in inventory losses that impacted overall business performance. PVC prices have now stabilized. With major Capex projects already completed, we expect to realize significant operational benefits over the coming quarters. We project our pipes business revenue to more than double from ₹670 crore to ₹1,400–1,500 crore over the next 2.5 years.

Regarding market capitalization, we have systematically exited loss-making segments within Hindware Home Innovation Limited. The businesses we operate today are focused entirely on growth and

profitability, which will help drive future market cap expansion. While management cannot directly control stock market valuations, our internal focus remains on fundamental recovery, it is how the market perceives the company as well as the country. As you know, a lot of companies' market caps have fallen due to a large outflow of FIIs from India, as they are finding better returns elsewhere. Additionally, the depreciation of the rupee has reduced the incentive to invest.

Mr. Sandeep Sikka:

Basically, if you see we have given a guidance that in Bathware business we should grow in next few quarters at 15% and also similar level of growth on the pipes business as well and we have also given the guidance that in overall business we should expand our margins to 1-1.5 percent of what we did in FY 2026 over the next few quarters so we are internally working on all these action points and definitely the incremental sales and gross margin will increase and attain better profits. The guidances on this in very detailed manner have been given as stock exchange intimation very recently and also in last investor call, where each one of them has fully explained and the demerger process is at an advanced stage. The upcoming hearing with NCLT Kolkata is scheduled for late August, and we anticipate receiving the final order shortly thereafter and once we get the order it should take around two months to get the shares listed because NSE and BSE has their own internal processes as two different Companies will be listed. As we already disclosed shareholder who is holding one share will get one share each of both the Company, so this can take 3 months, provided we get NCLT order by the August end.

Mr. Sandip Somany

Now I would like to quickly summarize the businesses as stated in the Notice of 9th AGM.

Businesses as stated in the Notice of 9th AGM are as under:

AS ORDINARY BUSINESSES

1. To consider and adopt the audited standalone financial statements of the Company for the financial year ended 31st March 2026, the reports of the Board of Directors and Auditors thereon and the audited consolidated financial statements of the Company for the financial year ended 31st March 2026 and Auditors' Report thereon. **(As Ordinary Resolution)**

2. To appoint a Director in place of Mr. Sandip Somany (DIN 00053597) who retires by rotation and, being eligible, offers himself for re-appointment. **(As Ordinary Resolution)**

AS SPECIAL BUSINESSES

3. To appoint Mr. Shashvat Somany (DIN:10058462) as a Non-Executive Non-Independent Director of the Company **(As Ordinary Resolution)**

4. To approve remuneration by way of Commission to the Directors (Other than the Managing Director/ Whole-time Director) **(As Special Resolution)**

Members who have not cast their votes electronically and are participating in this meeting will have an opportunity to cast their votes through the e-voting system provided by CDSL. The e-voting on CDSL platform will continue to be available for the next 15 minutes. The combined results of e-voting and online voting at the meeting would be announced within 2 working days of conclusion of the meeting and the same would be intimated to Stock Exchanges and will be uploaded on the websites of the Company and CDSL.

Above all, I thank you, our shareholders, for your patience and continued confidence. With your support, we look ahead to another high growth year.

Thank you.