

NEAPS/BSE ONLINE

4th September, 2023

**The Corporate Relationship Department
BSE Limited
Phiroze Jeejeebhoy Towers,
1st Floor, New Trading Ring,
Rotunda Building
Mumbai - 400 001
(BSE Scrip Code: 542905)**

**Listing Department
National Stock Exchange of India Limited
Plot No. C-1, Block-G
Exchange Plaza, 5th Floor,
Bandra Kurla Complex, Bandra (E),
Mumbai – 400 051
(NSE Symbol: HINDWAREAP)**

Dear Sir/Madam,

Sub: Annual Report for the Financial Year 2022-23 of the Company along with the Notice of 6th Annual General Meeting

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report of the Company for the Financial Year 2022-23 along with the Notice of 6th Annual General Meeting (“AGM”), being sent to the shareholders of the Company through electronic mode in accordance with the circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India in this regard from time to time.

The 6th AGM of the members of the Company will be convened on Wednesday, 27th September, 2023 at 1:00 P.M. (IST) through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM").

The Annual Report of the Company for the Financial Year 2022-23 along with the Notice of AGM is also available on the website of the Company i.e. www.hindwarehomes.com.

You are requested to take this information on records.

**For HINDWARE HOME INNOVATION LIMITED
(Formerly known as Somany Home Innovation Limited)**

(Payal M Puri)

Company Secretary and Sr. V.P. Group General Counsel

Name: Payal M Puri

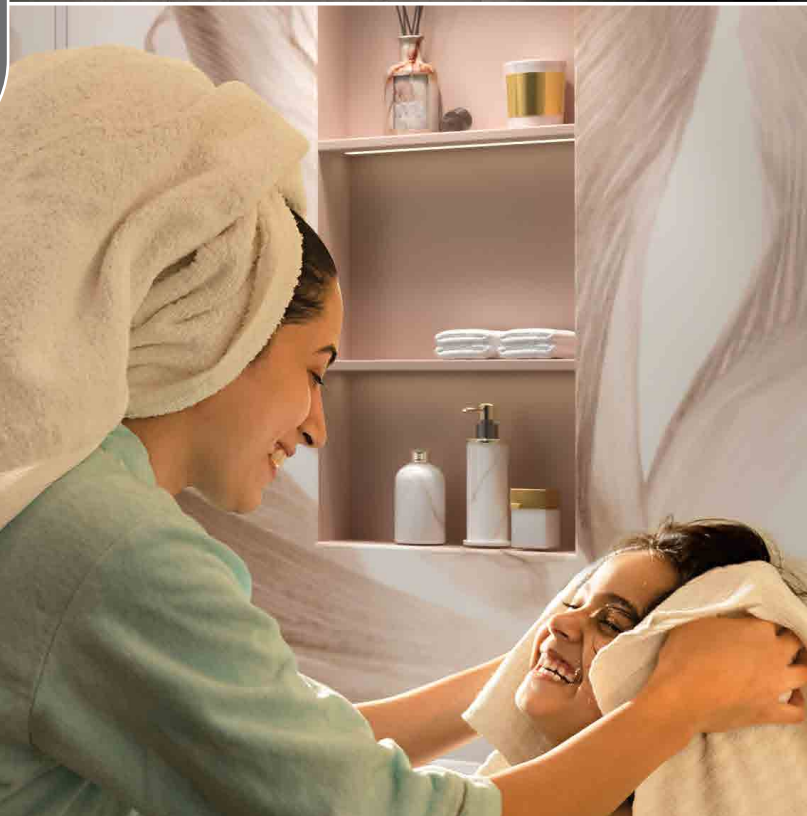
Address: 301-302, 3rd Floor, Park Centra, Sector-30, Gurugram-122001

Membership No.: 16068

hindware
home innovation limited



SOMANY IMPRESA
GROUP COMPANY



**Delivering
sustainable growth**

**With customers
at the core**

ANNUAL REPORT 2022-23





Late Dr. Rajendra Kumar Somany

1937-2023

Remembering a visionary

We want to take this opportunity to pay tribute to our visionary founder, Late Dr. Rajendra Kumar Somany. The ethos laid down by him forms the base of everything we do at Hindware Home Innovation Limited.

In 1962, he took the pioneering step of introducing vitreous china sanitaryware in India, thereby making Hindware the first company in the country to accomplish this feat. He was always ahead of his time; this was reflected in his relentless focus on innovation, which has always propelled us to stay at the forefront of the industry. His unwavering commitment, indomitable spirit, and pioneering vision have not only inspired our nationwide teams but have also sparked a fire of inspiration within the industry. His vision and commitment extended beyond the realms of the business world; he was an exemplary philanthropist who worked tirelessly to create a positive impact on the lives of marginalised communities.

As we move ahead, we are confident that the vision and principles laid down by him will enable us to traverse the realms of possibilities and continue this growth trajectory. We remain persistent in our commitment to delivering sustainable value to all our stakeholders who have entrusted us with their trust.

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Key highlights for FY 2022-23 (Consolidated)

Revenue from operations

₹2,873 crore

▲ +25% y-o-y

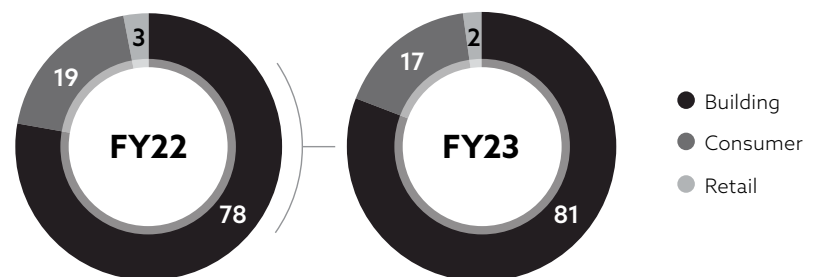
EBITDA

₹281 crore

▲ +38% y-o-y

Note: Figures have been rounded off

Revenue mix (%)



STORIES IN SPOTLIGHT

Delighting customers with innovation, diversification and premium quality

Pg.14



Embracing digitalisation for long-term sustainability

Pg.18



Delivering sustainable growth

With customer at the core

India represents a unique growth story. A burgeoning population with a significant youth demographic, rising disposable income and improved access to the internet have contributed to strong growth in consumption. This trend underscores a widespread aspiration for elevated living standards, evident in the meticulous curation of every aspect of the home to ensure heightened comfort and satisfaction.

Aligned with the India growth story, we have expanded from a single-segment company to a multi-segment one, catering to the evolving needs of the customers through a range of innovative products spanning the building products and consumer appliances segments, backed by the trusted Hindware brand. We have consistently embraced forward-thinking strategies, leveraging market insights to continuously evolve and maintain our position at the forefront of the industry.

With a commitment to delivering excellence and embracing innovation, we aim to provide our customers with the best-in-class products across the segments and maintain our upward trajectory while shaping the future of the industries we operate in.



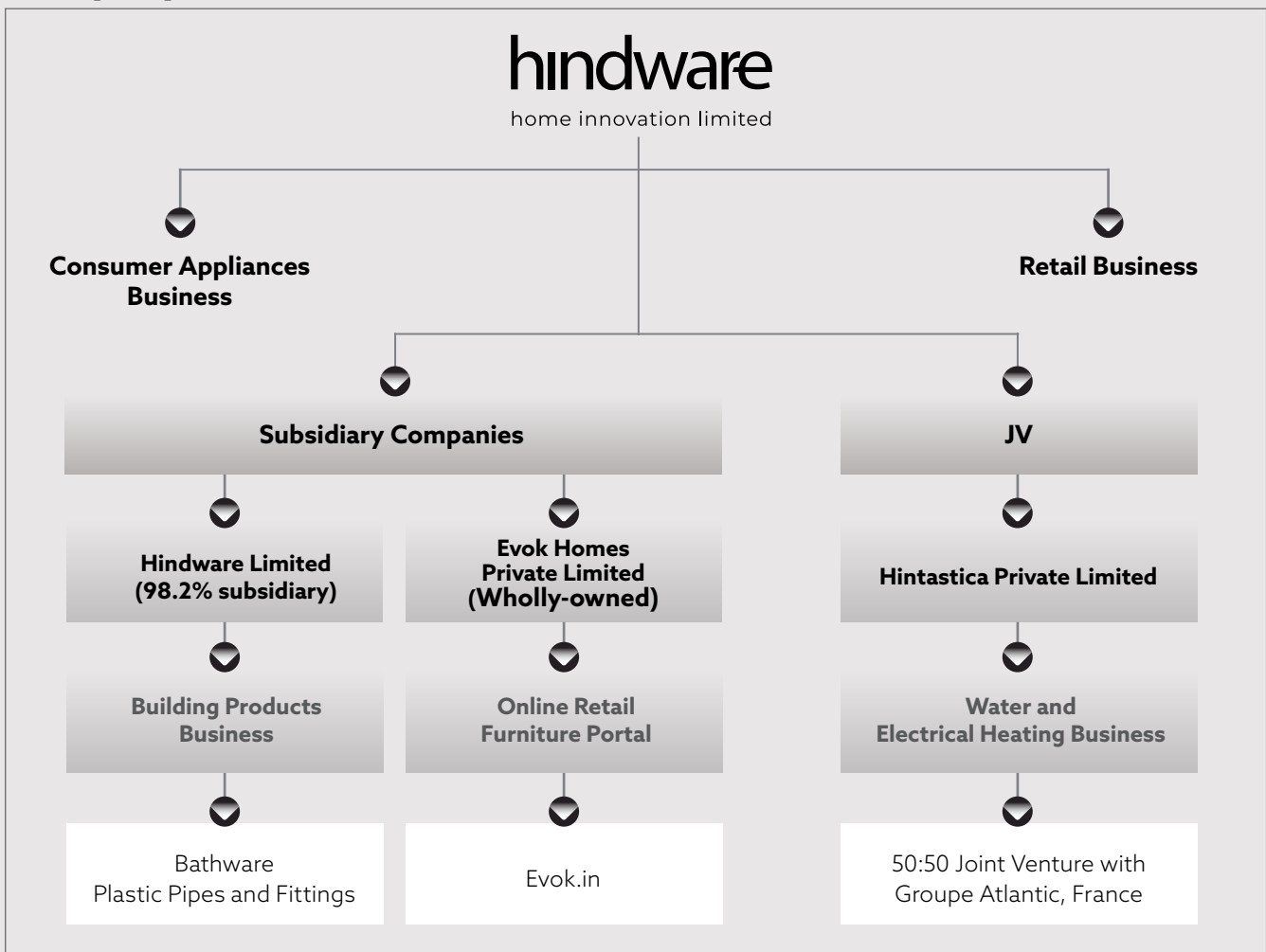
About Us

A legacy of innovation and quality

At the core of our Company's mission lies a commitment to providing innovative products that address the distinctive needs of our customers. Our diverse range of offerings is carefully designed with an emphasis on quality, functionality, and aesthetics.



Company structure





Driving leadership position across businesses

Leader

In the sanitaryware segment

Leading player

In the faucet segment

Fastest-growing

Plastic pipes and fittings brand

2nd

Largest player in kitchen chimneys, hoods and hobs

Among top 5

Players in fragmented water heaters and air coolers

33

Patents filed since inception for Consumer Appliances Business

Within our Building Products, we have two distinct businesses: bathware and plastic pipes and fittings. The bathware division encompasses sanitaryware, faucets, and premium and super premium tiles.

Meanwhile, our plastic pipes and fittings business has CPVC, UPVC, PVC, SWR pipes, overhead water storage tanks, as well as Bath Fittings (PTMT faucets and other accessories).

Under our Consumer Appliances Business, we have an extensive portfolio of categories including kitchen appliances, sinks, water purifiers, water heaters, air coolers, fans, and kitchen and furniture fittings. Our furniture retail brand 'EVOK' provides a curated selection of specialty home interior and furniture products, available in modern format stores and online platforms.

To ensure effective reach and expansion in our market, we have established three distinct distribution

channels for our business segments. Additionally, we have developed an omni-channel presence, enabling us to maintain proximity to our customers. By seamlessly integrating multiple channels, including online

platforms and physical retail stores, we ensure that our products are easily accessible to consumers and provide them with a convenient and immersive shopping experience.



Our Businesses

Progressing sustainable growth through diversification



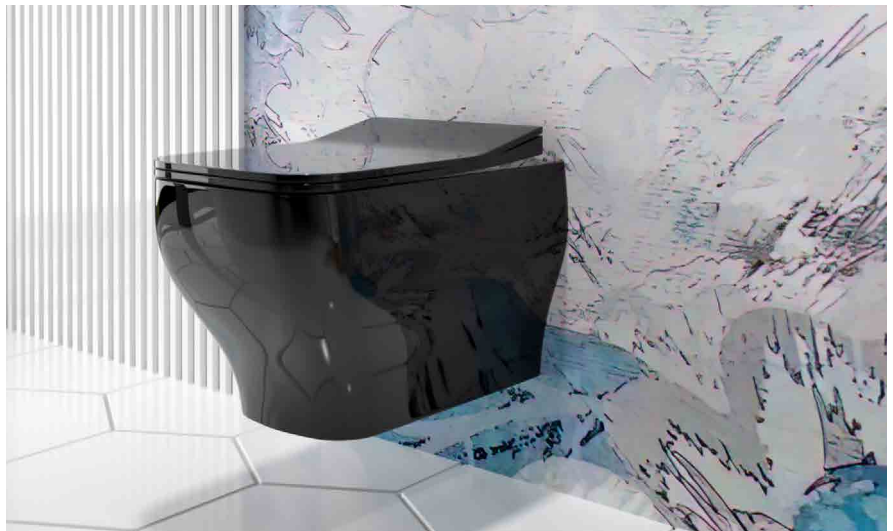


Building products

Bathware business

SANITARYWARE AND FAUCETS

We continue to maintain our leadership position in Sanitaryware and remain one of the top two players in the faucets segment within in India. Our comprehensive offerings include **Queo**, a luxury brand that specialises in bath lounges, providing an indulgent bathing experience.



Brand stores

525+

Retail touchpoints

31,000+

Distributors

390+

Hindware Italian Collection, a premium brand known for its contemporary designs, offers a perfect blend of style and functionality. And our iconic legacy brand, **Hindware**, is a household name for its industry-leading designs and innovative products.

Our extensive network of 525+ brand stores, coupled with 31,000+ retail touchpoints and a strong presence through 390+ distributors allows us to connect with customers across the country.

We also have a dedicated team that serves more than 1,200+ marquee institutional clients.

Our nationwide service network of 660+ technicians, strategically located across 710+ districts, ensure we offer exceptional service to our customers. Our service team is committed to meeting customer demands promptly with a turnaround time of 24 hours in urban areas and 48 hours in upcountry markets.

PREMIUM TILES



Under our brand Hindware Italian, we provide a range of super-premium and premium tiles. Our collection is exceptional, offering customers a diverse range of options to choose from. These tiles are designed to cater to various applications, including flooring, bath in both commercial and residential settings.

Our extensive selection of designs caters to different design aesthetics ranging from classic to contemporary styles. Additionally, the tiles come in a multitude of finishes including matte, polished, dazzle, high gloss, satin, and rustic. This diverse range of finishes ensures that our tiles can complement any design aesthetic seamlessly.

Our Businesses

Plastic pipes and fittings

Under our **TRUFLO by Hindware** brand, we have created a comprehensive portfolio of over 2,000+ SKUs of plastic pipes and fittings. This range includes the CPVC (chlorinated polyvinyl chloride), lead-free UPVC (unplasticised polyvinyl chloride), SWR pipes, PVC pipes for potable water and Column pipes for borewell application.



SKUs

2,000+

Distributors

360+

Retail outlets

25,000+



Our premium CPVC piping solutions, certified by NSF and GreenPro, offer unparalleled performance for both hot and cold plumbing requirements. Our products are manufactured using the CPVC compound Durastream, sourced from our key partner, the \$10 billion Japanese conglomerate Sekisui Chemical Co. Ltd. We also offer overhead water storage tanks that come in various capacities to meet diverse needs while promoting water conservation.

In the past year, we also expanded our offerings to include Bath Fittings (PTMT faucets & other accessories), providing customers

with a comprehensive solution for all their plumbing needs. In an exclusive collaboration with Reliance Worldwide Corporation (RWC), we also introduced Truflo SharkBite, a revolutionary line of multilayer composite pipes, which are AENOR-certified and hold Europe patent for push to connect joint system.

With complementary offerings, aligned sales forces, professional support, and shared distribution channels, Truflo has already become one of the fastest-growing companies in the plastic pipes segment.

Key certifications

 <p>GreenCO Platinum Rated Sustainable Manufacturing</p>	 <p>GreenPro certified CPVC pipes</p>	 <p>Green Platinum Rated Factory Building</p>	 <p>CIPET (Central Institute of Plastics Engineering & Technology) for CPVC, SWR, PVC Pipes & Fittings</p>	 <p>NSF/ANSI 14 for CPVC Pipes & Fittings</p>	 <p>CFTRI (Central Food Technological Research Institute) for CPVC & UPVC Pipes & Fittings</p>
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Consumer appliances

Under this business, we present a diverse array of offerings that cater to various facets of modern living. Our comprehensive selection encompasses kitchen appliances, sinks, water purifiers, air coolers and fans.

During the year, our 50:50 venture with Groupe Atlantic France, known as Hintastica Private Limited (HPL), initiated trial production of heating appliances in Telangana.

Under the FGV brand, powered by Hindware, we present a wide range of kitchen and furniture fittings.



Exclusive kitchen galleries

170+

Distributors and dealers, modern and large retail outlets

1,400+

Retail outlets

13,000+

Retail business



With over 5,000 diverse products delivered to 17,000+ pin codes, EVOK has become the preferred choice for customers seeking stylish and affordable home interior solutions.

We have embraced e-commerce growth by establishing our online portal, 'www.evok.in,' and expanding on popular platforms like Amazon, Flipkart, and Pepperfry. We have also introduced a hyperlocal platform, further solidifying our strong online and retail footprint in the furniture domain.

Products

5,000+

Pin codes serving

17,000+

Message from the Chairman

Building on a resilient future

Dear shareholders,

At the onset, I would like to pay tribute to Dr. Rajendra Kumar Somany, our Late Founder and my father. His commitment to excellence, and innovative mindset have given us a sense of direction that goes beyond the usual and drives us to remarkable accomplishments. His advice and direction formed the foundation for us to reach higher goals.

Consolidated revenue

₹2,873 crore

▲ 25% y-o-y

Consolidated EBITDA

₹281 crore

▲ 38% y-o-y

I am delighted to present the Annual Report for FY 2022-23. Once again, we have successfully navigated through the challenges in the year and have continued to thrive.

During the year under review, the world faced an array of challenges, including the geo-political tension which added to the already surging inflation, disrupted supply chain, and caused higher energy prices. Central banks globally raised key policy rates to control inflation. These factors, combined with rising living costs and stringent financial conditions exerted substantial pressure on the economic outlook.

India continues to stand out as one of the fastest-growing economies amidst the global turmoil driven by strong domestic consumption, favourable policies and enhanced investment in infrastructure by the Central Government. With solid fundamentals in place, India is poised to sustain a healthy growth rate in the upcoming years.

Through continuous efforts, we have strategically diversified our business portfolio, expanded our reach to tap into new markets and ventured into innovative product lines. This strategic expansion has not only enhanced the intrinsic value of our Company but also mitigated associated risks.

PERFORMANCE HIGHLIGHTS

In FY 2022-23, we achieved another remarkable year of strong performance. Our consolidated revenue reached ₹2,873 crore, representing a remarkable 25% increase compared to the previous year. Additionally, our consolidated EBITDA reached ₹281 crore, a significant y-o-y increase of 38%.

Our building products registered robust growth of 29% over FY 2021-22, generating revenue of ₹2,316 crore.

Our bathware business experienced strong expansion with a growth rate of 29%, resulting in a revenue of ₹1,532 crore. This success can be attributed to a combination of factors, including our innovative product portfolio, strategic marketing initiatives, enhanced brand awareness, and a diverse range of offerings. Additionally,

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Triflo by Hindware continues to be the fastest-growing brand in the plastic pipes and fittings segment, recording a revenue of ₹785 crore, registering a strong growth of 29% over FY 2021-22.



our robust distribution and retail network played a crucial role in ensuring our products reached a wide customer base.

We also achieved stellar performance in our plastic pipes and fittings brand, Truflo by Hindware, which continues to establish itself as the fastest-growing brand in its segment. In FY 2022-23, Truflo recorded a revenue of ₹785 crore, registering a growth of 29% over the previous year. During the fourth quarter of the financial year under review, we commenced commercial production from our second manufacturing plant, bolstering our annual capacity to 48,000 MT.

Introduction of new products, deep relationship with the customers and plumbing community gives us impetus for strong growth. Further, with an aim to enhance reach and market access, we are investing in a greenfield manufacturing plant in Roorkee, Uttarakhand.



Sandip Somany
Chairman



Message from the Chairman

Our consumer appliances business exhibited resilience, recording a remarkable 16% revenue growth, amounting to ₹501 crore. In January 2023, Hintastica Private Limited, our 50:50 joint venture with Groupe Atlantic, commenced trial production at the Telangana plant. This state-of-the-art plant, spread across over nearly 6 acres, has the annual capacity to manufacture six lakh units of water heaters and other heating appliances.

The plant was built with an environment-friendly design that incorporates advanced energy-saving manufacturing equipment and harnesses renewable energy sources. These achievements have been possible due to the dedication of our team, our commitment to innovation, and the support of our customers.

STRATEGIC INITIATIVES, DRIVING SUSTAINABLE GROWTH

Our organisation's sustainable growth is driven by a series of strategic initiatives aimed at maximising our potential across various segments we operate in. At the heart of everything we do is our unwavering focus on customers, as we continuously innovative products across diverse categories, ensuring exceptional value and satisfaction. By embracing cutting-edge technology, we have created a smart and sustainable living experience that sets us apart in the market, effectively meeting our customers' evolving needs.

To fortify our market presence, we have carefully curated a differentiated product mix in both Building Products and Consumer Appliances categories. Our intelligent marketing and branding campaigns have further strengthened our brand recognition. Additionally, we have established strong distribution networks, allowing us to effectively market our innovative offerings and identify cross-selling opportunities.

In line with our commitment to continuous improvement, we have embraced digitalisation and data analytics, optimising various aspects of our business operations. Real-time insights and AI-driven forecasting have significantly improved our sales and supply chain management. Implementation of Salesforce CRM and WhatsApp for Business has enhanced our customer relationship management and improved sales effectiveness. Additionally, our adoption of service CRM and warehouse management systems has increased efficiency throughout our organisation.

Hintastica Private Limited plant started trial production in January 2023, featuring a cutting-edge facility with an annual capacity to produce six lakh units of water heaters and other heating appliances.





All these initiatives position us for long-term success, ensuring operational excellence and the delivery of superior products and services to our valued customers. With a strong focus on sustainability and staying at the forefront of technological advancements, we are confident in our ability to navigate the challenges of the future while continually surpassing customer expectations.

STRENGTHENING OUR HUMAN CAPITAL

At our organisation, we prioritise creating an inspiring work environment that empowers our employees to unleash their maximum potential. We are fostering an inclusive, dynamic, and rewarding atmosphere that promotes growth and satisfaction. We prioritise diversity and inclusion, encourage transparent communication and foster a dynamic workplace culture.

WAY FORWARD

As we navigate the ever-changing business landscape, we remain focused on seizing growth opportunities and mitigating potential challenges. Our resilient business model, strong leadership team, and customer-centric approach positions us well for sustained success. Growth in the sanitaryware and faucets segment will be driven by a consistent focus on brand creation, innovative product introductions, continued expansion in distribution and geographical reach. We have strategically planned investments to expand our capacities in the plastic pipes and fittings segment with a clear focus on propelling growth and capitalising on opportunities present in the market.

In the consumer appliances segment, we will continue to focus on technology-driven product innovations with the Internet

of Things (IoT)-based next-gen products at the forefront. To boost the market penetration and awareness, we are expanding our dealer and retailer network in Tier III and IV cities.

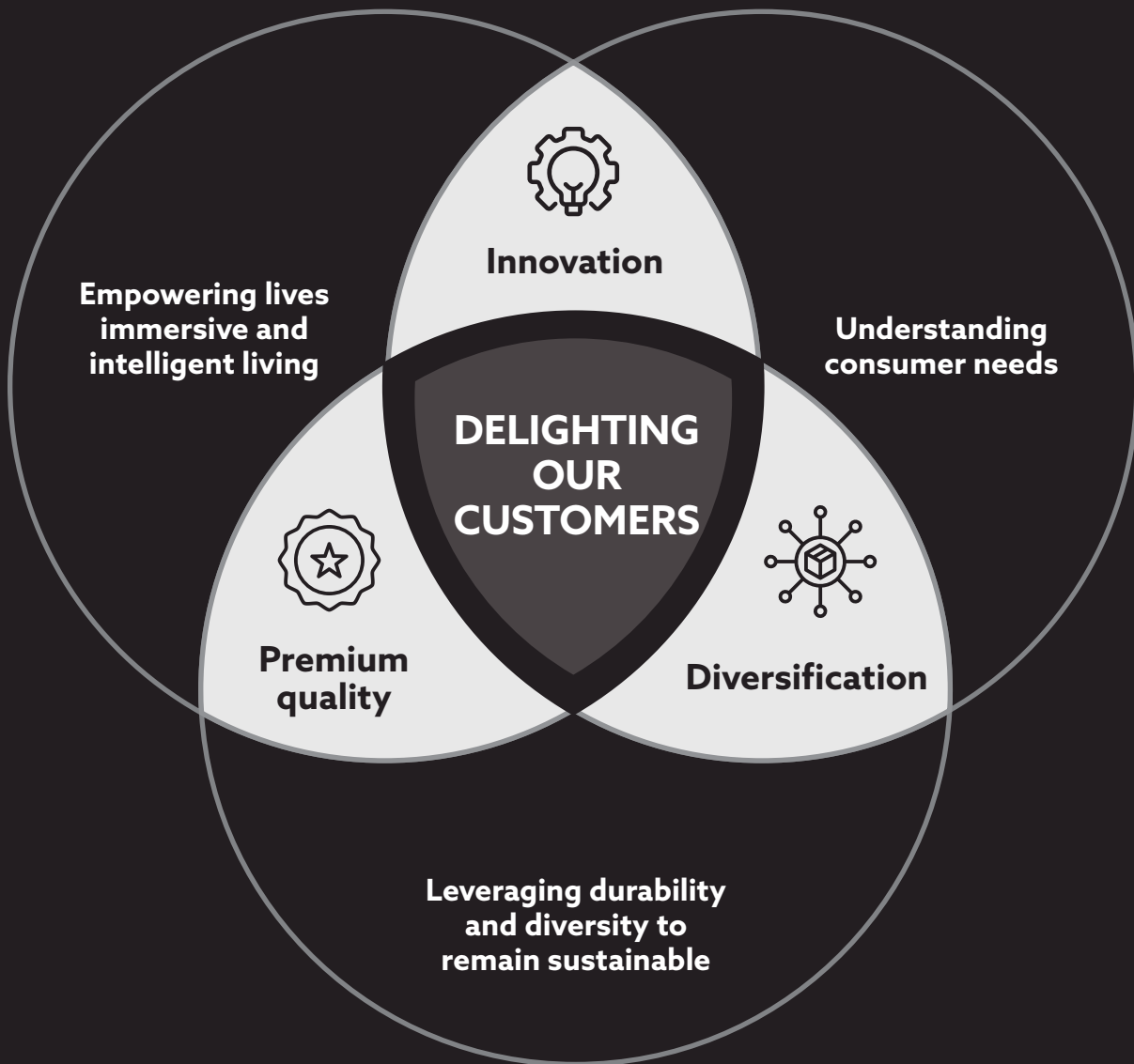
Our focused growth strategy and confidence in the India growth story position us for a journey of expansion and success. I am confident that we will continue to unlock significant stakeholder value as we progress. I take this opportunity to thank all stakeholders for their continued support.

Warm regards

Sandip Somany
Chairman

Delighting customers with innovation, diversification and premium quality

With a customer-centric approach ingrained in our ethos, we strive to design and deliver products that resonate with our customer's requirements.





Strategy

Our approach to sustainable growth

Aligned with opportunities in the sectors we are present, we have meticulously crafted our strategy. Our strategic approach is centred around strengthening our brand position and maximising stakeholder value. Our addressable market has grown by 12.5x for the last decade.

SECTORAL GROWTH OPPORTUNITIES

Growth-focused government policies	Rapid urbanisation and infrastructure development
Rising disposal income	Rise in nuclear families
Enhanced quality of life	Revival of real estate sector
Renovation and remodelling activities	Evolving consumer tastes and preferences
Technological innovation	Growing internet penetration
Emergence of digital platforms – E-commerce	Growth in smart home technology



Building on strategies

Introduce innovative products across categories

Our strategic approach involves launching a series of successful products at regular intervals, ensuring that we stay ahead of the curve in an ever-evolving market to meet the burgeoning needs of our customers. Through a deep understanding of consumer insights and market trends, we identify emerging opportunities and develop products that resonate with our target audience. This helps us gain a significant market share and position ourselves as leaders in the industry.

Leveraging distribution channels

Our strategic prowess lies in effectively harnessing distinct distribution networks to market innovative products and create cross-selling opportunities. With an expansive distribution reach for all segments, we not only cater to existing markets but also tap into new ones. Additionally, our close partnerships with trade allies provide valuable insights into customer preferences, allowing us to launch products that cater to their specific needs.

Capital efficient model

We are continuously enhancing our capital return ratios in the long term. As an integrated player, our manufacturing capabilities and a flexible sourcing network that ensures best-in-class products across the categories. Coupled with a robust supply chain, we ensure efficient delivery of an extensive array of products, underscoring our commitment to quality and customer satisfaction.

Multiple revenue streams

Our success is driven by a differentiated product mix across categories. By strategically positioning our offerings, we create a distinct market presence and build strong brand recognition. Additionally, we are actively expanding our footprint in the rapidly growing plastic pipes and fittings segment, capitalising on its immense potential for growth.

Business Model

Creative value for all to grow sustainably

Our customer-centric business model prioritises customer satisfaction by focusing on their needs and exceeding expectations. This approach drives sales growth, boosts productivity and encourages a strong organisational environment.

By consistently delivering exceptional performance, we strengthen our value proposition to stakeholders and establish ourselves among leading industry players.

RESOURCES

Products and brands

Our wide range of innovative and high-quality products enable us to remain at the forefront of the industries we operate in. Our brand embodies our core values, and have a unique identity, enabling us to differentiate ourselves in the market.

Wide reach

By leveraging three distinct distribution channels that cater to bathware, consumer appliances, and pipes business, we continuously strengthen our relationships with consumers. Our hyperlocal approach plays a crucial role in establishing and driving our online presence, enabling effective customer connections and fortifying our market position.

Innovation and intellectual capital

Our dedicated research and development team plays a crucial role in fostering innovation and develop future-ready products that cater to the evolving needs and preferences of our customers.

Our workforce

Our talented workforce is encouraged to think creatively, contribute their ideas, and leverage their expertise to fuel innovation across all aspects of our business.

Manufacturing

Our manufacturing plants are equipped with state-of-the-art technology and world-class equipment, ensuring optimal production capabilities.

OUR STRATEGY



Innovation and intellectual capital



Insight

Our business approach

BUSINESS PROCESS



Customer feedback



After sales service



Product
development



Vendors/
Suppliers



Manufacturing
capabilities



Sales and
marketing



Distribution



Customers

OUR GOVERNANCE

OUTPUT

Shareholders

Our Company achieved remarkable financial success with a revenue growth of 25%, amounting to ₹2,873 crore. Furthermore, our EBITDA experienced significant growth of 38%, reaching ₹281 crore.

Customers

We continuously launched innovative products across various categories, fulfilling our customers' evolving needs and offering diversification. As we grow, we will continue to expand our portfolio.

Suppliers

Our suppliers play a vital role in ensuring the smooth operation of our business by delivering quality products on time and at a reasonable cost. We uphold social and environmental standards in our supplier relationships, fostering fair and equal partnerships.

Sustainability

We are committed to producing products that have minimal environmental impact. We prioritise eco-friendly materials, energy-efficient processes, efficient resource utilisation, reduction of carbon emissions and responsible waste management. Moreover, we proactively participate in community development initiatives.

Dealer and distributors

Nurturing strong and long-term partnerships with our dealers and distributors is imperative for our business success. We provide them periodic training sessions, empowering and keeping them well-informed to excel in their roles.

Employees

We attribute our success to the invaluable contributions of our employees, who have played an integral role in our achievements. We nurture a work environment that supports the personal and professional growth of our employees.

Embracing digitalisation for long-term sustainability

Our digital transformation journey focuses on two goals - gaining operational excellence and driving a higher degree of customer satisfaction.

We have driven innovation through various strategic initiatives, including the development of an influencer app fostering brand collaborations. We also introduced the Hindware Bathroom Visualiser, offering immersive design experiences. Leveraging data, our analytics dashboards now offer 35+ reports. Automation (RPA) optimised 50+ processes, while generative AI reshaped our business landscape. Additionally, our NLP-based employee chatbot enhanced workforce support.

MASTER DATA MANAGEMENT (MDM) SYSTEM

The introduction of this system has significantly enhanced our decision-making processes by ensuring improved data integrity and consistency.

SALESFORCE CRM

In the sales department, our implementation of Salesforce CRM has yielded significant advancements in customer relationship management, leading to enhanced sales effectiveness. This powerful system has streamlined our sales processes, enabling us to better understand and meet our customers' needs. By centralising customer data, tracking interactions, and providing real-time insights, Salesforce CRM has empowered our sales team to make informed decisions, optimise their strategies, and deliver a superior customer experience.

WHATSAPP

WhatsApp for Business plays a pivotal role in enabling real-time and personalised communication with our channel partners, resulting in enhanced coordination, faster response times, and improved customer support, thereby strengthening our relationships with them to ensure excellent customer service.





WAREHOUSE MANAGEMENT SYSTEM

The implementation of the Warehouse Management System has optimised inventory management and logistics operations, leading to improved efficiency and cost reduction. In addition to enabling digitalisation in our operations, we have incorporated cutting-edge technological advancements in our products throughout the value chain. This has led to improved functionality, enhanced performance, and an enriched user experience.

SERVICE CRM

To enhance service delivery and customer satisfaction, we have successfully implemented a Service CRM. This streamlined system enables us to efficiently manage customer inquiries, track service requests, and provide timely resolutions, ensuring an enhanced customer experience.

EXTENDED DISTRIBUTOR MANAGEMENT SYSTEM

The Extended Distributor Management System enhances collaboration, streamlines operations, and strengthens partner relationships, optimising distribution efficiency and boosting customer satisfaction.

DIGITAL ONBOARDING

Digital onboarding of our new channel partners streamlines processes, minimises paperwork, and delivers a seamless customer experience. This efficient approach not only saves time but also enhances transparency and communication, allowing us to onboard distributors quickly and effortlessly.

Board of Directors: Hindware Home Innovation Limited

Leading the way with vast knowledge



Mr. Sandip Somany

Chairman and Non-Executive Director

- Commerce graduate and a diploma holder in Ceramic Manufacturing Technology from the US
- 38 years of work experience in the ceramics and glass industry
- Past-President of the PHD Chamber of Commerce and Industry (PHDCCI)
- Past-President of the International Chamber of Commerce – (headquarter in Paris) India Chapter
- Past-President of Federation of Indian Chambers of Commerce and Industry (FICCI)
- Chairman of the Indian Council of Sanitaryware Manufacturers (INCOSAMA)
- Chairman of Risk Management and Corporate Affairs Committee of the Company



Mr. Nand Gopal Khaitan

Independent Director

- An Attorney-at-law and a Notary Public appointed by the GOI
- Practices in the Hon'ble High Court Calcutta and the Hon'ble Supreme Court of India
- Senior partner at Khaitan & Co. one of the leading law firms in India
- Awarded Bell Chamber's Gold Medal by the Incorporated Law Society, Calcutta High Court, for standing first in all the Law examinations
- President of the Indian Council of Arbitration, New Delhi
- President of Bharat Chamber of Commerce
- Former Vice President of the Agri-Horticultural Society of India
- Executive Committee member of the Federation of Indian Chambers of Commerce and Industry (FICCI), New Delhi
- Executive Committee member of two leading schools in Kolkata
- Chairman of the Stakeholders' Relationship (Shareholders'/Investors' Grievance) and Nomination and Remuneration Committee of the Company
- Member of Audit, Stakeholder Relationship (Shareholders'/Investors' Grievance), Corporate Affairs, Nomination and Remuneration and Risk Management Committee of the Company



Mr. Ashok Jaipuria

Independent Director

- Qualified in Business Administration and Marketing Science
- Chairman & Managing Director of Cosmo First Ltd. an Indian MNC, which is into manufacture and export of Biaxially Oriented Polypropylene (BOPP) Films
- Member of the Board of Governors of the Public Health Foundation of India (PHFI), Gurugram
- Former Member of the Board of Governors of the Indian Institute of Technology, Indore and Patna
- Former Executive Committee Member of FICCI, New Delhi
- Former Member of the Board of Governors of the Institute of Liver & Biliary Sciences
- Former President of Golf Foundation, an organisation that helps the underprivileged potential golfers in India
- Founder and Trustee of the Cosmo Foundation, an organisation that imparts education to the underprivileged



Mr. Salil Kumar Bhandari

Independent Director

- Fellow Chartered Accountant, Commerce graduate (Honours) and a Diploma holder in Business Administration
- Founding Partner of BGJC & Associates LLP, a well-respected audit and management consulting firm based in New Delhi
- Experience in counselling top management in strategy implementation, scaling up of business, organisational development, and management and family structures
- Former President of the PHD Chamber of Commerce and Industry (PHDCCI)
- Member of National Executive Committee of FICCI
- Currently on the Board of the Indian Institute of Management (IIM), Indore
- Former Chairperson of Society for Integrated Development of Himalayas (SIDH)
- Former member of Task Force – Commission on Centre-State Relations, Government of India
- Former Managing Committee member at ASSOCHAM
- Former member of the Advisory Committee, Department of Company Affairs, GOI
- Chairman of Audit, Nomination and Remuneration and Stakeholder Relationship (Shareholders'/Investors' Grievance) Committee
- Member of Risk Management Committee



Ms. Anisha Motwani

Independent Director

- Science graduate from Sophia College and holds a Degree in Master of Business Administration
- Brand, digital and innovation expert and a multi-faceted business leader with 30+ years of experience in diverse industries such as advertising, auto manufacturing, financial and health services
- Founder and Managing Partner of 'Storm the Norm', an innovation company
- As an industry expert, she advises the World Bank on the 'Swachh Bharat Programme', the 'National Mission for Clean Ganga' and the programme for 'Solar Energy Rooftop'
- Was voted as one of the 50 Most Powerful Women in Indian Business by Business Today, for three consecutive years since 2009
- Also been recognised amongst the Top 50 Women in Media, Marketing and Advertising by Impact & Colors for four consecutive years since 2011
- Conferred the 'Women at Work Leadership Award 2011' by Asian Confederation of Business and the 'Brand Builder of the Year' award by NDTV, among many others
- Holds Directorships in various companies
- Member of Audit Committee



Mr. Girdhari Lal Sultania

Non-Executive Non-Independent Director

- Commerce graduate, Fellow Chartered Accountant, Fellow Company Secretary and consultant by profession
- Possesses vast knowledge and experience of Financial Restructuring, Corporate Laws and Legal Compliance
- General Member of Association of Corporate Advisers & Executives

Business Review

Robust performance across businesses

Building products

Our extensive product range is known for quality, and user-friendly features and spans various categories and price points. Our notable innovations over the years include touchless flushing and self-cleaning technologies across our sanitaryware and faucets products, fortifying our commitment to provide customers with solutions that enhance hygiene and elevate their overall bathroom experiences. As we continuously invest in research and development, we remain dedicated to pushing the boundaries of bathroom product excellence. Our foray into premium and super-premium tiles ensure that we cater to a wider range of customers who seek quality and sophisticated designs for their spaces.

As a prominent player in the plastic pipes and fittings industry, we maintain our position amongst the fastest-growing companies in the segment.

FY 2022-23 SNAPSHOT

Revenue from operations

₹2,316 crore

📈 +29% y-o-y

Share of total revenue

81%





Business Review

Bathware business

FY 2022-23 SNAPSHOT

₹1,532 crore
Revenue from operations

53%
Share of total revenue

₹213 crore
EBITDA

Diverse offerings

Sanitaryware



Water closets
Wash basins
Urinal and squatting pans

Faucets



Bathroom faucets
Kitchen faucets
Sensor faucets
Thermostats

Wellness



Bathtubs
Shower panels
Shower enclosures
Vanity
Whirlpools
Steam generators

Allied products



Concealed cisterns
Seat covers
PVC cisterns

Tiles



Glazed vitrified
Ceramic
Full-bodied vitrified
Super-slim
Cladding
Parking



Key brands

QUEO
european bath lounges

LUXURY BRAND

Queo is a luxury bathware brand born in the cauldron of European design culture and aesthetics. We, at Queo, recognise that self-care has become paramount as we embark on the journey to make Bath lounges; modern sanctuaries to create a sense of well-being.



hindware *italian*
collection

PREMIUM BRAND

The Hindware Italian Collection is a prestigious line of sanitaryware and bathroom fittings. Inspired by Italian craftsmanship, this premium collection seamlessly blends exquisite design, superior quality, and advanced technology. Crafted using high-quality materials and incorporating cutting-edge technology, the brand ensures both durability and functionality.



hindware

MASS BRAND

Hindware, a household name, has been at the forefront of industry-first designs and innovations. The brand constantly strives to achieve a confluence of understanding of the Indian market, technology and aesthetics in the Hindware Design Studio, to create bathroom products that leave consumers feeling truly rejuvenated. The stylish bathroom solutions are crafted using the best materials and industry leading technologies.



Business Review

Marquee new launches



EASY CLEAN

The Easy Clean washbasin from Hindware is the latest innovation in the smart bathroom segment. 'Easy Clean' washes the basin automatically after every use; the innovation is focused on performance-led solutions to enable better safety and hygiene in households. It has a battery-operated motor fitted below, which automatically detects when you finish using it, and it starts the cycle of self-cleaning for 10-12 seconds. This feature guarantees not only cleanliness but also hygiene and safety.



FORZA

Designed to enhance the opulence of any bath environment, the F-Forza faucet brings different shapes, artistic styles, materials and finishing, to make a masterpiece that is customised to the consumer's existing home decor and aesthetic vision. The vibrant colour options will have an astonishing effect on the feel of the bath spaces whereas the clean and classic design of the Joystick faucet works as a magic wand in your fingers.



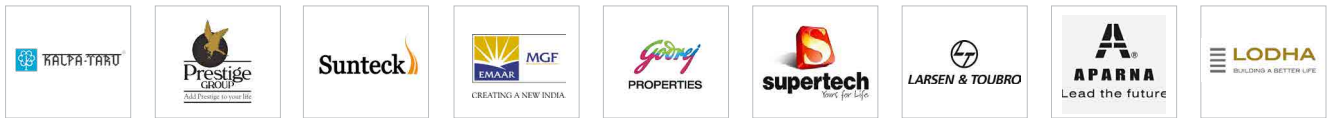
ELLIPSE BASIN

Inspired by the elegant square shape, this exquisite countertop basin offers a premium and sleek appearance, enhancing the beauty of a bathroom. With their defined and seamless edges, they bring a touch of sophistication to any bath space. The cleverly designed in-built holders create an illusion of spaciousness, ensuring the bathroom remains open and uncluttered.



Marquee clients

COMMERCIAL



HOSPITALITY



REAL ESTATE



EDUCATION



OTHERS



Business Review

Marketing and branding initiatives

BRAND CAMPAIGNS

HINDWARE IPL COLLABORATION

To improve brand visibility and engage with the country's cricket fans, we partnered with Punjab Kings and Royal Challengers Bangalore (RCB) for IPL 2023. We were the principal sponsor for Punjab Kings, with players having the logo on their cap and helmet. Simultaneously, we were recognised as the associate sponsor for RCB.



HUES BY HINDWARE ITALIAN COLLECTION

"Hues by Hindware Italian Collection" campaign announced the launch of coloured faucets. The new range entails a complete portfolio of faucets called Edge, Element and Avior which are available in stunning colours such as Gold, Rose-Gold and Chrome Black. The TV commercial was released in multiple languages and struck a chord with the audience, resonating effectively.





LET TIME WAIT

Queo has launched its latest TVC campaign titled 'Let Time Wait', starring the talented actress Aahana Kumra. This campaign aimed at strengthening Queo's positioning as a luxury bathware brand, offering consumers European bath lounges that seamlessly fuse design and innovation. The campaign truly embodies opulence and reaffirms that when it comes to superior bathspaces, Queo stands at the forefront.



105 million
Impressions on digital
and OTT

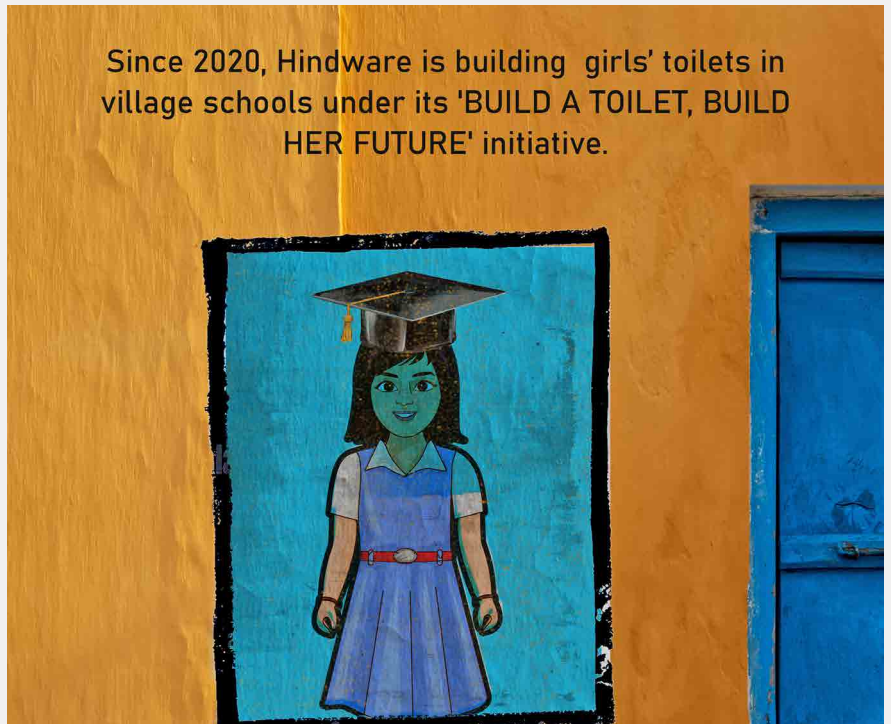
150+
Stories covered with
extensive PR

BRAND WITH A PURPOSE-DRIVING CONVERSATIONS ON WORLD TOILET DAY

This initiative, launched in 2021 is dedicated to promoting education of young girls by providing them with proper sanitation facilities at schools. Over the past two years, we have successfully constructed approximately 170 toilets, with a primary focus on regions in and around Haryana and Rajasthan.

In the current year, we have pledged to construct an additional 80 toilets, and to ensure their effective on-ground execution, we have partnered with Ma My Anchor, an NGO. We will continue this journey by tying up with many more schools across the country to spread hygiene empowerment.

Since 2020, Hindware is building girls' toilets in village schools under its 'BUILD A TOILET, BUILD HER FUTURE' initiative.



32 million
Campaign impressions

14 million
Audiences reached

Business Review

INFLUENCER PROGRAMMES

PLUMBER LOYALTY PROGRAMME MAKING AN IMPACT WITH PLUMBER NO. 1

Plumbers and other professionals within the plumbing industry are crucial stakeholders for us, as they hold a significant influence in shaping purchase decisions.

Taking this into consideration, we introduced "Plumber No. 1" last year, an industry-first integrated loyalty programme for plumbers, which has a dedicated app and utilises QR codes. Through this programme, we offer weekly loyalty benefits, acknowledging the plumbers' invaluable contributions. During the last year, we organised 32 Plumber Melas and conducted more than 1,000 meets pan-India. Within just five months of its launch, the Hindware Plumber app garnered an impressive 26,000



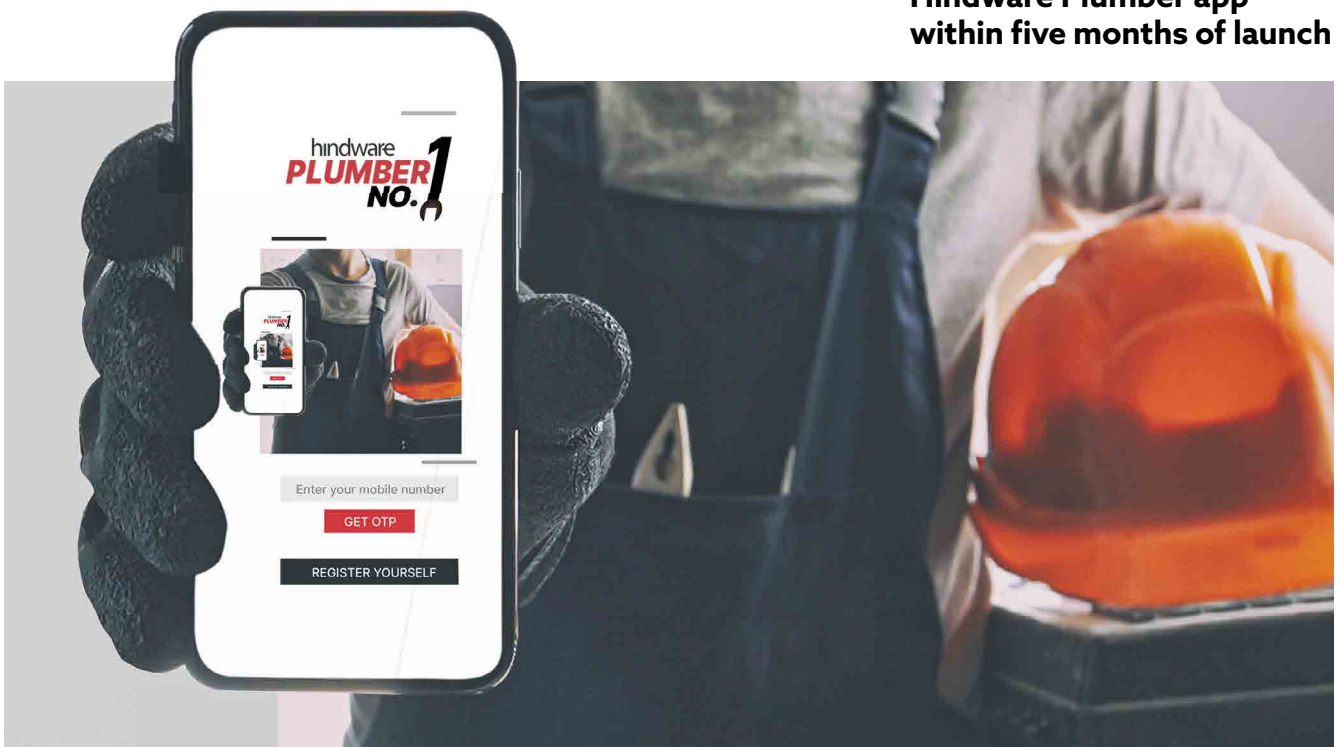
registrations. Apart from the financial benefits, top plumbers from each state are recognised every month. Additionally, we are committed to providing training and certificates as part of the programme.

32

Plumber melas conducted

26,000

Plumbers registered on Hindware Plumber app within five months of launch





ARCHITECT CONNECT PROGRAMME

Club Maestro is an architect loyalty programme tailored exclusively for architects and interior designers. The programme offers them exclusive benefits, rewards, and support to enrich their professional journey and foster seamless collaboration with the brand. This year, we successfully onboarded 3,700+ architects under this programme.

3,700

Architects joined the Club Maestro app during the year

Design challenge

We conducted a design challenge where we invited designers from across India to present their vision of stylish bathrooms featuring Hindware products. The entries that came in, displayed inventive and cutting-edge designs, incorporating elements like wabi-sabi aesthetics, futuristic warfare scenarios, and tropical modern themes.

Following that, we selected the best bathroom designs that highlighted seamless integration of sanitaryware with artistic brilliance at an on-ground event. We recognised and celebrated the top three highly appreciated designs with beautifully handcrafted Longpi Moonshadow trophies symbolising their exceptional accomplishments.



Business Review

DEALER CONNECT PROGRAMME

We launched an exclusive Hindware Privilege Club (HPC) Programme to provide our dealers with a more streamlined and rewarding payout system. The HPC Programme brings advantages to both our existing and new dealers, fostering a stronger relationship with them.

With the HPC Programme, we aim to strengthen our partnership with dealers and provide them with enhanced opportunities for growth and success.



Digital marketing

Our brand strategy focused on creating a strong digital presence and maximising brand impact. With intuitive navigation and a refined [Hindware.com](https://www.hindware.com) website, we achieved a seamless user journey, resulting in 3 million page views and 1 million visits.

To expand our brand's reach, we implemented 6 impactful media campaigns, including IPL Swag Se Refresh and HUE Coloured Faucets. Overall, the campaigns generated 257 million impressions and reached 85 million people across various platforms. These campaigns showcased our products' elegance and craftsmanship, elevating our brand's reputation.

Our social media handles played a vital role, reaching 46 million users. Our LinkedIn experienced a growth of 175%, reaching 13.5K followers. On Instagram, our account doubled its

followers to 32K, while our Facebook page also showed growth of 6%, reaching 584K followers.

Teaming up with popular influencers in lifestyle and design amplified our brand's credibility allowing genuine product displays and reaching new audiences. Under the one-commerce initiative, we have successfully listed over 600 products on prominent platforms, consistently enhancing content quality, and diversifying our offerings. Our strategic foray into offering our sanitaryware products online has proven fruitful, enabling us to cater to a wider customer base and expand our reach in the market.

ONLINE REPUTATION MANAGEMENT (ORM)

The integration of the Locobuzz ORM tool has led to a significant improvement in customer experience

and online grievance redressal for our brands. Through persistent social and online content, as well as efficient response management, we have achieved a reduced first-level response time to just 15 minutes.

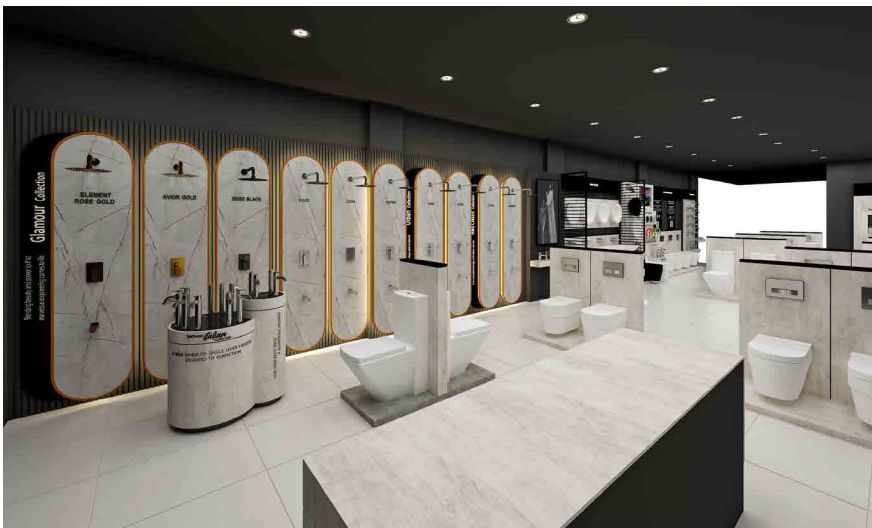
The tool's capabilities go beyond enhancing ORM initiatives; it also measures brand insights, customer behaviour, competitor insights, and performance analytics across all key digital channels. By providing empowering business insights on a unified CX management platform, Locobuzz is playing a pivotal role in optimising our brand strategies and customer engagement.



HINDWARE BATHROOM VISUALISER

We successfully launched the 3D Bathroom visualiser on our website, a game-changing digital solution designed to elevate customer experience. With a strong focus on understanding customer interactions in physical spaces, this innovative tool provides an unmatched virtual experience.

The visualiser empowers customers to instantly experience our bath products in custom-built 3D concept bathrooms, allowing them to reimagine their desired bathroom by easily dragging and dropping their preferred bath products. This innovative solution aims to elevate customer engagement and provide an immersive shopping experience like never before.



BRAND STORE

During the reporting year, our Hindware Experience Centres underwent a transformation, exuding an even more elegant and premium look.

To support our dealers, we organised various activities, including consumer activations such as RWA activities, product-focused events, and festive season promotions. These initiatives not only enhanced dealer engagement but also strengthened our relationships with our dealers.

Brand awards and recognitions

Winner of the Jury choice award at ACETECH Mumbai

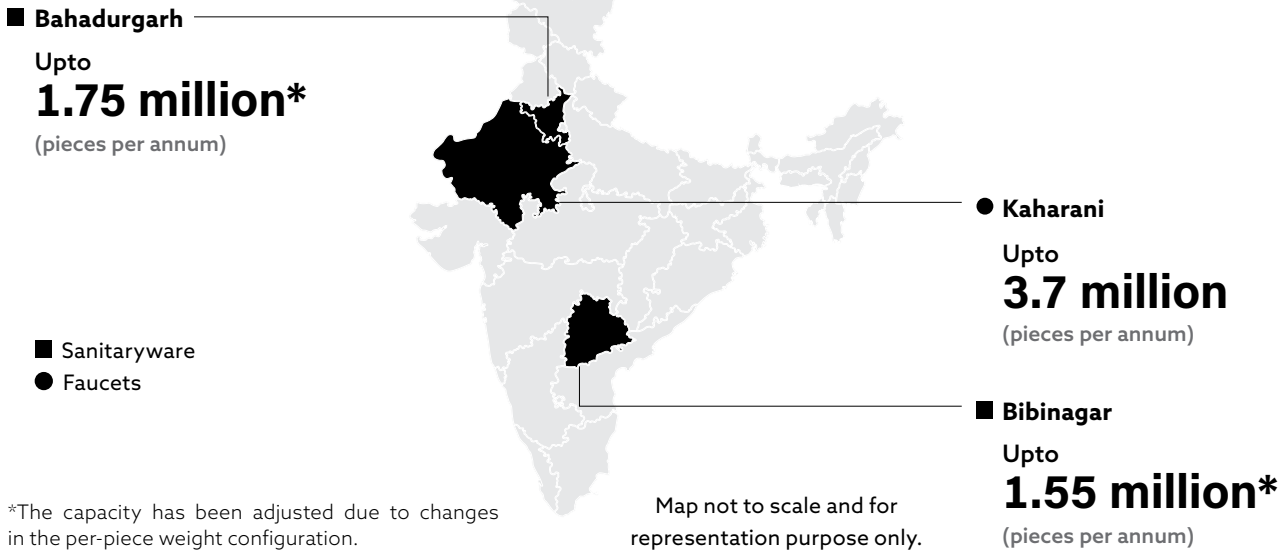
Winner of Grand Stand Award Category at ACETECH Delhi

Winner of "e4m Pride of India - The Best of Bharat" Awards 2022

Recognised among the 'The Best Brands 2022' by the Economic Times Brands Conclave 2022

Business Review

Manufacturing excellence



SANITARYWARE

We have significantly improved production efficiency through strategic transformations in plant machinery and processes. We introduced a robotic spraying system for precise application, implemented a pressure casting system for enhanced productivity, and optimised operations by grinding ceramic minerals in-house and replacing felsite lining with high alumina lining in the ball mill. These initiatives underscore our commitment to technological advancement and process innovation, reinforcing our position as industry leaders.

To optimise production, we have implemented cost-effective measures, minimised waste, and maximised recycling of rejects after grinding. These efforts demonstrate our commitment to excellence and sustainable growth.

Regarding energy consumption, significant progress has been made through the implementation of two state-of-the-art energy-efficient shuttle kilns and a batch kiln, resulting in operational flexibility and substantial energy savings. Furthermore, we have installed energy-efficient blungers,

a new screw-type compressor with VFD technology, and replaced conventional ceiling fans with high-energy efficient BLDC fans. Additionally, by shifting the electricity consumption meter from the substation to the plant, we have minimised unit losses. We have installed solar power panels, with a combined capacity of 2,720 kWp.

We have achieved significant progress by becoming a zero liquid discharge plant. Treated water generated from our captive ETP and STP facilities is utilised for gardening and toilet flushing.

Key certifications

ISO 9001: 2015	ISO 14001: 2015	ISO 45001: 2018	UPC-I Certification	WEP-I, IGBC & Leed Rating (Star Rating) Certification
IAPMO Lab Certification	CE Certification	Green Pro Certification	Griha Certification	BIS License ISI marked Product (6 Licenses)



FAUCETS

We have fully embraced state-of-the-art technologies and cutting-edge manufacturing practices to ensure optimal efficiency, precision, and quality at every stage. Recently, we have made significant improvements by adding two 2-head auto buffing machines and two 4-spindle surface peeling machines, elevating our manufacturing processes.

We have also successfully modified APM machines to operate with two operators, leading to remarkable improvements in productivity levels. These advancements reinforce our commitment to delivering top-notch products through innovative and streamlined manufacturing methods.

We have implemented various energy consumption initiatives including the utilisation of variable frequency drives on high-power blower motors and energy-efficient BLDC fans throughout the plant.

We have also invested in an energy-efficient air compressor and implemented insulation on induction furnaces to minimise heat loss. To reduce greenhouse gas emissions, we have retrofitted dual fuel kits on our diesel generator sets, enabling us to use natural gas as an alternative fuel source.

We have achieved zero liquid discharge with our in-house ETP and STP facilities. The treated water from our plant is repurposed for gardening and toilet flush purposes.



Key certifications

ISO 9001:2015	ISO 14001:2015	ISO 45001:2018
CII - GreenCo Gold	CII - GreenPro Gold	Green rating for integrated habitat assessment
IAPMO - Certificate of listing		

Business Review

Premium and super premium tiles

Our Premium and Super Premium Tiles span across 10+ categories. It is available in various sizes, ensuring a perfect fit for any space. From timeless classics to contemporary masterpieces, our designs encompass diverse tastes and preferences.

40
Brand stores

Our tiles boast a multitude of finishes, including matte, polished, dazzle, high gloss, satin, and rustic, harmonising effortlessly with any desired design aesthetic. To enhance accessibility and engagement with our discerning customers, we have strategically established multiple branded stores across the country. These stores serve as platforms to connect with our valued customers and provide them with an exceptional experience.

With the Hindware Italian Collection, we continue to redefine elegance and offer a remarkable range of tiles that reflect personal style and aspirations.

New launches



NOVO EXPANSE 600x1200 MM GVT: ENDLESS SERIES

'Endless' series in the 600x1200 mm GVT category, features nine SKU's in high gloss and matte finish. This collection caters to consumers in search of refined, seamless design solutions. These versatile tiles are suitable for both floors and walls, providing diverse design choices for commercial and residential spaces.

70+

SKU's were launched by the brand in FY2022-23



NOVO PLATFORMS 800x2400 MM FULL BODY

With eight polished colours, these large tiles can be used in both residential and commercial areas.



Innovative marketing and branding campaigns



85 million
Ad impressions

29 million
Audiences reached at
an average frequency
of 3

Go Larger Than Life |
Tiles By Hindware Italian
Collection | - YouTube

GO LARGER THAN LIFE

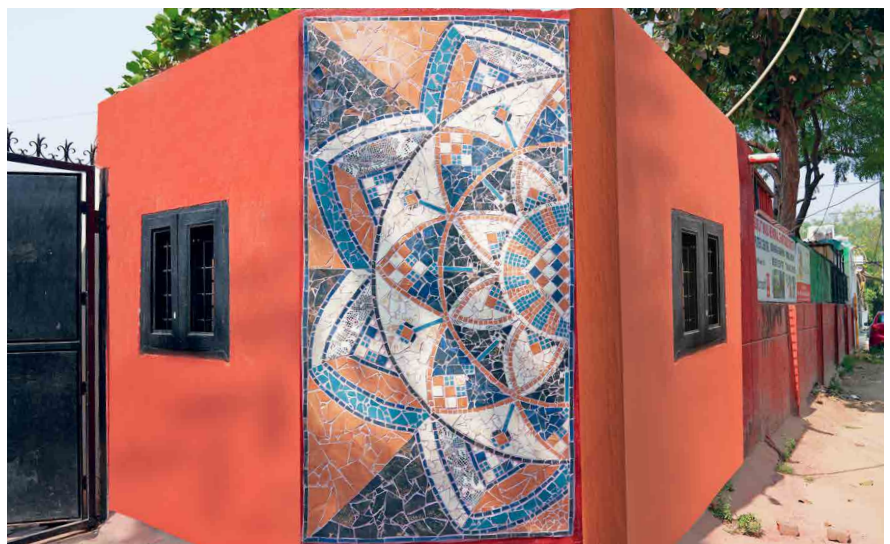
We launched a TV commercial campaign, 'Go Larger Than Life,' for our new line of extra-large tiles. The campaign showcased the design elegance and sophistication of the tiles, featuring Tamannaah Bhatia and the very well-known wrestler 'The Great' Khali.

It aims to captivate consumers through multilingual films and promote the brand across various media. This is the first-ever TVC from Hindware Italian Collection since we forayed into the tiles segment.

BROKEN BUT NOT WASTE

The campaign raised awareness about the significant wastage of tiles during construction and renovation projects. Its core message advocated for a sustainable approach among consumers by encouraging the reuse and recycling of damaged tiles.

To bring this initiative to life, we collaborated with Delhi Street Art and an NGO Ashwika Foundation in Delhi to create captivating mosaics using discarded tiles. Through this partnership, we aimed to change the perception of broken tiles, emphasising their value as valuable resources that can be repurposed and utilised creatively.



Business Review

Plastic pipes and fittings

TRUFLO BY HINDWARE: PLASTIC PIPES AND FITTINGS BRAND

Under the brand TRUFLO, we provide a range of premium quality CPVC, UPVC pipes, SWR pipes, and PVC pipes. The product portfolio also includes water storage tanks and column pipes and recently introduced Bath Fittings (PTMT faucets and other accessories) and multi-layer composite pipe plumbing solution.



FY 2022-23 SNAPSHOT

₹785 crore
Revenue from operations

27%
Share of total revenue

₹44 crore
EBITDA

DIVERSE OFFERINGS

1
Pipes

CPVC	UPVC
PVC	SWR
Column pipes	Multi-layer composite pipe

2
Overhead water storage tanks

3
Bath Fittings (PTMT faucets and other accessories)

As the leading brand in India's plastic pipes segments, TRUFLO continues its impressive growth, currently offering 2,000+ SKUs with a continually expanding product range. Our commitment to high quality is reinforced by NSF certification and the use of Sekisui Chemical Co. Ltd.'s valued CPVC compound, Durastream.

During FY 2022-23, we expanded into the new segment of the bath fittings range comprising,

PTMT faucets, flush tanks, seat coverings, and other accessories. We introduced 14 design variants for the PTMT faucets and 6 flush tank variants to cater to the needs of varied customers.

We exclusively collaborated with Reliance Worldwide Corporation (RWC) to launch Truflo SharkBite, featuring innovative multilayer composite pipes and push-to-connect fittings, providing reliable plumbing solutions to our valued customers.



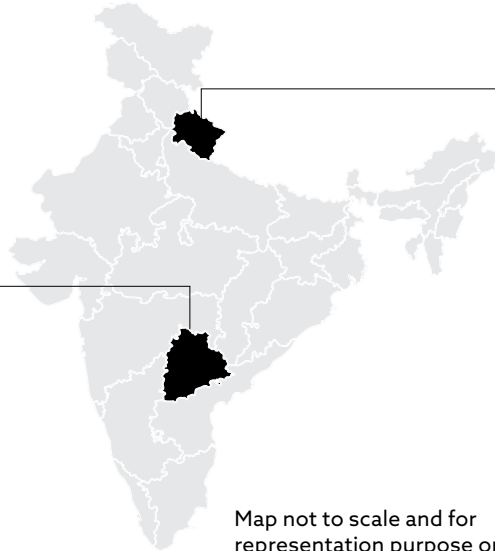
Manufacturing excellence

Our presence includes two manufacturing plants located in Isnapur, Hyderabad. Both plants are green sustainable buildings, with a collective production capacity of 48,000 tonnes per annum.

■ Sangareddy

Upto
48,000
tonnes

per annum



Roorkee

Our expansion continues with the upcoming third plant in Roorkee. We are currently in the process of advancing the civil project work.

Map not to scale and for representation purpose only.

Sustainability initiatives



Energy efficiency

We use 100% daylight harvesting and LED lights, energy-efficient motors and VFDs, and effective cooling systems. Additionally, our all-electric bellling machines reduce energy consumption by 50%, robotic integration increases efficiency by 55%, and regular equipment monitoring further enhances our green practices.

Water efficiency

We practice comprehensive water conservation, encompassing 'Zero' discharge, 98% rainwater harvesting, low-flow fixtures, meter monitoring,

VFDs in cooling, efficient cooling towers, smart irrigation, drought-tolerant landscaping, and 100% domestic wastewater recycling.

Rooftop solar energy

With a 660 kW capacity, we are enhancing sustainability by adding 600 kW to further our energy goals.

Waste management practices

Our waste reduction includes time-based process mapping, analysis for yield, colour-coded bins for source segregation, on-site wastewater treatment, and vermi-composting for organic waste.

Green house gas emissions

We prioritise sustainability at every level. On-site Solar PV offsets carbon, green spaces increase, and dedicated living quarters encourage walking to work. Efficient logistics use buses and carpooling, telescoping loading optimises truck space, and BS IV vehicles are employed. Carbon reduction continues through bulk containers and reverse logistics. Our commitment extends to products, processes, supply chain, and infrastructure, following standards with a focus on eco-design, waste reduction, and continuous improvement. Key practices include FSC wood, low VOC paints, and local sourcing. Responsible procurement and packaging define our supply chain. Our building enhances well-being with optimised light, ventilation, and SCADA automation.

Business Review

Consumer appliances

From the very beginning of our journey, our deep understanding of the market trends has been the foundation of our success under the consumer appliances business.

Our purpose is to bring joy into the lives of our consumers by prioritising their unique needs and aspirations. By embracing a human-first approach, we aim to create intelligent appliances that enhance convenience, elevate experiences, and empower consumers towards smart living. With a perfect fusion of cutting-edge technology and thoughtful design, our range of Hindware Smart Appliances offers unmatched performance, intuitive interfaces, and seamless connectivity.

Our in-house R&D has been recognised by the Department of Scientific and Industrial Research (DSIR). With an extensive array of connected and smart appliances, we have applied for 33 patents. Our goal is to become an industry leader in Smart Appliances, and to achieve this, we have developed the Hindware Konnect, a smart and intelligent IoT platform. This platform offers industry-first features including single app control, voice integration, one-touch service request, and geo-fencing capabilities.

FY 2022-23 SNAPSHOT

₹501 crore
Revenue from operations

17%
Share of total revenue

hindware
smart appliances

**Kitchen
appliances**

**Water
heaters**

Air coolers

Fans

**Room
heaters**

**Water
purifiers**

Kitchen and furniture fittings





Business Review

Product categories



KITCHEN APPLIANCES

Designed for modern-day homes, our kitchen appliances cater to the diverse kitchen needs of our consumers. The product portfolio includes chimneys, cooking range, food waste disposers, built-in microwaves, food sanitisers, built-in ovens, built-in hobs, cooktops, dishwashers, water purifiers and kitchen sinks.

WATER HEATERS

Our collection of Storage, Instant, Gas, and Heat Pump Water Heaters are enabled with advanced technologies such as Exclusive O'Pro Protection and Titanium Core Shield. These assure safety, durability and fresh hot water for consumers. Our range spans from 1 to 50 litres with Heat Pump Water Heaters available in 150 and 200-litre sizes.

AIR COOLERS

Our selection comprises Desert, Personal, Window and Tower models, with capacities ranging from 12 to 125 litres. It includes exciting features

such as inter-changeable colour panels, foldable designs, IoT connectivity, etc. All products are equipped with advanced features that guarantee comfort for the customer while delivering on the look factor.

FANS

Our range of fans are aesthetically designed, custom crafted for modern Indian homes and are available in ceiling, exhaust and portable categories. The portable range includes table, pedestal and wall fans.

ROOM HEATERS

We ventured into the room heaters segment in FY 2021-22, and are present in OFRs, Halogen, Quartz, Heat Convector and LPG categories.

WATER PURIFIERS

Our water purifiers are aesthetically designed in a way so they can bring goodness into the lives of our customers.

The products come with cutting-edge technologies, such as Advance Copper+ Technology, Mineral Fortification, etc. that ensure water is 99.99% safe, pure and comes with essential minerals.

KITCHEN AND FURNITURE FITTINGS

Under our partnership with FGV, a leading Italian furniture fittings and solutions brand, we offer kitchen and furniture fittings products such as MS Slide-On, Integrated 2D/3D and ESH Oneway 3D Soft Close Hinge, Corner Pie, Wide Angle and Blind Hinge, Comfy Normal and Silent Telescopic Channel, Excel Under mounted drawer Channels, UniPlus Drawer System and Aerolift Liftups. Engineered to meet the demands of the modern kitchen, the products offer Italian design and the reliability of the Hindware brand.



New launches

Kitchen appliances

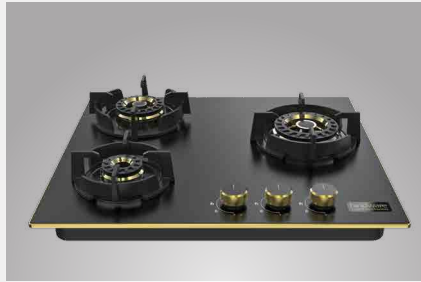
CHIMNEYS



BLDC range of chimneys

Four kitchen chimneys were launched with energy-efficient BLDC Motor with suction ranging from 1400 CMH to 1800 CMH. While Raylene and Marcella are available in an elegant, rich carbon grey colour, Ophelia comes in a unique flat body design. The chimneys also feature attractive and colourful digital display panel.

BUILT-IN-HOB



Ivana hob series

The premium built-in hob with exquisitely designed aesthetics come with full brass designer burners, gold finish metallic knobs, matt glass with gold edges, safety feature flame failure device and flame guard pan support.

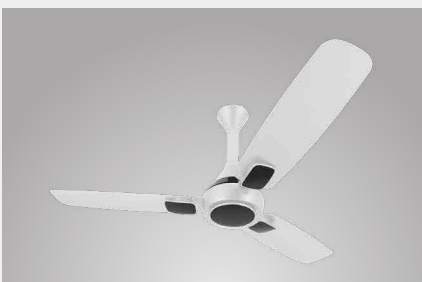
COOKTOP



Coral series

Coral cooktops come with 4 burners and 3 burner layouts along with forged brass burner, multi-function select valve, elegant metallic knob, stainless steel drip tray and 7 mm toughened glass.

Ceiling fans



MaxXGreen BLDC fans

Introduced two ceiling fans with energy-efficient BLDC that save upto 60% power consumption. The basic fan Moneta and a super-premium fan Fumi are available with remote.



Alita

Launched a star-rated fan with a powerful and efficient 100% copper motor. It is a silent ceiling fan with metallic finish and aerodynamic aluminium blades.



Vindico

Introduced a star-rated, metallic finish decorative fan. With aluminium blades and a 100% copper motor, it ensures high air delivery in every corner of the room. Its silent operation feature gives sound sleep at any time of the day.

Business Review

Air coolers



Slush 50L (window air cooler)

The window air cooler Slush comes with wood wool pads and ice chamber giving high cooling in every corner of the room. It offers an all-round protection from dust and insects entering with complete shut louvers. It also controls and reduces humidity in the room, and comes with a cord-winding station to provide convenience at all times.



Omnicool 46L/24L (personal air cooler)

Omnicool air coolers are high air delivery personal coolers, a perfect solution to the hot summers. Its bacto-shield honeycomb ensures hygienic, odourless air providing high cooling. Its complete shut louvers keep insects and dust away and motorised vertical louvers provides air in all corners of the room.



Cruzo 46L/25L (personal air cooler)

Our fan-based personal Cruzo air coolers provide a truly core-cooling experience. The incorporation of bacto-shield honeycomb and convenient ice chamber aids in faster and longer cooling hours. Its 4-way air deflection technology ensures uniform cooling, by throwing air in all four directions and its inverter compatible feature keeps the room cool even without electricity.

Water heaters



Storage water heaters - 10L, 15L and 25L

We introduced three storage water heaters in square mold, cubic-shaped design. Amelio with the superior incoloy heating element, colour-changing LEDs and comes in bold and beautiful colours of red, blue, and grey, while Alivio with its exclusive O'Pro technology and Titanium core shield technology tank is 5-star rated to give fresh warm water whenever you need.



Kweik portable water heater

Hindware Kweik Portable Water Heater offers consumers a superior experience with top-notch features. The water heater is equipped with high-level safety features such as a patented super safe innovative shield design, burn/fire Protection, IPX7 certified shock-proofing, auto cut-off feature, and overheating protection. For hassle-free usage, it comes with a cord holder and offers uniform standalone heating.



Instant water heaters

Introduced the first-ever instantaneous water heaters - Hindware Storm and Hindware Whizz, with instant heating to provide hot water in just 5 seconds. These models save energy and come with anti-scaling features as well. The tankless range of water heaters are best suited for bathrooms with jacuzzi, and bathtubs where a huge quantity of instant hot water is required, as well as for bathrooms where space is a constraint. Another 3L water heater Helio was introduced in the instant category.



Room heaters



Oil filled radiators

With three power level settings and specially designed tide-shaped fins, Arturo & Velda 9/11/13 Fins oil filled radiators prevent oxygen depletion, ensure uniform and faster heating, and come with tip-over safety. The 13-fin models are equipped with humidifiers and cloth hanger features to address the needs of modern consumers.



Heat convector

Introduced Accelera heat convector with two heat settings 1,000W and 2,000W. Equipped with adjustable thermostat, overheat protection, easy-to-carry handle and bi-directional placement with horizontal and vertical mounting options.



Fan room heater

Fan room heater Arlo is equipped with two heat settings 1,000W and 2,000W and fan-only operation. It comes with overheat protection, power indicator light and an easy-to-carry handle.

Brand awards and recognitions

Hindware Appliances was honoured with a Silver prize for Smart Products (Large) at FICCI Industry 4.0 Awards

Recognised by the Editorial Board of exchange4media and impact on net as a winner of the "e4m Pride of India - The Best of Bharat" Awards 2022

Hindware Smart Appliances was recognised as one of the 'The Best Brands 2022' during the 5th Edition of the Economic Times Brands Conclave 2022

HINTASTICA PRIVATE LIMITED (HPL)



Through our partnership with Groupe Atlantic, a renowned French conglomerate with a €3 billion focus on water heaters and heating solutions, operating under the entity Hintastica Private Limited (HPL), we have extended our footprint. This collaboration empowers us to introduce environmentally friendly heating and hot water solutions throughout the SAARC region, leveraging their extensive 50+ years of industry expertise.

Business Review

Retail

EVOK, the rapidly emerging furniture retail brand under Hindware Home Innovation Limited, has established itself as one of India's fastest-growing furniture brands.

FY 2022-23 SNAPSHOT

₹56 crore

Revenue from operations

36

Total number of stores

With a diverse portfolio, we offer an extensive array of options to suit every taste and preference. Crafted with precision and using the finest materials, our furniture combines timeless aesthetics with superior craftsmanship. Catering to customers across the country, EVOK exemplifies excellence and a customer-centric approach, redefining the furniture retail industry. We provide style, quality, and accessibility, creating the perfect ambiance for every home.

Customers can conveniently explore and purchase our products through various online and offline channels. They can visit our Company-owned and franchise stores or explore our user-friendly online portal, evok.in. Additionally, EVOK products are available on popular e-commerce platforms such as Amazon, Flipkart, Pepperfry, and more, ensuring convenient access for customers nationwide.





People-centric Approach

Our employees our priority, always

As we grow as an organisation, it is important to create a shared DNA that connects all our employees. With this thought in mind, we formed **ACT: Accountability, Collaboration and Talent**. We transformed this into our values, which is at the heart of everything we do at Hindware Home Innovation Limited.



Initiatives undertaken during the year

WORKSHOPS TO FOSTER NEW VALUES

To seamlessly integrate and ingrain our organisational values, we conducted workshops across multiple locations for our leadership team, which was spearheaded by our Chairman & Managing Director. The insights from the sessions were then circulated across the organisation, to further enlighten all our employees through dynamic discussions and engaging activities.



People-centric Approach



LEADERSHIP DEVELOPMENT PROGRAMMES

To empower our managers with essential knowledge and skills, we introduced leadership development programmes that touched upon a wide array of domains, such as leadership skills, effective communication, decision-making, conflict resolution, team building and performance management.

360-DEGREE FEEDBACK AND TRAINING

We introduced a 360-degree feedback system for leadership teams throughout the organisation. The system helped to collect inputs from supervisors, peers, and subordinates, providing a holistic assessment of strengths and growth areas. This spurred self-reflection and focused training for skill enhancement and alignment with our core values.

ENHANCING EMPLOYEE ENGAGEMENT AND COMMUNICATION

For enhanced employee engagement, we introduced various initiatives and integrated communication channels. Additionally, we also launched engaging activities like 'Learn Fri-yay' and team-building exercises, fostering appreciation, connection, and motivation among our employees, to instill value and inspiration for our collective organisational success.



DIGITAL TRAINING INITIATIVES

Implementing various tools and platforms has greatly benefitted our employees. Our social intranet platform has nurtured a culture of collaboration, knowledge sharing, and innovation. The introduction of 'Hum Tum', an AI-enabled HR chatbot, offers instant HR solutions, policy guidance, and operates around the clock.

Our shift towards a digital-centric approach has led to extensive digital training in areas like Power BI, RPA, AI, and IoT. This has notably boosted tool adoption, empowering us with actionable insights, elevating online reputation management, and enhancing sales effectiveness. These advancements have collectively positively impacted our employees, contributing to our organisation's growth and success.

CORPORATE TO CAMPUS INITIATIVES

As part of this Initiative, we engaged with Management Institutes to recruit talented Executive Trainees, while our Leadership team conducted business sessions at various institutes throughout the year.

Furthermore, we introduced online Executive MBA programmes in partnership with GLA University in Uttar Pradesh to empower our employees to pursue higher education while maintaining their work commitments, fostering continuous professional growth and academic advancement in tandem.



SIX SIGMA BLACK BELT PROJECTS

We successfully executed 11 Black Belt Projects, encompassing a spectrum of objectives. These included service enhancements such as minimising field failures, reducing spare parts ageing, and elevating partner/franchisee CSAT scores.

We also focused on enhancing quality parameters, implementing projects such as comprehensive

quality deployment programme from supplier to distribution level, quality control for outgoing dispatches, and transitioning from manual to app-based inspections at the supplier's end. Additionally, we undertook Black Belt projects related to warehouse improvements. Moving ahead, we are committed to an ongoing yearly execution of these projects to drive continuous progress.



Board of Directors: Hindware Limited

Leading the way with vast knowledge



Mr. Sandip Somany

Chairman and Non-Executive Director

- Commerce graduate and a diploma holder in Ceramic Manufacturing Technology from the US
- 38 years of work experience in the ceramics and glass industry
- Past-President of PHD Chamber of Commerce and Industry (PHDCCI)
- Past-President of International Chamber of Commerce – (headquarter in Paris) India Chapter
- Past-President of Federation of Indian Chambers of Commerce and Industry (FICCI)
- Chairman of the Indian Council of Sanitaryware Manufacturers (INCOSAMA)
- Chairman of the Corporate Affairs Committee and CSR Committee of the Company



Mr. Girdhari Lal Sultania

Non-Executive Non-Independent Director

- An Attorney-at-law and a Notary Public appointed by the GOI
- Practices in the Hon'ble High Court Calcutta and the Hon'ble Supreme Court of India
- Senior partner at Khaitan & Co. one of the leading law firms in India
- Awarded Bell Chamber's Gold Medal by the Incorporated Law Society, Calcutta High Court, for standing first in all the Law examinations
- President of the Indian Council of Arbitration, New Delhi
- President of Bharat Chamber of Commerce
- Former Vice President of the Agri-Horticultural Society of India
- Executive Committee member of the Federation of Indian Chambers of Commerce and Industry (FICCI), New Delhi
- Executive Committee member of two leading schools in Kolkata
- Chairman of the Stakeholders' Relationship (Shareholders'/Investors' Grievance) and Nomination and Remuneration Committee of the Company
- Member of Audit, Stakeholder Relationship, Corporate Affairs, Nomination and Remuneration and Risk Management Committee of the Company



Mr. Salil Kumar Bhandari

Independent Director

- Fellow Chartered Accountant, Commerce graduate (Honours) and a Diploma holder in Business Administration
- Founding Partner of BGJC & Associates LLP, a well-respected audit and management consulting firm based in New Delhi
- Experience in counselling top management in strategy implementation, scaling up of business, organisational development and management and family structures
- Former President of the PHD Chamber of Commerce and Industry (PHDCCI)
- Member of National Executive Committee of FICCI
- Currently on the Board of the Indian Institute of Management (IIM), Indore
- Former Chairperson of Society for Integrated Development of Himalayas (SIDH)
- Former member of Task Force – Commission on Centre-State Relations, Government of India
- Former Managing Committee member at ASSOCHAM
- Former member of the Advisory Committee, Department of Company Affairs, Government of India



Mr. Ashok Jaipuria

Independent Director

- Qualified in Business Administration and Marketing Science
- Chairman & Managing Director of Cosmo First Ltd. (Formerly known as Cosmo Films Ltd.), an Indian MNC, which is into manufacture and export of Biaxially Oriented Polypropylene (BOPP) Films
- Member of the Board of Governors of Public Health Foundation of India (PHFI), Gurugram
- Former Member of the Board of Governors of the Indian Institute of Technology, Indore & Patna
- Former Executive Committee Member of FICCI, New Delhi
- Former Member of the Board of Governors of the Institute of Liver & Biliary Sciences
- Former President of Golf Foundation, an organisation that helps the underprivileged potential golfers in India
- Founder Trustee of Cosmo Foundation, an organisation that imparts education to the underprivileged



Dr. Rainer Siegfried Simon

Independent Director

- German citizen and professional with 36 years of experience in international building products businesses
- Doctorate and has a degree in Business Administration from St. Gallen University, Switzerland
- Owner of Birch Court GmbH since 2005
- Former President and CEO of Sanitec International AG (Europe's largest Sanitaryware manufacturer)
- Held Senior Management positions at Friedrich Grohe AG (largest player in faucet business in the world), Continental AG and Keiper-Recaro and others
- Member of the Board, Lecico Egypt S.A.E.



Ms. Alpna Parida

Independent Director

- Graduate from IIM Ahmedabad and has a degree in Economics from St. Stephens College, Delhi University
- 27+ years of experience in retail and marketing communications in the US and in India
- Expertise in merchandising, bridged strategy and design, customer centricity and profitability, semiotics and ethnography, analytics and consumer insights, all with a design thinking approach to growth and profitability
- Current President of DY Works, India's oldest and largest branding firm; prior to that, she was the Head of Marketing at Tanishq, a prominent jewellery brand in India
- Conducts branding workshops for large corporates and is also associated with various NGOs
- Independent Director on the Board of Directors of various reputed companies such as Nestle, Nykaa, Cosmo First, Nexus Malls among others and is also a member of the Board of Governors of IIM, Ranchi
- She has founded her own company, Tiivra Ventures. Tiivra is aiming to become a cult brand with young men in India, focusing on motorcycle riders. The first offering from this rider-centric brand was Composite Fibre Motorcycle Helmets which launched in May 2022.

Management Discussion and Analysis





Economic environment

GLOBAL

In the recent past, the world has witnessed several waves of challenges ranging from the pandemic to the Russia-Ukraine conflict yet the world has emerged even more resilient. The global economy is facing an extended period of inflation owing to supply-side disruptions and an increase in energy prices due to the onset of the Russia-Ukraine war. Central banks across the globe hiked key policy rates to further curtail demand and tame inflation. The combination of the high cost of living and tighter financial conditions is exerting significant pressure on the economic outlook.

Global growth moderated from 5.9% in 2021 to 3.4% in 2022. The emerging and developing economies fared better than the advanced economies. The opening of the Chinese economy towards the end of the year came as a ray of hope for the world.

Outlook

Uncertainty about the ongoing conflict in Ukraine, its broader consequences and the recent collapse of banks are key concerns for the global economy. Median income levels are being significantly reduced due to inflation, currency depreciation and insufficient investment in human resources in the service industry and the private sector. In addition, the economic outlook for Emerging Markets and Developing Economies (EMDEs) is generally stronger than that of advanced economies, but it varies greatly across different regions.

Stronger fiscal measures will help to revive the global economy and support the development agenda. Multilateral cooperation will accelerate the green energy transition and prevent fragmentation.

GROWTH PROJECTIONS (REAL GDP GROWTH %)

Projected global growth in 2023

2.8%

Projected global growth in 2024

3.0%

INDIA

India's economy has reached a significant milestone of becoming the fifth-largest economy in the world. Despite the global headwinds, the Indian economy remained resilient, largely owing to strong domestic demand, favourable government policies, and continued private and government investments. The GDP of the country is estimated to have grown by 7.2%, retaining its status as one of the fastest-growing major economies in the world. Inflation remained a cause of concern and the RBI tightened monetary policy to tame the surging inflation in the country. The factors which will lead to a healthy growth trend are full economic reopening in 2022, which is leading to a cyclical recovery in consumption; pickup in private capex with healthy balance sheets of corporates and financial sector players; and acceleration in government capex. The agriculture sector is estimated to grow by 3.5% in FY 2022-23. The Indian agriculture sector has emerged as the net exporter in recent years with agriculture exports touching US\$ 50.2 billion in FY 2022-23. The service sector rebounded in FY 2022-23, registering an estimated growth of 9.1% against 8.4% in FY 2021-22.

The country reported record GST collection during the year under review. The total gross collection for the year stood at ₹18.10 lakh crore with an average gross monthly collection of ₹1.51 lakh crore. The gross revenues in FY 2022-23 were 22% higher than that last year.

Source: Economic Survey of India 2022-2023.

Source: Ministry of Finance

Outlook

The Economic Survey of India has projected a 6.5% growth rate for the Indian economy for the FY 2023-24 despite higher interest rates and weaker external demand will continue to weigh on investment and exports this year for the country owing to resilient domestic demand. India's growth potential has become even more significant since the pandemic with the economy poised for sustained growth and increased job creation which in turn will lead to a virtuous cycle of more jobs, higher income, higher saving, and higher investment. Further, the economy is witnessing a resilient job market, especially from the non-IT sectors, offsetting the slowdown in IT hiring.

MACRO DEMAND DRIVERS



Favourable push by the government

The Indian Government has intensified its expenditure on infrastructure development with an aim to stimulate economic growth. Programmes such as Make in India, Startup India, and National Infrastructure Pipeline have played a crucial role in driving growth by encouraging investments.



Growing exports sector

Despite the global slowdown, exports performed well owing to depreciated currency against the US dollar. India's services exports climbed sharply by 30% between April and February.



Growth of the micro, small and medium enterprises sector

The credit growth to the micro, small and medium enterprises sector has been remarkably high for FY 2022-23, supported by the extended Emergency Credit Linked Guarantee Scheme (ECLGS) of the Union government. India has more than six crore micro, small and medium enterprises that employ close to 12 crore workers across sectors and industries while contributing nearly 35% to the country's gross domestic product (GDP).

Sources: CEIC Data, Economic Survey of India, RBI, [negp.gov.in](https://www.ndtv.com/business/economic-survey-2023-these-are-the-drivers-of-economic-growth-3739071)
<https://www.ndtv.com/business/economic-survey-2023-these-are-the-drivers-of-economic-growth-3739071>



Expansion of public digital platforms

Path-breaking measures taken by the Government such as PM Gati Shakti, the National Logistics Policy, and the Production-Linked Incentive schemes help boost manufacturing output.



Private consumption

According to the Reserve Bank of India's Annual Report, private consumption is the primary driver of India's GDP growth, accounting for nearly 63% of it.



Young demography

India is home to a young and dynamic population with 66% of Indians under the age of 35 years, which means a significant workforce driving economic growth.



Booming middle class

India's 'urban mass' composed of 25% of the total middle class population generating around 29% of the country's disposable income and this middle class tends to be well-educated, enterprising, innovative and providing a stable consumer base that drives productive investment.



Building products

Industry review



SANITARYWARE

The Indian sanitaryware market stood at approx. ₹6,000+ crore in FY 2022-23, grown by 15% over the last few years. Almost one-fourth of the market is dominated by unorganised players. However, consumers are increasingly preferring branded products, driven by increasing awareness and affinity

towards premium products. It is the second-largest market in the world and is predicted to expand rapidly in the coming years on the back of various factors, including rising population, urbanisation, and favourable demographics, as well as increasing public and private initiatives in sanitation. This growth is also supported by the revival of the real estate sector, which is generating

a strong demand for sanitaryware products. With growing income and exposure to global trends, consumers are increasingly preferring premium and luxury offerings in ceramic fittings. Moreover, the shift from unbranded to branded products is driving the replacement market, and further boosting the sector.

The industry is also constantly innovating in terms of product offerings, which is expected to further fuel the demand for sanitaryware in India in the coming years.

The demand is further expected to increase substantially with the rising investment in commercial spaces and various projects including airports, hospitals, hotels, and residential projects. Additionally, the luxury housing segment and hotels are creating a demand for expensive, high-end sanitaryware products, which is contributing to the revenue generated by this segment.

FAUCET

The Indian faucet market is valued at around ₹12,000+ crore in FY 2022-23, growing by 18-19% over the past few years. The growth is attributed to several factors, including the rising number of homeowners, increased disposable income, and a growing focus on improving the aesthetic appeal of bathrooms. Additionally, Indian consumers, particularly those in the middle and high-income groups, are being influenced by global trends in interior design and want premium good-looking faucets which are driving the replacement market demand. The market is also expected to benefit from the introduction of a variety of products with advanced technologies and sleek designs.

The Indian government has recently allocated a significant amount of funds towards policies such as 'Har Ghar Nal Se Jal' and 'Pradhan Mantri Awas Yojana' to provide piped water to rural homes and improve housing conditions. This presents a great opportunity for the faucet market in India. As the income level of Indians continues to rise, there will likely be a greater focus on building and improving homes, creating a promising market for the faucet industry.

TILES

India is the world's second-largest producer and consumer of ceramic tiles, following China. The tiles market in India is around ₹35,000 crore. When it comes to value, the collective contribution of organised players accounts for approximately 40%, which amounts to around ₹14,000 crore. In terms of volume, the market size is approximately 900 million sq. m. with organised players contributing about 25%, equivalent to around 240 million sq. m.

Some of the major factors driving demand for ceramic tiles in the country include expansion in the construction sector with an increase in premium and luxury residential units, a rise in consumer expenditure, and growing urbanisation in the country.

PLASTIC PIPES AND FITTINGS

The plastic pipes and fittings industry faced significant challenges in the year under review because of a fall in the PVC raw material prices. But the industry seems well-positioned to overcome this on the back of raw

material prices stability and improved demand. In addition to it, government investments in infrastructure, construction, industrial production, irrigation, and the replacement of ageing pipes are going to boost sales. The current pipes market in FY 2022-23 is estimated at ₹22,000 crore.

The future of the Indian plastic pipes market is promising and is expected to reach a market value of ₹55,000-60,000 crore by FY 2024-25. Despite the pandemic and fall of PVC raw material prices in FY 2022-23, the plastic pipes sector in India has been performing well with a significant increase in the use of CPVC pipes in plumbing and piping applications in the construction industry. The government's 'Jal Jeevan Mission' initiative to provide tap water to all rural homes in India will further boost the demand for PVC pipes and fittings. Indirect policies, such as anti-dumping duties and the National Infrastructure Pipeline will also benefit the sector. While there are macroscopic difficulties and uncertainties, such as global trade and supply shortages, the industry is expected to boom in the coming years.





Growth drivers

Revival of the real estate sector

In 2022, the residential real estate market in India made remarkable strides, recording a y-o-y sales growth of 68%, thereby solidifying its position as one of the country's fastest-growing sectors.

Growth-focused government policies

The Government of India has recently earmarked a substantial amount of ₹60,000 crore towards the implementation of the 'Har Ghar Nal Se Jal' scheme aimed at ensuring the availability of fresh water throughout the country. As a result, there will be a surge in demand for pipes and fittings nationwide.

Rising urban population

By 2030, it is projected that the urbanisation rate in India will reach 40% which has led to an increase in demand for building products in urban areas. The government flagship programmes such as Housing for All, Atal Mission for Rejuvenation and Urban Transformation (AMRUT), and Smart Cities Mission aim to set the foundation for sustainable urban development.

Revival of retail real estate sector

The retail industry rebound in 2022 was driven by rising consumption which led to retail real estate growth in the country. A report by consulting firm Anarock and Retailers Association of India (RAI) estimates 25 million sq. ft. of mall space will be added in the top 7 cities in India in the next 4-5 years.

Demographic preferences

The demand for premium building products is expected to increase due to the improved lifestyle and living standards of millennials.

Potent per capita consumption

India's population of 1.4 billion with a relatively young demographic, is the backbone of the country's resilient and growing demand. With a consumption share of about 60% of GDP, India's per capita consumption is expected to remain robust and will drive the country's growth trajectory for the coming years.

Adoption of touchless technology

COVID-19 accelerated the growth of technology and hygiene-led products such as touchless faucets and touchless toilet technologies. Touch-free fittings reduce the risk of infection and the transmission of germs and are being used in sensitive areas like bathrooms, and in private as well as public spaces.

Rise in renovation projects

The sales of building products are experiencing a significant surge due to the rising demand for home improvement, particularly in the realm of bathroom renovations and remodelling. This trend is further fuelled by the pandemic-induced necessity to create multifunctional spaces, home bars, and outdoor entertaining areas, which have become increasingly popular among homeowners.

Business review

Our Building Products Segment comprises sanitaryware, faucets, premium tiles, and plastic pipes and fittings businesses.

Having an unmatched edge in design and innovation, as well as an extensive distribution and retail network, has enabled us to fortify our leadership position in the bathroom segment in India. Our extensive product portfolio spanning a range of price points, helps us to cater to diverse consumer segments. Our sanitaryware and faucets distribution network is supported by 525+

brand stores and 31,000+ retail touchpoints nationwide, complemented by 390+ distributors and a service network of 660+ technicians across 710+ districts to ensure robust after-sales support. These key strengths have given us a competitive advantage, allowing us to maintain a dominant market position in the industry.

We have a range of premium tiles to tap the growing demand for high-end tiles used in residences, offices and malls.

BUSINESS HIGHLIGHTS

SANITARYWARE AND FAUCET BUSINESS

Strengthened SKUs and product range

- Launched 30+ new SKUs in sanitaryware and 50+ new SKUs in faucets
- Introduced 27 new SKUs in the shower segment such as shower arms and hand showers
- 48 SKUs under the Queo F-Forza range were launched in three colours namely Gold, Rose Gold and Chrome Black
- Two new over counter basins, Ellipse Basin and Easy Clean Basin with self-clean technology were launched - the first of its kind in India
- Introduced seven new EWC One-piece water closets along with six new EWC wall mounted water closets
- Launched 3PVD ranges along with new drains and accessories
- Queo contact-free faucets were launched which are activated by water flow and driven by an integrated infrared sensor technology ensuring maximum hygiene

Expanded distribution and retail presence

- 200+ brand stores across India were added to increase sales from exclusive channels
- Launched a new Lacasa Store in Kochi

Strategic marketing initiatives

- Created highly experiential display setups for Hi-Aim, Queo WOW, Acetech Reflect, Queo distributor and product launches, and airport displays
- Launched Shop-in-Shop Modules and product-focused display units to enhance the customer experience of the products in Tier 2 and 3 towns

- Retail concept design and production of 600+ stores fixtures and 210+ stores executed under the screen integration project

Engagement programmes with key influencers

- Launched Plumber Loyalty App-Plumber No. 1 with registration soaring high in Q4 with total registered plumbers to the tune of 26,000

TILES

- Introduced 114 New SKUs
- Launched its 1st TVC 'Go Larger Than Life' for extra-large slabs featuring Tamannaah and Khali in five major languages
- Launched 'Broken Not Waste' a digital campaign, where the brand partnered with Ashwika Foundation and Delhi Street Art to install mosaics made of broken and old tiles in Surjit Wasu Memorial School and Harcourt Butler School, Delhi.

PLASTIC PIPES AND FITTINGS

- Commenced commercial production from the second plant in Isnapur, Hyderabad, helping grow our capacity to 48,000 tonnes per annum
- Forayed into bath fittings (PTMT faucets and other accessories) to provide customers with a one-stop solution for all their plumbing requirements
- Collaborated with RWC as their exclusive partner for India to introduce and market multilayer composite pipes and push to connect fittings on joint brand name of Truflo SharkBite.

Outlook

For our bathware business, we are confident of retaining our market share on the back of a well-crafted growth strategy that we have adopted. The first is to continue to launch innovative products across segments and categories. Secondly, we will continue to build the brand Hindware. Thirdly, to consistently expand our distribution and reach as we believe there is still significant opportunity in Tier 2 and Tier 3 cities. Our fourth area of emphasis is on strengthening our luxury brand Queo brand. All these efforts are underlined by our strong influencer programmes for key stakeholders

such as architects and plumbers, amongst others, and strong 360-degree integrated marketing campaigns for all our brands.

For our plastic pipes and fittings business, despite the persisting macroeconomic challenges, we are confident to remain the fastest-growing brand in this segment. Our focus is to prioritise expansion strategy, including brownfield and greenfield initiatives, distribution, and sustainable goals to shape our actions across short, medium, and long terms.



Consumer appliances business

Industry review

For the year under review, the growth of the retail and consumer durables sector was muted due to inflationary pressures caused by exceptionally high commodity prices, increased logistics costs, and parts shortages. But the vast untapped market for appliances, steady growth from Tier 3 cities and beyond, the shift in the way people live after the COVID-19 pandemic, premiumisation trends, pent-up demand, and policy initiatives are going to drive the growth of this segment which is expected to reach US\$ 21.18 billion by 2025.

The integration of AI in the consumer appliances and electronics industry has unlocked a vast range of opportunities, considering the enormous scale of the consumer durable market. It is projected that the home automation products industry will reach a value of US\$ 8.6 billion by 2027 due to increasing internet penetration, particularly with the rise of connected home appliances.



Growth drivers

Prudent policy push in key sectors

The Production-Linked Incentive (PLI) scheme, which covers 14 sectors, is expected to offer several advantages. It will enable domestic manufacturers to enhance their global competitiveness, attract investments in advanced technology, and integrate India into the global value chain. Additionally, the scheme is likely to benefit the MSME sector in the country.

Rise in nuclear families

The market for household consumer durables is being propelled by the rise of dual-income nuclear families and the impact of women, who seek to make household tasks less time-consuming and more pleasant.

Convenience of purchase

With many financial institutions offering EMI facilities on consumer appliance purchases, customers are buying products without worrying about upfront payment.

Rise in household incomes

A recent study conducted by McKinsey suggests that India will experience a significant rise in the number of high-income households soon. By 2030, India is projected to rank third in the world, following the US and China in terms of the number of high-income households.

Changes in consumer behaviour

India is experiencing a growing adoption of smart and interconnected devices, particularly among the tech-savvy younger generation, who are driving the demand for tech-led products. With the increasing demand for convenience-led products such as washing machines, microwaves, vacuum cleaners, dishwashers, and others, the market for household appliances and consumer electronics is experiencing growth.

Business review

Through our brand Hindware Smart Appliances, we have established ourselves as a significant player in the consumer appliances industry in India. We offer a wide array of products which include kitchen appliances such as chimneys, cooktops, dishwashers, sinks, water purifiers, built-in microwaves and hobs. Furthermore, we have air coolers, ceiling fans, pedestal fans, and kitchen and furniture fittings, designed to cater to the changing demands of Indian consumers.

Our strategy is largely focused on devising new innovative launches to strengthen the current product portfolio, foray into new markets in Tier 2 and Tier 3 cities through our retail presence and strengthen our omni-channel distribution network for robust growth.

We have also diversified our sourcing within our country and reduced our persistent reliance on imports.

We have expanded our distribution network and are building our brand through customer experience which has been a key focus for us. The opening of new kitchen galleries and customer experience stores, along with a focus on digital channels such as Amazon, are expected to further strengthen our market presence.

During the year, under the 50:50 joint venture with Groupe Atlantic, we commenced trial production of heating appliances from our state-of-the-art 5.7-acre manufacturing plant.



BUSINESS HIGHLIGHTS

Addition of a new 5.7-acre plant for production of heating appliances

- Commenced trial production from our state-of-the-art manufacturing plant in Telangana

Strengthened existing product categories to reach out to a larger audience

Kitchen appliances

- Strengthen the kitchen appliances category with the introduction of a total number of 53 Chimneys, 45 cooktops, 13 hobs and 1 induction cooktop
- Introduced BLDC motor technology in Chimneys and 4D Flame technology in hobs

Water Purifiers

- Launched Obelius, an under-the-sink water purifier

Cooling Segment

- Two personal air coolers and three desert air coolers in Powerstorm series with 5500 CMM high air delivery were launched. Additionally, introduced a window air cooler.

Heating segment

- Launched portable water heater called Kweik, along with tankless water heaters called Storm and Whizz. These tankless instant water heaters heat water in just 5 seconds
- Introduced two new models of square mold storage water heaters, namely Hindware Amelio and Alivio with varying capacities.

Strengthened distribution and retail presence

- Successfully launched 56 kitchen galleries The first 'Hindware Universe' was launched to meet the growing demand of consumers
- Installed more than 200 Kitchen SIS (Shop-in-Shop) across India

Branding and marketing Initiatives

- Major re-branding exercise was done for a unified one-brand under 'Hindware Smart Appliances' to leverage Hindware's long legacy
- Launched print and digital campaigns to promote MaxX silence range of chimneys

Outlook

At Hindware Home Innovation Limited, our strategic focus is to be among the top 5 players in the categories in which we are present in the next 5 years. We aim to reach our goal by continuing to expand our distribution and retail network to service existing markets, enter newer markets and launch innovative products to add conveniences to our customers' lives.



Retail

India's furniture market, which was valued at US\$ 23.33 billion in FY 2020-21 is expected to reach US\$ 32.75 billion by FY 2026-27. Despite the adverse effects of COVID-19 on offline channels, online channels remained resilient, and they are anticipated to expand significantly over the next few years. The democratisation of online furniture and home décor categories is indicative of growing consumer comfort with e-commerce shopping. Notably, there has been an integration of brick-and-mortar with online shopping with several leading players exploring digitalisation.

Growth drivers

The growing middle class population

The rapidly expanding population and the rising middle class are driving the demand for residential and commercial infrastructure development.

Rising disposable income

The improved living standards are also driving the demand for innovative and unique home décor solutions

Rising home decoration and renovation trends

Investments in infrastructure renovation activities, with consumers increasingly adopting aesthetic furniture solutions is one of the key drivers of this growth

Growth of e-commerce

The increased availability of a wide range of furniture across online platforms is also enhancing the sales of furniture

Business review

Our retail business segment focuses on providing specialised home interior products under the brand name 'EVOK'. We sell through various channels such as franchise-based retail stores, our owned large-format retail stores, and online e-commerce platforms.

Our brand has a robust online presence through our website (www.evok.in) and we also sell our products on leading multi-brand furniture marketplaces such

as Pepperfry, Urban Ladder, Flipkart, and Amazon. We currently have 34 franchise-based retail stores and operate two display and sales stores in Delhi and Faridabad, which are Company-owned.

Our products are functional, comfortable, and aesthetically pleasing to cater to the evolving preferences and lifestyle choices of consumers.

BUSINESS HIGHLIGHTS

- Committed to expanding our physical presence, and as of now, we have successfully established and are operating over 34 stores
- Emphasised on minimising overheads to achieve higher profitability and moving from cash burn to cash earn
- Collaborated with Dalmia Group (Hippo Store) as an SIS operation with the first SIS opening in Noida

Outlook

We will continue to focus on the franchise model to deliver a much better ROI and offer innovative and practical solutions, making sure our range of furniture is versatile and practical. Furthermore, we will prioritise profitability improvement by improving operational efficiency and decreasing costs through various measures we plan to undertake such as streamlining store operations and minimising waste in the supply chain.



Risk management

In an ever-changing and unpredictable business landscape, it is crucial to establish a sturdy system that methodically evaluates both external and internal risks to our enterprise. We at Hindware Home Innovation Limited, implement rigorous measures to effectively tackle such risks.

The Board of Hindware Home Innovation Limited consistently offers direction and updates it yearly to enhance the process of identifying potential risks and the subsequent measures taken to alleviate them.

Risk management overview

Under the Board's oversight, we have an Audit Committee that is accountable for monitoring the efficacy of our risk management procedure, including detecting emerging risks.

Key dimensions

- We at Hindware Home Innovation Limited have a robust process that dynamically incorporates the identified risks. They are then measured and reported against criteria that are established against set criteria considering the propensity of occurrences and the prospective impact on the Company.
- To create the Company's risk profile, we conduct a scenario analysis of the external environment so that strategy, fundamental operations and various other engagement strategies are formulated while taking into consideration emerging risks.
- The resulting strategies formulated from the intellectual exercise is subjected to periodic review by the Audit Committee before the final review and approval by the Board.
- On an annual basis, the Directors conduct a thorough evaluation of the Company's ability to operate and remain financially stable over the long term. This assessment considers the major risks that the Company faces, such as changes in market conditions, regulatory compliance, technological advancements, and financial performance. By conducting this review, the Directors can identify any potential risks or challenges that may impact the Company's long-term viability and develop strategies to mitigate or manage them effectively. This process is an important aspect of ensuring the ongoing success and sustainability of the Company.

Key risks and their mitigation process

We at Hindware Home Innovation Limited have classified our risks into three categories namely: external, operational and financial. The mitigation strategy is as follows:

External risk

Nature	Key Risks and their Definition	Mitigation Strategy
Economic, political and market risk	The business may be negatively affected by a decrease in macroeconomic activity, disturbances in the global market, and geopolitical tensions. Additionally, an increase in inflation and interest rates could also have an impact on consumer demand.	Diversification of our business model across multiple segments helps to reduce dependence on any segment. This approach can provide several advantages, including survival in fluctuating market conditions, reduced costs, improved efficiency, expanded customer base, and connecting new opportunities.
Competition risk	Growing competition could impact pricing power and erode profitability	We are aware of the latest industry trends and consistently implement measures to enhance our competitive edge. Our focus on research and innovation is unwavering, enabling us to stay ahead of our competitors and meet the changing demands of our customers. Moreover, our omnichannel distribution system enables us to cater to a vast consumer base throughout the country.
Consumer risk	Consumer preferences are always in flux. Failure to adapt to changing consumer preferences may result in a decreased uptake of products or services.	To stay current, we rely on our robust customer feedback mechanism to comprehend their distinct requirements and customise our products accordingly.

Operational risk

Nature	Key risks and their definition	Mitigation strategy
Product quality risk	The inability to uphold the quality of a product can have negative consequences on sales, putting the market reputation at risk.	Our position among the top five brands in numerous categories is evidence of our dedication to maintaining high-quality standards. We adhere rigorously to stringent quality regulations.
Technology risk	The Company's competitive advantage may be reduced by the obsolescence of its technology.	We maintain a constant focus on global technological advancements and allocate resources towards acquiring state-of-the-art technology to ensure that we provide top-quality products. By forging partnerships and alliances with world-renowned technology pioneers, we can maintain a competitive edge.
Employee risk	Failure to both attract and retain employees has the potential to negatively impact our strategic goals for growth.	Our Company creates an environment that supports and promotes equality, allowing our employees to thrive. We cultivate a culture of continuous learning to aid in the professional development of our staff as they advance in their careers.
Distribution risk	The evolving purchasing habits of customers have the potential to endanger our distribution network, which could ultimately impact our profitability.	Our organisation has taken a comprehensive approach to distribution, by expanding our reach through both traditional and digital channels. We have embraced digital technologies and invested in our online presence to ensure that our customers can easily access our products through multiple digital platforms. At the same time, we recognise the continued importance of our traditional distribution channels and have made efforts to strengthen and optimise these methods. This has enabled us to create a seamless omnichannel distribution system that provides our customers with a convenient and flexible purchasing experience.
Operating efficiency	Failure to effectively utilise our logistics network, stores, and support units has the potential to negatively impact our profitability.	We consistently review and assess the performance of our logistics network, implementing measures to enhance, automate, and evaluate our processes. Additionally, our adoption of the franchise store model has resulted in a more efficient and effective market presence.
Cyber security	The possibility of cyber-attacks poses a threat to the continuity of our operations.	Significant investments have been made towards the development of a resilient IT infrastructure, aimed at mitigating any potential cyber security risks and maintaining the integrity of our organisation's data.
Business continuity risk	Unforeseen events such as pandemics or major incidents have the potential to disrupt our day-to-day operations and cause a ripple effect on our overall performance.	Following a thorough assessment of the market landscape, our senior management has taken multiple measures to mitigate the impact of the pandemic. We are continuously monitoring infection rates and adapting our response strategy to the ever-evolving situation.
Brand legacy	As our customers interact with our brand through various mediums such as electronic, print, and social media, any incorrect or misleading perceptions of our Company have the potential to result in a decline in sales.	Our Company places great importance on safeguarding the robust brand equity we have established through the years. To reach a broader audience and effectively convey our brand message, we utilise both traditional and digital communication channels.



Financial risk

Nature	Key risks and their definition	Mitigation strategy
Credit profile	The inability to obtain short and long-term working capital at a favourable interest rate has the potential to hinder our capacity to fulfil our liquidity needs, which could negatively impact our operations.	Our Company places a strong emphasis on enhancing our working capital requirements through the optimisation of our inventory and receivables cycles, as well as extending our payables cycle. Furthermore, we are actively pursuing initiatives to ensure that our Company has access to short- and long-term debt at competitive rates and can increase the maturity of new debts.
Credit rating risk	A reduction in our credit ratings has the potential to impede our ability to secure additional financing and could negatively impact the interest rates and other commercial terms associated with such instruments.	We maintain a consistent record of servicing our debt obligations in a timely manner and have established a positive reputation with our banks. Our regular engagement with lenders and rating agencies allows us to cultivate trust in our financial performance.
Currency risk	Profitability may be negatively affected by fluctuations in foreign currency exchange rates.	We safeguard our position by implementing appropriate hedging strategies when necessary. Our investment in forward and options contracts adheres to policies approved by the Board.
Legal risk	Failure to comply with regulations may result in penalties and damage our reputation.	We maintain a robust governance framework to ensure adherence to laws, regulations, and existing rules. Our regular interaction and reporting to regulatory bodies promote transparency in our policies and decision-making processes.

Internal control

Our Company is dedicated to maintaining an efficient internal control environment that provides assurance on the secure and orderly conduct of operations, asset protection, fraud and error prevention and detection, as well as timely and accurate completion of accounting records and preparation of reliable financial information. Our internal control systems are designed to align with the Principles of Governance.

The Audit Committee of the Board of Directors, which includes Independent Directors, is responsible for reviewing the effectiveness of our Company's internal control systems. This includes assessing the annual plan, significant audit findings, adequacy of internal controls, and compliance with accounting policies and regulations.

Internal financial controls

Our internal control framework is aligned with industry-best practices for organisations that are similar in size, nature, and complexity. We regularly evaluate and test this framework to identify areas for improvement.

Risk management

Our Company has a comprehensive risk management framework that evaluates and analyses strategic, operational, financial, and compliance risks. We also monitor the effectiveness and efficiency of risk mitigation and control measures. To systematically address major risks identified by our businesses and functions, we continually take necessary mitigating actions.

Cautionary statement

The Management Discussion and Analysis may contain forward-looking statements that describe our Company's objectives and predictions in accordance with applicable laws and regulations. However, actual results may significantly differ from the forward-looking statements included in this document due to various risks and uncertainties. These risks and uncertainties may include the impact of economic and political conditions in India, fluctuations in interest rates, and new regulations and government policies that may affect our Company's business and its ability to implement future strategies. Our Company does not assume responsibility for updating these statements.

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 31 March 2023.

FINANCIAL RESULTS

The Company's financial performance, for the year ended 31 March 2023 is summarised below:

Particulars	(₹ in lakh)			
	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
Revenue from Operations	55,691.59	49,128.10	2,87,327.12	2,29,363.20
Add: Other Income	4,360.41	3,494.76	3,462.61	2,929.96
Total Income	60,052.00	52,622.85	2,90,789.73	2,32,293.16
Profit before tax	1,869.97	1,726.91	10,298.51	14,437.06
Add: Exceptional item	-	-	-	10,086.09
Add: Profit/(Loss) from joint venture	-	-	(890.79)	(180.79)
Profit before tax	1,869.97	1,726.91	9,407.72	24,342.36
Less: Tax expenses	809.57	458.06	3,652.51	4,174.00
Profit after tax (i)	1,060.40	1,268.85	5,755.21	20,168.36
Less: Profit allocable to Non-Controlling Interest (ii)	-	-	(46.20)	-
Other Comprehensive Income (net of tax)	(5.60)	7.58	(98.40)	52.19
Total Comprehensive Income	1,054.80	1,276.42	5,610.61	20,220.55
Add: balance brought forward (iii)	5,629.60	4,939.12	41,130.78	21,540.79
Less: Adjustment for change in Ownership Interest (iv)	-	-	(592.98)	-
Amount available for appropriation [(i)+(ii)+(iii)+(iv)]	6,690.00	6,207.97	46,246.81	41,709.15
APPROPRIATIONS:				
Dividend paid on equity shares	-	(578.37)	-	(578.37)
Tax on Dividend paid	-	-	-	-
Balance carried forward	6,690.00	5,629.60	46,246.81	41,130.78

OPERATIONAL REVIEW

On a consolidated basis, Revenue from Operations for FY 2022-23 was ₹ 2,87,327 lakh as compared to ₹ 2,29,363 lakh in FY 2021-22. Earnings before interest, tax, depreciation and amortisation ("EBITDA") was ₹ 28,107 as compared to EBITDA of ₹ 20,412 lakh in FY 2021-22. Profit After Tax ("PAT") (including exceptional item) for the year was ₹ 5,755 lakh as compared to ₹ 20,168 lakh in FY 2021-22.

A. Building Products Business

The Building Products Business Revenue from Operations stood at ₹ 2,31,612 lakh in FY 2022-23 as against ₹ 1,79,546 lakh in FY 2021-22. The business posted EBIT of ₹ 17,441 lakh as against ₹ 15,799 lakh in FY 2021-22. Our Building Products sustained its upwards trajectory on the back of key initiatives undertaken by the business for the year which are as follows:

Bathware

- **Strengthened SKU's and product range**
 - Launched 30+ new SKUs in sanitaryware and 195+ new SKUs in faucets
 - Introduced 27 new SKUs in shower segment such as shower arms and hand showers
- **Expanded distribution and retail presence**
 - Committed to meeting the growing consumer demand, 200+ brand stores across India were added to increase sales from exclusive channels
 - Currently has presence across 390+ distributors, dealers and modern retail outlets to capture the growing consumer demand
 - 31,000+ retail touchpoints to connect with consumers directly



- **Strategic Marketing Initiative including print, broadcast, and digital marketing undertaken**
 - Moved away from multi-brand approach to a unified one brand name "Hindware Italian Collection" to establish a stronger affiliation with consumers leveraging the trustworthiness of the Brand Hindware
 - Created highly experiential display setups for Hi-Aim, Queo WOW, Acetech Reflect, Queo distributor and product launches, and airport displays
- **Engagement Programs with key influencers**
 - Launched Plumber Loyalty App-Plumber No. 1 with registration soaring high in Q4 with total registered plumbers around of 26,000
- **Community Led Initiatives**
 - 'Build a Toilet, Build her Future' purpose led campaign around World Toilet Day continued for the third consecutive year. After building nearly 170 toilets in the last 2 years majorly in and around Haryana and Rajasthan, for the year the brand pledged to build an additional 80 more toilets.

Tiles

- Launched 114 New SKUs
- Launched 30 tiles brand stores across the country

Plastic Pipes and Fittings

- Commenced commercial production from the second plant in Isnapur, Hyderabad, helping grow our capacity to 48,000 tonnes
- Forayed into PTMT Bath Fittings (PTMT faucets and other accessories)

B. Consumer Appliances Business (CAB)

The CAB revenue from operations stood at ₹ 50,085 lakh in FY 2022-23 as against ₹ 43,107 lakh in FY 2021-22. The business achieved ₹ 1033 lakh as compared to the previous year EBIT of ₹ 570 lakh. The business undertook the following initiatives during the year:

- **Commenced trial production** of heating appliances from the state-of-the-art manufacturing plant in Jadcherla
- **Strengthened existing product categories to reach out to a larger audience**
- **Strengthened distribution and retail presence**
 - Currently has presence across 1300+ distributors with 13,000+ retail touchpoints
 - Successfully launched 56 kitchen galleries across India
- **Branding and Marketing Initiatives**
 - Rebranding exercise done for a unified one brand under 'Hindware Smart Appliances' to leverage Hindware's long legacy

- Launched print and digital campaign to promote MaxX silence range of chimneys

C. Retail Business (Retail)

The Retail revenue from operations stood at ₹ 5,638 lakh in FY 2022-23 as compared to ₹ 6,710 lakh in FY 2021-22. The business has EBIT of ₹ (164) lakh as compared to the previous year's EBIT of ₹ 417 lakh. Continue to expand offline presence. Increased the number of franchise stores from 30+ to 36+ during the year.

MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of the Company occurred between the end of financial year of the Company to which the financial statements relate and the date of this Report.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

During the year under review, Hindware Limited (Formerly known as Brilloca Limited), a material subsidiary ("**Hindware**") vide its letter dated 3 February 2023 communicated to the Company that the Board of Directors of Hindware in its meeting held on 3 February 2023 approved the allotment of 9,00,000 Partly Paid Equity Shares of face value of ₹ 2 (Indian Rupee Two) each at a premium of ₹ 450 (Indian Rupee Four Hundred and Fifty only) 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 ₹ 1 (Indian Rupee One) per equity share. Post the transaction, the Eligible Subscribers hold approx. 1.80% in the share capital of Hindware.

Consequently, the holding of the Company in the share capital of Hindware stands reduced from 100.00% to 98.20% and Hindware has ceased to be a wholly owned subsidiary of the Company. However, Hindware will continue to remain a material subsidiary of the Company in accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**").

Luxxis Heating Solutions Private Limited ("**Luxxis**") ceased to be a wholly owned subsidiary of the Company as it was struck-off and dissolved by the Registrar of Companies with effect from 28 April 2023 consequent to the striking off application filed by Luxxis.

During the year, the Board of Directors reviewed the affairs of the subsidiaries. In accordance with Section 129(3) of the Companies Act, 2013 ("**Act**"), the consolidated financial statements of the Company and all its subsidiaries have been prepared, which form part of the Annual Report. (Please refer to the Consolidated Financial Statements Section of the Annual Report).

Further, a statement containing the salient features of the financial statements of the Company's subsidiaries in the prescribed format AOC-1 forms part of the consolidated financial statements and hence not repeated here for the sake of brevity. The statements provide the details of performance, financial positions of each of the subsidiaries.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of each of its subsidiaries are available on Company's website <http://www.hindwarehomes.com>. These documents will also be available for inspection in the investors' section of the Company's website.

The Policy for determining material subsidiaries as approved may be accessed on the Company's website at the link:

<https://www.hindwarehomes.com/pdf/Policy%20on%20Material%20Subsidiaries.pdf>

SHARE CAPITAL

During the year under review, the Company did not issue equity shares. Accordingly, the paid-up equity share capital of the Company as on 31 March 2023 was ₹ 1,445.93 lakh.

CREDIT RATINGS

During the year under review, the credit ratings of the Company was reviewed by CARE Ratings Limited. A detailed note on the credit ratings of the Company is provided in the Corporate Governance Report section of this Report.

INVESTOR EDUCATION AND PROTECTION FUND ("IEPF")

Please refer IEPF section of Notice of 6th Annual General Meeting ("AGM") which forms part of this Annual Report.

DIVIDEND

Your Directors have recommended a dividend of ₹ 0.50/- (Fifty paise) (i.e. 25.00%) per equity share (last year dividend of ₹ 0.50/- (i.e. 25.00%) per equity share) on equity shares of ₹ 2/- each for the financial year ended 31 March 2023, amounting to ₹ 361.48 Lacs subject to deduction of income tax at source, as applicable. 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 appear in the Register of Members/List of Beneficial Owners (as furnished by National Securities Depository Limited and Central Depository Services (India) Limited) as on 20 September 2023.

TRANSFER TO RESERVES

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

DEPOSITS

Your Company has not accepted any deposits within the meaning of Section 73 of the Act and as such no amount of principal or interest was outstanding as on the Balance Sheet date.

AUDITORS AND AUDITORS' REPORTS

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 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. M/s. Lodha & Co. has also furnished a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India (ICAI) as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Audit Committee and the Board of Directors recommend re-appointment of M/s. Lodha & Co., Chartered Accountants for the second term as Company's Statutory Auditor from the conclusion of the 6th 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.

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and/or Board under Section 143(12) of the Act and the rules made thereunder. The Auditors' report does not contain any qualifications, reservations or adverse remarks.

Secretarial Auditor

The Board had appointed M/s. DMK Associates, Company Secretaries, New Delhi, (Ms. Monika Kohli, Practising Company Secretary CP No.4936) to conduct Secretarial Audit for the financial year 2022-23, pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Secretarial Audit Report in Form No. MR - 3 for the financial year 2022-23 is enclosed



as **Annexure A** to this Report. The Secretarial Audit Report does not contain any observation or adverse remark.

Further, Hindware Limited (Formerly known as Brilloca Limited), the unlisted material subsidiary of the Company has undergone Secretarial Audit for the year ended 31 March 2023. The Secretarial Audit Report issued by M/s. DMK Associates, Company Secretaries, New Delhi, (Ms. Monika Kohli, Practicing Company Secretary CP No.4936) is enclosed as **Annexure B**. The said report is self-explanatory and does not contain any qualifications, reservations, adverse remarks or disclaimers.

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

The Company is engaged into trading and marketing of products, however, the particulars as prescribed in Section 134(3)(m) of the Act, read with the Companies (Accounts) Rules, 2014 are provided in the enclosed **Annexure C** to this Report to the extent applicable.

ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act, 2013, the extract of Annual Return as required under Section 92(3) of the Act and prepared in prescribed format, which will be filed with the Registrar of Companies, is hosted on the Company's website i.e. www.hindwarehomes.com

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate section forming part of this Annual Report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Pursuant to Regulation 34(2)(f) of the SEBI Listing Regulations and SEBI circular no. SEBI/LAD-NRO/GN/2021/2 dated 5 May 2021, your Company has provided the prescribed disclosures in new reporting requirements on Environmental, Social and Governance ("**ESG**") parameters called the Business Responsibility and Sustainability Report ("**BRSR**") which includes performance against the nine principles of the National Guidelines on Responsible Business Conduct and the report under each principle which is divided into essential and leadership indicators. Please refer BRSR which forms part of this Annual Report.

CODE FOR PREVENTION OF INSIDER TRADING

Your Company has adopted a Code of Conduct to regulate, monitor and report trading by designated persons and their

immediate relatives ("**Code**") as per the requirements under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Code, inter alia, lays down the procedures to be followed by designated persons while trading/dealing in the Company's shares and sharing Unpublished Price Sensitive Information ("**UPSI**"). The Code covers Company's obligation to maintain a structured digital database ("**SDD**"), mechanism for prevention of insider trading and handling of UPSI, and the process to familiarize with the sensitivity of UPSI.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors in terms of Section 134(3)(c) of the Act 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 year 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;
- e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) 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.

CORPORATE GOVERNANCE

The report on Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms an integral part of this Report. The requisite certificate from the Practicing Company Secretary confirming compliance with the conditions of corporate governance is enclosed to the report on Corporate Governance.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts/arrangements/transactions entered into by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. The disclosure in Form No. AOC-2 is enclosed as **Annexure D** to this report.

The policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link: <https://www.hindwarehomes.com/pdf/Policy%20for%20Determining%20Materiality%20of%20Events.pdf>

Your Directors draw attention of the members to Note no. 46 to the financial statements which set out related party disclosures.

CORPORATE SOCIAL RESPONSIBILITY ("CSR")

During the year under review, the provisions of Section 135 of the Companies Act, 2013 pertaining to Corporate Social Responsibility were not applicable to the Company.

NUMBER OF BOARD MEETINGS

During the year under review, Five (5) Board Meetings were convened and held. For further details, please refer the Report on Corporate Governance which is forming part of this Annual Report.

AUDIT COMMITTEE

The Audit Committee comprises of Independent Directors namely Mr. Salil Kumar Bhandari as Chairman, Mr. Nand Gopal Khaitan, Ms. Anisha Motwani and a Non-Independent Director Mr. Sandip Somany as members of the Committee.

For further details, please refer the Report on Corporate Governance which is forming part of this Annual Report.

All the recommendations made by the Audit Committee were accepted by the Board.

DISCLOSURE UNDER SECRETARIAL STANDARDS

The Directors state that the Company has complied with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India. The details with respect to the composition, terms of reference, number of meetings held, etc. of the statutory committees of the Board of Directors are included in the Report on Corporate Governance, which forms part of this Annual Report.

VIGIL MECHANISM (WHISTLE BLOWER) POLICY

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.hindwarehomes.com/vigil-mechanism.php>

NOMINATION AND REMUNERATION POLICY

The Company has in place a Nomination and Remuneration Policy for appointment of Directors, Key Managerial Personnel, Senior Management and their remuneration as per the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Nomination and Remuneration Policy is available on Company's website at the link: <https://www.hindwarehomes.com/pdf/Nomination%20and%20Remuneration%20Policy.pdf>

DIVIDEND DISTRIBUTION POLICY

The Company has in place a Dividend Distribution Policy as per Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The policy was adopted to set out the parameters that will be taken into account by the Board in determining the distribution of dividend to its shareholders and/or retaining profit earned by the Company. The Policy is available on Company's website at the link: <https://www.hindwarehomes.com/pdf/Dividend%20Distribution%20Policy.pdf>

PARTICULARS OF LOANS, GUARANTEES AND 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 and 7).

PARTICULARS OF EMPLOYEES

Information required as per Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as **Annexure E** to this Report.

Disclosures relating to remuneration and other details as required under Section 197(12) of the Act read with 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 is provided in the Annual Report, which forms part of this Report. 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.

INTERNAL CONTROLS

The internal control systems are commensurate with the size, scale and complexity of the operations of the Company. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with the applicable statutes, safeguarding assets from unauthorised use, executing transactions with proper authorisation, and ensuring compliance with corporate policies. The Company uses SAP, a well-accepted enterprise resource planning (ERP) system, to record data for accounting, consolidation and management information purposes and connects to different locations for efficient exchange of information.

The Audit Committee of the Board of Directors, comprising majority of Independent Directors, reviews the effectiveness of the internal control system across the Company, including the annual plan, significant audit findings and recommendations, adequacy of internal controls and compliance with accounting policies and regulations.

INTERNAL FINANCIAL CONTROLS

The Company has in place an adequate Internal Financial Controls framework. It has documented Risk and Control Matrices (RACM) covering all activities, and all controls are tested for design and operating effectiveness as part of its Internal Financial Control reporting framework. The financial controls are evaluated for both design and operating effectiveness by an external consulting firm of repute. In our view, the Internal Financial Controls are adequate and are in line with best practices applicable to organisations of a similar size, nature and complexity.

RISK MANAGEMENT

The Board of Directors of the Company has constituted a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The Company has also adopted a Risk Management Policy which establishes various levels of accountability and overview within the Company.

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

The Company has in place a Prevention of sexual harassment of women at workplace 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 Internal Complaints Committee (ICC) has been set up to redress complaints regarding sexual harassment, if any.

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

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Sandip Somany, Chairman and Non-Executive Director of the Company, retires by rotation at the ensuing Annual General Meeting ("**AGM**") and being eligible, offered himself for re-appointment.

During the year under review, Mr. Girdhari Lal Sultania ("**Mr. Sultania**") was appointed as an Additional Director designated as Non-Executive Non-Independent Director on 8 February 2023 and the said appointment was further approved by the shareholders by way of special resolution passed through postal ballot on 22 March 2023.

Further, Mr. Rakesh Kaul, CEO and Whole-time Director of the Company resigned from the office of Director and Key Managerial Personnel of the Company with effect from the close of business hours of 5 April 2023 to pursue opportunities outside the Company.

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 Act and SEBI Listing Regulations. In the opinion of the Board, they fulfil the conditions of independence as specified in the Act and SEBI Listing Regulations 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.

BOARD EVALUATION

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual Directors on the basis of the criteria and framework adopted by the Board. In addition, the performance of Board as a whole and Committees were evaluated by the Board after seeking inputs from all the Directors on the basis of various criteria.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of Board as a whole and performance of the Chairman was evaluated, taking into account the views of the Executive and Non-Executive Directors. The evaluation process has been explained in the Corporate Governance Report section of the Annual Report.

TRAINING OF INDEPENDENT DIRECTORS

The details of programmes conducted for familiarisation of Independent Directors with the Company, nature of the industry in which the Company operates, business model of the Company, recent amendments/notifications etc. has been uploaded on the Company's website at the web link: <https://www.hindwarehomes.com/training-of-directors.php>

For further details, please refer to the Report on Corporate Governance which is forming part of this Annual Report.

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. Details relating to deposits covered under Chapter V of the Companies Act, 2013.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.

3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
4. The Whole-time Directors of the Company do not receive any remuneration or commission from any of its subsidiaries.
5. 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.
6. The Company is not required to maintain cost records as specified in Section 148(1) of the Companies Act, 2013.
7. Neither any application is made nor any proceeding is pending against the Company under the Insolvency and Bankruptcy Code, 2016.
8. 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 or 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

Place: Gurugram
Date: 24 May 2023

Sandip Somany
Chairman



Annexure A

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 Home Innovation Limited
(Formerly known as Somany Home Innovation Limited)
CIN: L74999WB2017PLC222970
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 Home Innovation Limited (Formerly known as Somany Home Innovation Limited) CIN: L74999WB2017PLC222970** (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;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (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)**

- (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;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended till date;
 - 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)**
 - 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)**
 - 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)**
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 and dealing with client as amended till date; **(Not applicable to the Company during the Audit Period)**
 - 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)**
 - 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)** and
 - i) The Securities and Exchange Board of India (Depository and Participants) Regulations, 2018.

(vi) OTHER LAWS SPECIFICALLY APPLICABLE TO THE COMPANY AS IDENTIFIED BY THE MANAGEMENT

- i. BEE – Bureau of Energy, Efficiency
- ii. BIS – Bureau of Indian Standards,
- iii. The Public Performance License of Copyright Music (Sound Recording) issued by Phonographic Performance Limited.

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

- (i) Secretarial Standards on meeting of Board of Directors (SS-1) and on General Meeting (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.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Standards and Guidelines to the extent applicable, 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. The changes in the composition of Board of Directors that took place during the period under review were carried out in compliance with provision of the Act.
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 except at shorter notice wherever required 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.
3. Majority decision is carried through and recorded in the minutes of the meetings. Further as informed and verified from minutes, no dissent was given by any director in respect of resolutions passed in the Board and committee meetings.

Based on the compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by Senior Vice President and Chief Financial Officer of the Company pursuant to Regulation 17(8) under SEBI

(Listing) Regulations 2015 and report given by Company Secretary under the Act taken on record by the Board of Directors at their meeting(s), 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 as follows:

1. Special Resolution under Section 4, 5, 13, 14 & 15 of the Companies Act, 2013 and Regulation 45 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 was passed by the members through postal ballot dated 29 April 2022 for change of name of the Company from "Somany Home Innovation Limited" to "Hindware Home Innovation Limited" and consequent alteration in Memorandum and Articles of Association of the Company. The Registrar of Companies, West Bengal has issued the fresh Certificate of Incorporation pursuant to change of name of Company on 23 May 2022.
2. The Board of Directors of Hindware Limited has allotted 9,00,000 (Nine lakh) partly paid-up equity shares on the payment of ₹ 1/- (Rupees One only) each on preferential basis to eligible subscribers in compliance of provisions of Sections 42(i), 62(1)(c) of the Companies Act, 2013 on 3 February 2023. Post that transaction, the Eligible Subscribers hold approx. 1.80% in the share capital of Hindware Limited. Consequently, the shareholding of the Company in Hindware Limited is reduced from 100% to 98.20% and the status of Hindware Limited has changed from wholly owned subsidiary to subsidiary of the Company with effect from 3 February 2023. However, it will continue to remain a material subsidiary of the Company as per SEBI Listing Regulations.

For **DMK ASSOCIATES**
COMPANY SECRETARIES

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

Date: 24 May 2023

Place: New Delhi

UDIN: F005480E000366005



Annexure 1

To
The Members,
M/s Hindware Home Innovation Limited
(Formerly known as Somany Home Innovation Limited)
CIN: L74999WB2017PLC222970
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 of 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

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

Date: 24 May 2023
Place: New Delhi
UDIN: F005480E000366005

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)**
- (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 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)**
- 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)**.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Standards, Guidelines etc. to the extent applicable 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 ₹ 1000/- crore (Rupees One Thousand crore only) to ₹ 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 ₹ 6,00,00,000/- (Rupees Six crore only) divided into 3,00,00,000 Equity Shares of ₹ 2/- each to 15,00,00,000/- (Rupees Fifteen crore only) divided into 7,50,00,000 Equity Shares of ₹ 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 ₹ 2/- each for every 1 (One) fully paid-up Equity Share of ₹ 2/- each held by them. Further the Board of Directors of the Company vide its resolution dated 04 August 2022 has allotted 2,45,00,000 (Two crore Forty Five lakh) Bonus Shares of ₹ 2/- each to the existing

equity shareholders in the proportion of 1 (One) fully paid-up Equity Share of ₹ 2/- each for every 1 (One) fully paid-up Equity Share of ₹ 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.

5. 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 ₹ 2/- each (Rupee Two only) at a premium of ₹ 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) ("EligibleSubscribers"), on the payment of ₹ 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 ₹ 2/- each (Rupee Two only) at a premium of ₹ 450/- (Rupee Four Hundred Fifty Only) on the payment of ₹ 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

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

Date :10 May 2023

Place: New Delhi

UDIN:F005480E000284651



Annexure 1

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

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 of 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

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

Date :10 May 2023
Place: New Delhi
UDIN:F005480E000284651

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**

The Company has undertaken various projects towards conservation of energy such as BLDC Fan with Low Power Consumption, Kitchen Chimney with Higher suction and Low Power Consumption, Water Wastage Reduction in RO Water Purifiers, Local production of Chimney to reduce carbon footprints in transportation cost from China, Noise Reduction from Chimney to make them convenient for consumers.

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

Not Applicable

(iii) The capital investment on energy conservation equipments:

S. No.	Capital Equipment	Capital investments on energy conservation equipments	Energy saving/annum (units in KWH)	Financial saving
		Not Applicable		

(B) TECHNOLOGY ABSORPTION**(i) The efforts made towards technology absorption**

At present, the Company has in-house facilities to develop all its technology.

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

Commencement of Chimney production in India, PCB, Low noise Housing and Blower localisation will result in value engineering, faster time to market and reduction in dependency over imports.

(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
		Not Applicable		

(iv) Expenditure incurred on Research and Development

Particulars	(₹ in lakh)	
	2022-23	2021-22
Capital Expenditure	-	NA
Recurring Expenditure	-	NA
Total		
Total R&D expenditure as a % of total revenue		

(v) Foreign Exchange Earnings and Outgo

Particulars	(₹ in lakh)	
	2022-23	2021-22
Earning in foreign currency	206.52	546.88
Outgo of foreign currency		
- Raw Material, spare part and others	8,907.71	11,206.53
- Capital Equipment	139.13	NIL



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 Companies Act, 2013 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 ARRANGEMENTS 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

NIL

For and on behalf of the Board of Directors

Sandip Somany

Chairman

Annexure E

DETAILS PERTAINING TO EMPLOYEES AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**A. The information required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:**

- (i) The ratio of the remuneration of each director to the median remuneration of the employee of the Company for the financial year:

Name of the Directors	Ratio to median remuneration*
Executive Director	
Mr. Rakesh Kaul [#]	59.89
Non-Executive Directors	
Mr. Sandip Somany	1.47
Mr. Salil Kumar Bhandari	1.48
Mr. Ashok Jaipuria	0.97
Mr. Nand Gopal Khaitan	1.52
Ms. Anisha Motwani	1.24
Mr. Girdhari Lal Sultania [@]	NA

*Remuneration is calculated on paid basis and as per the Income Tax Act, 1961.

[#]Resigned w.e.f. close of working hours of 5 April 2023.[@]Appointed as Director w.e.f. 8 February 2023.

- (ii) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year:

Director, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase/ (decrease) in remuneration in the financial year**
Mr. Sandip Somany, Chairman and Non-Executive Director	68.69
Mr. Rakesh Kaul, Whole time Director & CEO [#]	25.65
Mr. Salil Kumar Bhandari, Independent Director	45.46
Mr. Ashok Jaipuria, Independent Director	207.01
Mr. Nand Gopal Khaitan, Independent Director	65.06
Ms. Anisha Motwani, Independent Director	72.75
Mr. Girdhari Lal Sultania [*]	NA
Mr. Naveen Malik, Chief Financial Officer	25.20
Ms. Payal M Puri, Company Secretary	9.75

[#]Resigned w.e.f. close of working hours of 5 April 2023^{*}Appointed as Non-Executive Non-Independent Director w.e.f. 8 February 2023.^{**}Remuneration includes sitting fees and is calculated on paid basis and as per the Income Tax Act, 1961.

- (iii) The percentage increase in remuneration in the median remuneration of employee in the financial year: **3.54%**
- (iv) The number of permanent employees on the rolls of the Company as on 31 March 2023: **442**
- (v) Average percentile increase already made in the salaries of the employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

There is an average percentile increase made in the salaries of the employees other than the managerial personnel in the last financial year: **14.37%**

- (vi) Affirmation that the remuneration is as per the Remuneration Policy of the Company:
The Company affirms that the remuneration is as per the Remuneration Policy of the Company.



Report on Corporate Governance

COMPANY PHILOSOPHY

Corporate Governance is all about maintaining a valuable relationship and trust with all the stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. Hindware Home Innovation Limited (Formerly known as Somany Home Innovation Limited) believes that good governance stems from the mindset and culture of management and cannot be regulated only by legislation. Your Company works towards building an environment of Trust, Transparency and Accountability focusing on the long-term. The Company has put in place an internal governance structure with defined roles and responsibilities of every constituent of the system.

Your Company has institutionalized corporate governance as an integral part of the Company in its pursuit of excellence, growth and value creation. In addition to complying with the statutory requirements, effective governance systems and practices towards improving transparency, disclosures, internal control and promotion of ethics at workplace have been embedded. The Company recognizes that good governance is a continuing exercise and reiterates its commitment to pursue highest standards of corporate governance in the overall interest of its stakeholders.

A. BOARD OF DIRECTORS

The Company is managed and controlled by a professional Board comprising a blend of Executive and Non-executive professional Directors with considerable professional expertise and experience which provides leadership and guidance to the management thereby enhancing Stakeholders' value. As on 31 March 2023, the Board of Directors consisted of seven Directors out of which four (i.e. 57.14%) are Independent Directors, two (28.57%) are Non-Executive Non-Independent Directors and one (14.29%) is Executive Director. The composition of the Company's Board is in conformity with the provisions of the Companies Act, 2013 ("the Act") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

As on 31 March 2023, none of the Directors on the Company's Board was a Director in more than 10 Public Companies (including 7 Listed Companies), neither a Chairman of more than 5 Committees nor a member of more than 10 Committees in all the public companies in which they are Directors. Further, all the Directors have made necessary disclosures regarding their Directorship and Chairmanship/Committee Membership in other Companies as per the requirement of the Listing Regulations, Act and other applicable provisions, if any.

As on 31 March 2023, no Director is related to any other Director on the Board.

Appointment of the Chairman and Non-Executive Director, and Whole-time Director and CEO including the tenure and terms of their remuneration is approved by the members at their general meeting upon recommendation of Nomination and Remuneration Committee and Board of Directors.

Five Board meetings were held during FY 2022-23 and the gap between two meetings did not exceed 120 days. The dates, on which the Board meetings were held, are as follows:

26 May 2022, 25 July 2022, 12 August 2022, 14 November 2022 and 13 February 2023.

Dates for the Board meetings are decided well in advance to enable the Directors plan their schedules to facilitate participation in the meetings. The Agenda, along with the supporting documents, explanatory notes and information, as enumerated under Listing Regulations, are made available to the Directors along with the notice of respective meetings in advance in order to enable them to make value addition and discharge their duties diligently during the meetings. The Board periodically reviews compliance reports of all laws applicable to the Company. The Company undertakes steps to rectify instances of non-compliance, if any.

Hindware Home Innovation Limited

The names and categories of the Directors on the Board, along with their attendance at the Board meetings held during the year ended 31 March 2023, and at the last Annual General Meeting, and the number of other Directorship and Chairmanship/Membership of Committees held by them, are given below:

Name of the Director	No. of Board meetings attended during tenure	Whether attended the last AGM	No. of other Directorship*	Committee position of other Companies**		No. of Equity Shares held
				Chairman	Member	
Executive						
Mr. Rakesh Kaul (Whole-time Director & CEO)# DIN: 08560772	4	Yes	1	Nil	Nil	Nil
Non-executive and Non- Independent						
Mr. Sandip Somany (Chairman and Non-Executive Director) DIN: 00053597	5	Yes	5	Nil	2	60,39,731
Mr. Girdhari Lal Sultania## DIN: 00060931	1	Not applicable	8 [§]	1	2	705
Non-executive and Independent						
Mr. Ashok Jaipuria DIN: 00214707	2	No	2	Nil	Nil	25,000
Mr. Nand Gopal Khaitan DIN: 00020588	5	Yes	6	3	4	132
Mr. Salil Kumar Bhandari DIN: 00017566	4	Yes	4	1	Nil	Nil
Ms. Anisha Motwani DIN: 06943493	4	No	9	1	4	Nil

*This includes Directorship in public limited companies (including subsidiaries of public limited companies) and excludes Directorship in this Company, associations, private, foreign and Section 8 companies.

**Represents Chairmanship/Membership of Audit Committee and Stakeholder Relationship (Shareholders'/Investors' Grievance) Committee. This includes Chairmanship/Membership in public limited companies (including subsidiaries of public limited companies) and excludes Chairmanship/Membership in this Company, private, foreign and Section 8 companies.

#Mr. Rakesh Kaul ceased to be Whole-time Director & CEO of the Company w.e.f. 6 April 2023 due to his resignation from the Board.

##Mr. Girdhari Lal Sultania was appointed as Non-Executive Non-Independent Director on 8 February 2023.

§Excludes Directorship in a strike-off company

Name of Listed Companies in which Directors hold Directorships other than Hindware Home Innovation Limited (Formerly known as Somany Home Innovation Limited)

S. No.	Name of Director	Name of the Listed Company	Category of Directorship
1.	Mr. Sandip Somany	AGI Greenpac Limited (Formerly HSIL Limited)	Chairman and Managing Director
		JK Paper Limited	Independent Director
2.	Mr. Rakesh Kaul#	Nil	N.A.
3.	Mr. Ashok Jaipuria	Cosmo First Limited	Managing Director
4.	Mr. Nand Gopal Khaitan	Mangalam Cement Limited	Independent Director
		Reliance Chemotex Industries Limited	Non-Executive Non-Independent Director
		India Power Corporation Limited (Ceased to be Director w.e.f. 24 April 2023)	Independent Director
		JK Lakshmi Cement Limited	Independent Director
		AGI Greenpac Limited (Formerly HSIL Limited)	Independent Director
		Shyam Metallics and Energy Limited	Independent Director
5.	Mr. Salil Kumar Bhandari	Greenpanel Industries Limited	Independent Director
6.	Ms. Anisha Motwani	Prataap Snacks Limited	Independent Director
		Welspun India Limited	Independent Director
		Abbott India Limited	Independent Director
		Star Health and Allied Insurance Company Limited	Independent Director
7.	Mr. Girdhari Lal Sultania	AGI Greenpac Limited (Formerly HSIL Limited)	Non-Executive Non-Independent Director

#Ceased to be a Director w.e.f. 6 April 2023.



CORE SKILLS/EXPERTISE/COMPETENCIES OF DIRECTORS

The existing Board of Directors of the Company comprises of appropriate skills/expertise/competencies in diversified domains for its effective functioning. Further, the Board has identified the skills/expertise/competencies of each Director in accordance with their rich and varied experience across different sectors, in the following manner:

AREA OF EXPERTISE	Name of Directors						
	Mr. Sandip Somany	Mr. Rakesh Kaul	Mr. Salil Kumar Bhandari	Mr. Ashok Jaipuria	Mr. Nand Gopal Khaitan	Ms. Anisha Motwani	Mr. Girdhari Lal Sultania
Strategy	✓	✓	✓	✓	-	✓	-
Business Administration	✓	✓	✓	-	-	✓	-
Management	✓	✓	✓	✓	✓	✓	✓
Corporate Governance	✓	✓	✓	✓	✓	✓	✓
Engineering & Manufacturing	✓	-	-	✓	-	-	-
Sales & Marketing	✓	✓	✓	✓	-	✓	-
Community Services	✓	-	✓	✓	-	-	-
Human Resources	✓	✓	✓	✓	-	-	-
Business Development	✓	✓	✓	✓	-	-	-
Finance	✓	✓	✓	✓	✓	✓	✓
Legal	✓	-	-	✓	✓	-	✓
Product Development	-	-	-	-	-	✓	-
Consumer Insight	-	-	-	-	-	✓	-
E-Commerce	-	✓	-	-	-	-	-
Technology	-	✓	-	-	-	-	-

The Board confirms that the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the management.

During the FY 2022-23, no Independent Directors resigned from the Board of Directors of the Company.

B. COMMITTEES OF THE BOARD

The Board of Directors has constituted the following Committees for better governance with adequate delegation of powers to discharge the Company's requisite business:

- Audit Committee
- Corporate Affairs Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship (Shareholders'/Investors' Grievance) Committee
- Share Transfer Committee
- Risk Management Committee

The minutes of the meetings of all such committees are placed before the Board for discussion/noting.

Details of the composition, number of meetings held during the year, attendance of members and scope of the committees are as below:

Audit Committee

Composition

The Committee comprising of four Directors (one Non-Independent Non-Executive Director and three Independent Directors). Mr. Salil Kumar Bhandari, Fellow Chartered Accountant and Commerce graduate, is the Chairman of the Committee. The quorum of the Committee is two members or one-third of the members, whichever is higher with at least two Independent Directors. The Whole-time Director and CEO, Finance Head, General Counsel, Statutory Auditors and the Internal Auditors are invitees to the meetings of the Audit Committee. The business and operation heads are invited to the meetings, as and when required. The Company Secretary acts as the Secretary to the Committee.

Meetings and Attendance

During the year, four meetings of the Audit Committee were held on 26 May 2022, 12 August 2022, 14 November 2022 and 13 February 2023. The Chairman of the Audit Committee attended the Company's last Annual General Meeting.

The following table summarizes attendance of Audit Committee members during the year under review:

Name of Members	Status	No. of meetings held during the tenure	No. of meetings attended
Mr. Salil Kumar Bhandari	Chairman	4	3
Mr. Sandip Somany	Member	4	4
Mr. Nand Gopal Khaitan	Member	4	4
Ms. Anisha Motwani	Member	4	3

The Committee’s existing composition meets with requirements of Section 177 of the Act and Listing Regulations. Members of the Audit Committee possess financial/accounting expertise/exposure.

Scope of the Audit Committee

The Audit Committee, inter alia, supports the Board to ensure an effective internal control environment. The Committee discharges such duties and functions with powers generally indicated in Listing Regulations.

The scope of the Audit Committee is as follows:

Powers of Audit Committee

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Terms of Reference

- Overseeing the Company’s financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, adequate and credible;
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditors and the fixation of audit fee;
- Approving payment to Statutory Auditors for any other services rendered by them;
- Reviewing, with the management, the Annual Financial Statements and Auditor’s report thereon before submission to the Board for approval, with particular reference to, (a) Matters required to be included in the Director’s Responsibility Statement to be included in the Board’s report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013; (b) Changes, if any, in accounting policies and practices and reasons for the same; (c) Major accounting entries involving

- estimates based on the exercise of judgment by management; (d) Significant adjustments made in the Financial Statements arising out of audit findings; (e) Compliance with listing and other legal requirements relating to Financial Statements; (f) Disclosure of any related party transactions; and (g) Qualifications in the draft audit report, if any;
- Reviewing, with the management, the Quarterly Financial Statements before submission to the Board for approval;
- Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the agency monitoring the utilisation of proceeds of a public or rights issue, if any, and making appropriate recommendations to the Board to take up steps in this matter;
- Reviewing and monitoring the auditor’s independence and performance and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Reviewing, with the management, the performance of Statutory and Internal Auditors and adequacy of the internal control system;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- Reviewing reports of internal audit and discussing with Internal Auditors on any significant findings of any internal investigations by the Internal Auditors and the executive management’s response on matters and follow-up thereon;
- Reviewing reports of cost audit, if any, and discussion with Cost Auditors on any significant findings by them;
- Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;



- To review the functioning of the Vigil (Whistle Blower) mechanism;
- Approval of appointment of CFO (i.e., the Whole-Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Recommending to the Board, the appointment and fixation of remuneration of Cost Auditors, if applicable;
- Evaluating Internal Financial Controls and Risk Management Systems and reviewing the Company's financial and risk management policies;
- Looking into the reasons for substantial defaults, if any, in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- Reviewing the Management Discussion and Analysis of financial condition and results of operation;
- Reviewing the statement of significant related-party transactions;
- Reviewing the management letters/letters of internal control weaknesses issued by the Statutory Auditors;
- To review the appointment, removal and terms of remuneration of the Chief Internal Auditor;
- To review the internal audit report relating to internal control weaknesses;
- To review compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, and verify that the systems for internal controls are adequate and are operating effectively;
- To review the utilization of loans and/or advances from/investment by the Company in its subsidiary companies exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower; and
- To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.

Corporate Affairs Committee

Composition

The Company's Corporate Affairs Committee was lastly re-constituted on 13 February 2023 comprising of two Non-Executive Non-Independent Directors and two Independent Directors. Mr. Sandip Somany, Chairman and Non-Executive Director of the Company,

is the Chairman of the Committee. The quorum for the Committee is two members. The Company Secretary acts as the Secretary to the Committee.

Meetings and Attendance

The Corporate Affairs Committee met on five occasions during the FY 2022-23, on 19 May 2022, 1 June 2022, 30 August 2022, 5 December 2022 and 23 February 2023.

The following table summarises the attendance details of the Corporate Affairs Committee members:

Name of Members	Status	No. of Meetings held during the tenure	No. of meetings attended
Mr. Rakesh Kaul [#]	Chairman	4	4
Mr. Sandip Somany [#]	Chairman	5	4
Mr. Salil Kumar Bhandari	Member	5	-
Mr. Nand Gopal Khaitan [*]	Member	1	1
Mr. Girdhari Lal Sultania [*]	Member	1	1

[#]Mr. Rakesh Kaul resigned as Chairman w.e.f. 13 February 2023 and Mr. Sandip Somany was appointed as Chairman w.e.f. 13 February 2023

^{*}Appointed as Member w.e.f. 13 February 2023.

Scope of the Corporate Affairs Committee

The Corporate Affairs Committee's terms of reference, inter alia, include providing authorization to the Company's Executives on account of banking operations, taxation, corporate and financial management issues and other incidental matters arising in the Company's day-to-day operations. The Committee's powers are revised from time to time by the Board of Directors to facilitate seamless operations of the Company.

Nomination and Remuneration Committee

Composition

The Nomination and Remuneration Committee comprises of three members, two of them are Independent Directors and one is Non-Executive Non-Independent Director. The quorum for a meeting of the Nomination and Remuneration Committee is either two members or one third of the members of the Committee, whichever is higher, including at least one Independent Director in attendance. The Company Secretary acts as Secretary to the Committee.

Meetings and Attendance

During the year, the Nomination and Remuneration Committee met two times on 25 July 2022 and 3 February 2023. The following table summarises

the attendance details of the Nomination and Remuneration Committee members:

Name of Members	Status	No. of meetings held during the tenure	No. of meetings attended
Mr. Salil Kumar Bhandari	Chairman	2	2
Mr. Sandip Somany	Member	2	2
Mr. Nand Gopal Khaitan	Member	2	2

Terms of reference

The Nomination and Remuneration Committee is empowered to review and recommend to the Board of Directors, remuneration and commission of the Company’s Executive Directors and Senior management with the guidelines laid down under the statute. The scope of the Nomination and Remuneration Committee is as follows:

- formulating criteria for determining qualifications, positive attributes and independence of Directors;
 - For every appointment of an independent director, the Nomination and Remuneration Committee evaluates the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.
- identifying and recommending individuals who are qualified to become Directors, and who may be appointed as Senior Management in accordance with the criteria laid down;
- assisting the management of the Company in formulating and periodically reviewing the familiarization programs for independent directors, as may be required;
- whether to extend or continue the term of appointment of the independent director, on the

basis of the report of performance evaluation of independent directors;

- formulating criteria for evaluation of independent directors and the Board;
- specifying the manner for effective evaluation of performance of Board, its Committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
- recommending to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and Senior Management, and while formulating such policy ensuring that (i) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of quality, required to run the Company successfully; (ii) the relationship of remuneration to performance is clear and meets the appropriate performance benchmarks; and (iii) remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between the fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals;
- preparing a policy on diversity of the Board;
- recommending to the Board the re-appointment and removal of any individual holding the office of a Director, Key Managerial Personnel or Senior Management, subject to the provision of the law and their service contract;
- determining whether the relevant Director has the requisite qualifications for practice of a profession in terms of section 197 of the Companies Act, 2013 in relation to payment of remuneration for services rendered by such Director;
- recommending to the Board, all remuneration, in whatever form, payable to Senior Management;
- undertaking such other functions as may be determined by the Board or required under the provisions of the Companies Act, 2013 or the Listing Regulations; and
- undertaking such other actions as may be necessary or appropriate for performance of the aforementioned functions.

The Nomination and Remuneration Policy of the company is available on the Company’s website www.hindwarehomes.com.



Detail of Remuneration of Directors

The table below provides the detail of the remuneration paid to the Directors during the financial year 2022-23:

Name of Directors	Basic & Allowances	Perquisites	Commission (for the year 2021-22)	Contribution to PF	Sitting Fee	Total
Mr. Sandip Somany	N.A.	N.A.	4,26,077	N.A.	3,30,000	7,56,077
Mr. Rakesh Kaul*	2,95,77,713	1,12,600	N.A.	11,03,994	N.A.	3,07,94,307
Mr. Ashok Jaipuria	N.A.	N.A.	4,26,076	N.A.	75,000	5,01,076
Mr. Nand Gopal Khaitan	N.A.	N.A.	4,26,076	N.A.	3,55,000	7,81,076
Mr. Salil Kumar Bhandari	N.A.	N.A.	4,26,076	N.A.	3,35,000	7,61,076
Ms. Anisha Motwani	N.A.	N.A.	4,26,076	N.A.	2,10,000	6,36,076
Mr. Girdhari Lal Sultania	N.A.	N.A.	N.A.	N.A.	30,000	30,000
TOTAL	2,95,77,713	1,12,600	21,30,381	11,03,994	13,35,000	3,42,59,688

* Ceased to be a Director w.e.f. 6 April 2023.

The Company has not issued any stock option to its directors/employees.

Directors with materially significant, pecuniary or business relationship with the Company

The transactions with related parties are furnished in note no. 46 of financial statements, as stipulated under Accounting Standard (Ind AS) 24. Apart from related party transactions furnished in note no. 46, there are no transactions of material nature with Directors or their relatives and others, which may have potential conflict with the Company's interest. The Register of Contracts required to be maintained under Section 189(1) and Rule 16(1) of the Act, containing the details of the contracts, in which the Directors are concerned or interested, is placed at the meeting of the Board of Directors for their approval and noting, on a periodical basis.

With the applicability of the Act and Listing Regulations, transactions attracting provisions of Section 188 which are in ordinary course of business and are at arm's length have been entered into after being reviewed, scrutinized and approved by the Audit Committee and with approval of the Board, wherever necessary.

No transactions which are not in ordinary course of business and are not at arm's length have been entered into with any related party.

The Policy on Related Party Transactions of the Company is available on the Company's website www.hindwarehomes.com.

Stakeholder Relationship (Shareholders'/Investors' Grievance) Committee

Composition

The Committee was re-constituted on 13 February 2023 comprising of three members, two of them are Independent Directors and one is Non-Executive Non-Independent Director. The Chairman of the Committee

is Mr. Salil Kumar Bhandari. The Company Secretary of the Company acts as the Secretary to the Committee and is also the Company's Compliance Officer.

Meetings and Attendance

During the year, four meetings of the Committee were held on 26 May 2022, 12 August 2022, 14 November 2022 and 13 February 2023. The following table summarizes the attendance details of the Stakeholder Relationship (Shareholders'/Investors' Grievance) Committee members:

Name of Members	Status	No. of meetings held during the tenure	No. of meetings attended
Mr. Salil Kumar Bhandari	Chairman	4	3
Mr. Nand Gopal Khaitan	Member	4	4
Mr. Rakesh Kaul [#]	Member	4	3
Mr. Girdhari Lal Sultania [#]	Member	-	-

[#]Mr. Rakesh Kaul Ceased to be a member w.e.f. 13 February 2023 and Mr. Girdhari Lal Sultania was Appointed as member w.e.f. 13 February 2023.

Scope of Stakeholders Relationship (Shareholders'/Investors' Grievance) Committee

- To resolve the grievances of the security holders of the Company including complaints related to transmission of shares, non-receipt of Annual Report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
- To review measures taken for effective exercise of voting rights by shareholders;
- To review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent; and
- To review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

During the year, 3 (Three) complaints were received and duly resolved by the Company.

Share Transfer Committee

Composition

The Committee comprises of three members including Company’s Authorised Representatives/Executives.

Meetings and Attendance

The Committee conducts monthly meetings for the approval of transmission of shares, if any, lodged with the Company. As on 31 March 2023, no such request was pending.

Scope of the Share Transfer Committee

The Board entrusts the Share Transfer Committee with the powers related to transmissions, consolidation, splitting and issue of share certificates, in exchange of sub-divided/consolidated and others and overseeing the performance of the Company’s appointed Registrar and Share Transfer Agent.

Risk Management Committee

Composition

The Company has re-constituted its Risk Management Committee on 13 February 2023, comprising of four members, three of them being members of the Board (including two Independent Directors and one Non-Executive Director) and one senior executive of the Company. Mr. Sandip Somany, Chairman and Non-Executive Director of the Company is the Chairman of the Committee. The quorum for the meetings of the Committee is either two members or one-third of the total members, whichever is higher, including at least one member of the Board of Directors. The Company Secretary acts as the Secretary to the Committee.

Meetings and Attendance

During the year, the Risk Management Committee met two times on 30 August 2022 and 11 January 2023. The following table summarises the attendance details of the Members of Risk Management Committee:

Name of Members	Status	No. of meetings held during the tenure	No. of meetings attended
Mr. Sandip Somany	Chairman	2	2
Mr. Salil Kumar Bhandari	Member	2	2
Mr. Rakesh Kaul*	Member	2	1
Mr. Sandeep Sikka	Member	2	2
Mr. Nand Gopal Khaitan#	Member	-	-

*#Mr. Rakesh Kaul Ceased to be a member w.e.f. 13 February 2023 and Mr. Nand Gopal Khaitan was Appointed as member w.e.f. 13 February 2023

Scope of the Risk Management Committee

The Risk Management Committee has powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

Terms of reference

- To formulate a detailed risk management policy which shall include:
 - a. framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - b. measures for risk mitigation including systems and processes for internal control of identified risks.
 - c. business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
- The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors;
- Monitoring and Reviewing the Risk Management Plan; and
- Such other function(s) as the board of directors may deem fit.



C. OTHER MEETING

Independent Directors Meeting

During the year under review, the Independent Directors met on 13 February 2023 inter alia, to discuss:

- Evaluation of the performance of Non-Independent Directors;
- Evaluation of the Board of Directors as a whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the view of the Executive and Non-Executive Directors; and
- The quality, quantity and time lines of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All Independent Directors were present at the meeting.

D. GENERAL BODY MEETINGS

Annual General Meeting

The last three Annual General Meetings were held as under:

Financial Year	Date	Time	Venue
2021-22	30 August 2022	12:00 noon	Through Video Conferencing/
2020-21	27 September 2021	12:00 noon	Other Audio Visual Means. Deemed Venue for the meetings:
2019-20	3 September 2020	12:00 noon	Registered Office - 2, Red Cross Place, Kolkata - 700 001

Three Special Resolutions were passed at the Annual General Meetings held during the last three financial years

Date of Annual General Meeting	No. of Special Resolution passed	Particulars
30 August 2022	1	Re-appointment of Mr. Rakesh Kaul as Whole-time Director & Chief Executive Officer and remuneration payable thereof
27 September 2021	1	Remuneration by way of Commission to the Directors (Other than Managing Director/ Whole-time Director)
3 September 2020	1	Approval for appointment of Mr. Rakesh Kaul as Whole-time Director and Chief Executive Officer and remuneration payable thereof

Extra Ordinary General Meeting

During the financial year 2022-23, no Extra Ordinary General Meeting was held.

Postal Ballot

The Company conducted Postal Ballot, the results of which were declared on 23 March 2023. The following resolution was passed vide the above mentioned Postal Ballot as a Special Resolution:

S. No.	Special Resolution	Votes cast in favour		Votes cast against		Date of declaration of Results
		No. of votes	%	No. of votes	%	
1.	Appointment of Mr. Girdhari Lal Sultania as Non-Executive Non-Independent Director	4,32,44,166	99.99	5,165	0.01	23 March 2023

Mr. Pravin Kumar Drolia, Practicing Company Secretary, Kolkata (FCS: 2366, CP: 1362), was appointed to act as Scrutinizer to conduct the remote e-voting process in a fair and transparent manner.

Procedure for Postal Ballot(s)

In compliance with Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Sections 108, 110 and other applicable provisions of the Companies Act, 2013 read with related rules, the Company engaged the services of Central Depository Services (India) Limited (CDSL) for the purpose of providing remote e-voting facility to all its Members. The Members were provided with the facility of remote e-voting.

Notice of the said postal ballot was only sent through email to all the Members who had registered their email addresses with the Company or depository/depository participants and the physical Notice (along with postal ballot forms) and pre-paid business envelope through post were not sent to the Members for the aforesaid postal ballot pursuant to the MCA General Circulars Nos. 14/2020 dated 8 April 2020, 17/2020 dated 13 April 2020, 22/2020 dated 15 June 2020, 33/2020 dated 28 September 2020, 39/2020 dated 31 December 2020, 02/2021 dated

13 January 2021, 10/2021 dated 23 June 2021, 20/2021 dated 8 December 2021, 3/2022 dated 5 May 2022 and 11/2022 dated 28 December 2022. The communication of assent/dissent of the Members took place through the remote e-voting system.

The Company also placed the notice of the above mentioned postal ballot on its website and published the same in the newspapers declaring the details of completion of dispatch and other requirements as mandated under the Act and applicable rules.

Voting rights were reckoned on the paid-up value of the shares registered in the name of the Members as on the cut-off date. Members were requested to vote before the close of business hours on the last date of e-voting.

After completion of the scrutiny, the Scrutinizer submitted his report and the consolidated results of the votes cast through remote e-voting. Thereafter, Mr. Nand Gopal Khaitan, Director of the Company, (authorized by the Chairman of the Company) announced the results on 23 March 2023. The proposed resolution was passed with the requisite majority and the results of postal ballot were also displayed on the website of the Company i.e. www.hindwarehomes.com, besides being communicated to the stock exchanges. The deemed date of passing the resolution was 22 March 2023.

E. DISCLOSURES

Disclosure of Accounting Treatment

The Company followed the guidelines of Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.

Risk Management

The Company has a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The Company has also adopted a Risk Management Policy which establishes various levels of accountability and overview within the Company.

Disclosure of Commodity Price Risks and Hedging Activities

Please refer Note No. 45 of the Consolidated Financial Statements, which form part of the Annual Report.

Strictures/Penalties

No strictures/penalties were imposed on the Company by Stock Exchanges or SEBI or any statutory authority, or any matter related to capital markets during the last three years.

Proceeds from public issues, right issues, preferential issues

During the financial year 2022-23, the Company did not raise capital through public, rights and/or preferential issue.

Management

The Management Discussion and Analysis Report forms a part of the Annual Report and is in accordance with the requirements laid down in Regulation 34 of the Listing Regulations.

No material transaction was entered into by the Company with the Promoters, Directors or the Senior Management that may have a potential conflict with the Company's interest.

Vigil Mechanism (Whistle Blower) Policy

The Company has put in place a mechanism for reporting illegal, unethical behavior, malpractice, impropriety, abuse, insider trading or wrongdoing. The Company has a Vigil Mechanism (Whistle Blower) Policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct.

The employees, directors and other stakeholders can submit Protected Disclosures to Tip-offs Anonymous Service Provider in the manner laid out in the Vigil Mechanism (Whistle Blower) Policy, which is available on the Company's website www.hindwarehomes.com. During the year under review, no employee was denied access to Audit Committee.

Performance Evaluation

Pursuant to the provisions of the Act and Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, the Directors individually, Chairman as well as the evaluation of the working of its Nomination and Remuneration Committee. 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 and its Committees, Board culture, execution and performance of specific duties, obligation 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. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors and the Directors expressed their satisfaction with the evaluation process.

Code of Conduct for the Prevention of Insider Trading

The Company has in place its Code of Conduct for the Prevention of Insider Trading, in accordance with the guidelines specified under the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018.

The Code of Conduct for Prevention of Insider Trading ("Code"), inter-alia, prohibits purchase/sale of Company's shares, while in possession of Company's Unpublished Price Sensitive Information ("UPSI") and accordingly necessary procedures have been laid down for the Designated Persons and others as prescribed under the said code for trading in the Company's securities. The Code covers Company's obligation to maintain a structured digital database, mechanism for prevention of insider trading and handling of UPSI, and the process to familiarize with the sensitivity of UPSI.

The Company's Code of Practices and Procedures for Fair Disclosures is available on the Company's website www.hindwarehomes.com.

Subsidiary Companies

The Company has Hindware Limited (Formerly known as Brilloca Limited) as its unlisted Indian subsidiary, whose income or net worth exceeds 10% of the consolidated income or net worth, respectively, of the Company and its subsidiaries in the immediately preceding accounting year. The minutes of the Board meetings as well as statements of all significant transactions of the unlisted subsidiary companies are circulated with the agenda of the Board meeting to the Company's Board of Directors. The policy on Material Subsidiaries is available on the Company's website at the link <https://www.hindwarehomes.com/pdf/Policy%20on%20Material%20Subsidiaries.pdf>.

Particulars of Director seeking re-appointment

Pursuant to provisions of the Act, Mr. Sandip Somany shall retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

For detailed particulars on the Director seeking re-appointment, please refer to Notice dated 24 May 2023 of the Annual General Meeting scheduled to be held on 27 September 2023.

Training of Independent Directors

As per Regulation 25(7) of Listing Regulations, the Company provides suitable training to the Independent Directors to familiarize them with the Company, their roles, rights, responsibilities, nature of the industry in which the Company operates, business model of the Company and any other relevant information, if any. The details of such training imparted are disclosed in the Annual Report.

The Company provides an orientation and business overview to all its new Directors and provides materials and briefing sessions periodically to all Directors which assist them in discharging their duties and responsibilities.

The details of programmes conducted for familiarization of Independent Directors with the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at the link: <https://www.hindwarehomes.com/training-of-directors.php>.

Further, the Company issues a formal letter of appointment to Independent Directors outlining their roles, responsibilities, functions and duties as an Independent Director. The format of the letter of appointment is available on the Company's website at the link: <https://www.hindwarehomes.com/appointment-letter-to-independent-directors.php>.

Adoption of mandatory and non-mandatory requirements of Listing Regulations

The Company has complied with all mandatory requirements of Listing Regulations. The Company has adopted following non-mandatory requirements of the Listing Regulations:

Audit Qualification

The Company is in the regime of unqualified financial statements.

Reporting of Internal Auditor

The Internal Auditor directly reports to the Audit Committee.

Certificate from a Company Secretary in Practice

The certificate from a Company Secretary in Practice, stating that none of the Directors on the Board of Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI/Ministry of Corporate Affairs (MCA) or any such statutory authority, is enclosed to this Report.

Deviations, if any, of mandatory recommendations by the Committees to the Board of Directors

During the year, there was no instance wherein the Board of Directors of the Company did not accept any recommendation of the Committees.

Details of total fees paid to Statutory Auditor

The details of total fees for all services paid by the Company, its subsidiaries and joint venture for the FY 2022-23, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part, are as follows:

		(₹ in lakh)
S. No.	Nature of Service	Amount
1.	Audit Fees	29.49
2.	Other Services*	14.57
Total		44.06

*Payment for other services has been approved by the Audit Committee as required under Listing Regulations.

Sexual Harassment of Women at Workplace

The disclosures in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are mentioned in the Directors' Report which forms part of the Annual Report.

F. MEANS OF COMMUNICATION

Results

The quarterly, half yearly and annual results are submitted to the Stock Exchange(s) in accordance with Listing Regulations. Further, the quarterly/half yearly/annual results in the prescribed format, are published within 48 hours in any prominent daily newspaper, such as The Financial Express, The English daily and Ekdin vernacular newspaper. All vital information of the Company's performance, including Financial Results, Annual Reports and Shareholding Pattern have been posted on the Company's website, i.e. www.hindwarehomes.com.

News releases, presentations, among others

Official news/press releases and official media releases etc. are displayed on the Company's website i.e. www.hindwarehomes.com.

Presentation

The Company makes financial presentations to institutional investors, mutual funds and others who have invested or intends to invest in the Company's share capital and such presentations are available on the website of the Company.

Website

The Company's website i.e. www.hindwarehomes.com contains a separate dedicated section 'Investor Relations' where shareholders' information is available. The Company's Annual Report is also available in a user-friendly and downloadable form.

Annual Report

The Annual Report containing, inter alia, Audited Financial Statements, Consolidated Financial Statements, Directors' Report, Auditors' Report, AGM Notice, Business Responsibility and Sustainability Report, if applicable, and other important information is circulated to members and others entitled thereto. The Management Discussion and Analysis (MD&A) Report forms part of the Annual Report and is displayed on the Company's website i.e. www.hindwarehomes.com.

NSE Electronic Application Processing System (NEAPS)

The NEAPS is a web-based application designed by NSE for Corporates. All periodical compliance filings like shareholding pattern, corporate governance report, results and other requirement of Listing Regulations, media releases, among others are filed electronically on NEAPS or other digital portal as mandated by NSE, by the Company.

BSE Corporate Compliance & Listing Centre (the 'Listing Centre')

BSE's Listing Centre is a web-based application designed for Corporates. All periodical compliance filings like shareholding pattern, corporate governance report, results, media releases, among others are also filed electronically on the Listing Centre by the Company.

SEBI Complaints Redress System (SCORES)

The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

Designated Exclusive email-id

The Company has designated the email-id investors@shilgroup.com exclusively for investor services.



G. SHAREHOLDER INFORMATION

Company Registration Details

The Company is registered with the Registrar of Companies, in the State of West Bengal, India. The Corporate Identification Number (CIN) allotted to the Company by the MCA is L74999WB2017PLC222970.

Contact Information

Registered Office

2, Red Cross Place
Kolkata - 700 001, West Bengal, India
Phone: +91 - 33 -2248 7404/7405
email: investors@shilgroup.com

Corporate Office

Plot No. 68, Echelon Institutional Area,
Sector -32, Gurugram, Haryana-122001, India
Phone: +91- 124-2889300
Email: payal@hindware.co.in

Plant locations

The Company is engaged into marketing and trading activities, hence it does not have any manufacturing unit.

Company Secretary

Ms. Payal M Puri

Annual General Meeting

The 6th Annual General Meeting is scheduled to be held on Wednesday, 27 September 2023 at 1:00 P.M. (IST) through Video Conferencing/Other Audio Visual Means.

Financial Calendar

The Company follows April to March as its financial year. The results for every quarter, beginning from April, are declared within 45 days of the end of quarter, except for the last quarter, which are submitted, along with the annual audited results within 60 days of the end of the last quarter, as permitted under the Listing Regulations.

Date of Book Closure

Thursday, 21 September 2023 to Wednesday, 27 September 2023 (both days inclusive).

Dividend Payment Date

The Board of Directors at their meeting held on 24 May 2023 declared Dividend @ ₹ 0.50 (Fifty Paise) per equity shares of ₹ 2/- each for the year 2022-2023. The Board has recommended the said dividend as final dividend for the year ended 31 March 2023 for shareholders' approval at the ensuing Annual General Meeting to be held on 27 September 2023.

Listing on Stock Exchanges

The Stock Exchanges, at which the Company's equity shares are listed, and the respective stock codes are:

National Stock Exchange of India Ltd. (NSE): HINDWAREAP

Exchange Plaza, 5th Floor,
Plot No. C-1, Block G,
Bandra-Kurla Complex,
Mumbai-400051
Maharashtra, India

BSE Ltd. (BSE): 542905

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai-400001
Maharashtra, India

International Securities Identification Number (ISIN) of the Company's equity shares, having face value of ₹ 2 each, is INE 05AN 01011.

Listing fees for the financial year 2023-24 have been paid to the Stock Exchanges.

Registrar and Share Transfer Agent

M/s. Maheshwari Datamatics Private Limited is the Company's Registrar and Share Transfer Agent (RTA) for its equity shares. The contact details of RTA are:

Maheshwari Datamatics Private Limited
23, R. N. Mukherjee Road, 5th Floor, Kolkata -700 001,
West Bengal, India
Phone: +91-33- 2243 5029/2248 2248
Email: mdpldc@yahoo.com

Share Transfer System

The Company has constituted a Share Transfer Committee to consider and approve applications for re-materialisation/transmission/transposition/internal transfer issuance of duplicate certificates etc. for physical shares, if any received in future.

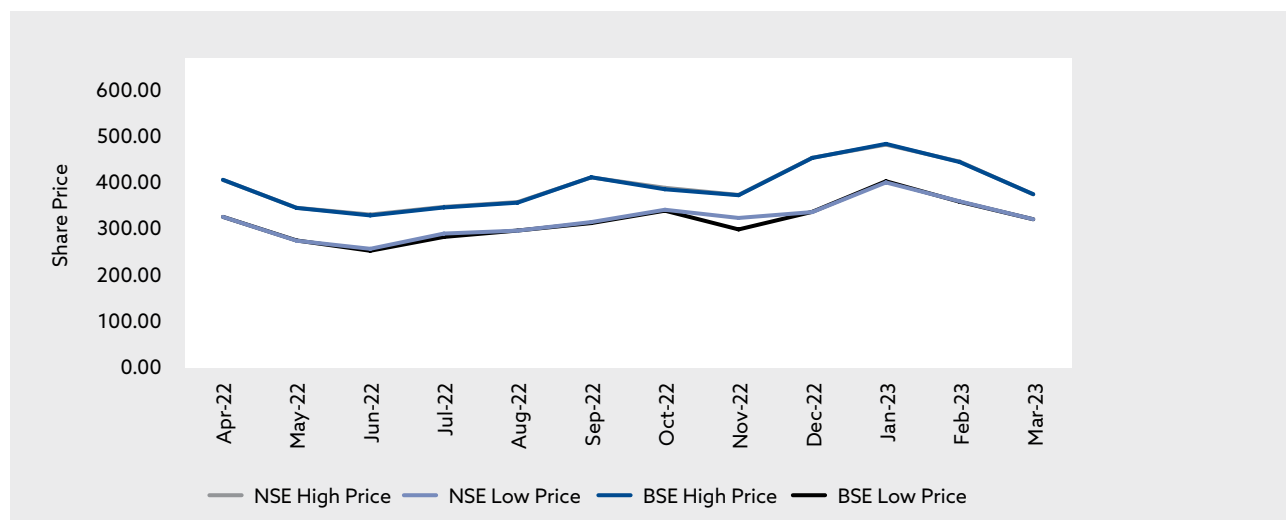
Market Price Data

Monthly stock market data of the Company's high-and-low prices of equity shares during FY 2022-23 and their performance, in comparison with the broad-based index, comprise:

Monthly Stock Market Data

Month	NSE High Price	NSE Low Price	BSE High Price	BSE Low Price
Apr-22	406.70	330.00	406.50	330.10
May-22	347.70	280.00	348.00	280.55
Jun-22	332.00	263.00	333.80	258.95
Jul-22	348.70	295.00	349.95	288.00
Aug-22	358.70	301.15	360.00	301.35
Sep-22	412.00	319.10	411.65	317.00
Oct-22	386.80	344.95	389.90	343.00
Nov-22	374.35	327.75	375.00	303.70
Dec-22	452.50	340.05	452.90	340.55
Jan-23	482.00	402.25	480.40	404.75
Feb-23	443.90	362.70	444.85	361.75
Mar-23	376.50	325.00	376.10	325.00

Monthly NSE and BSE prices of equity shares

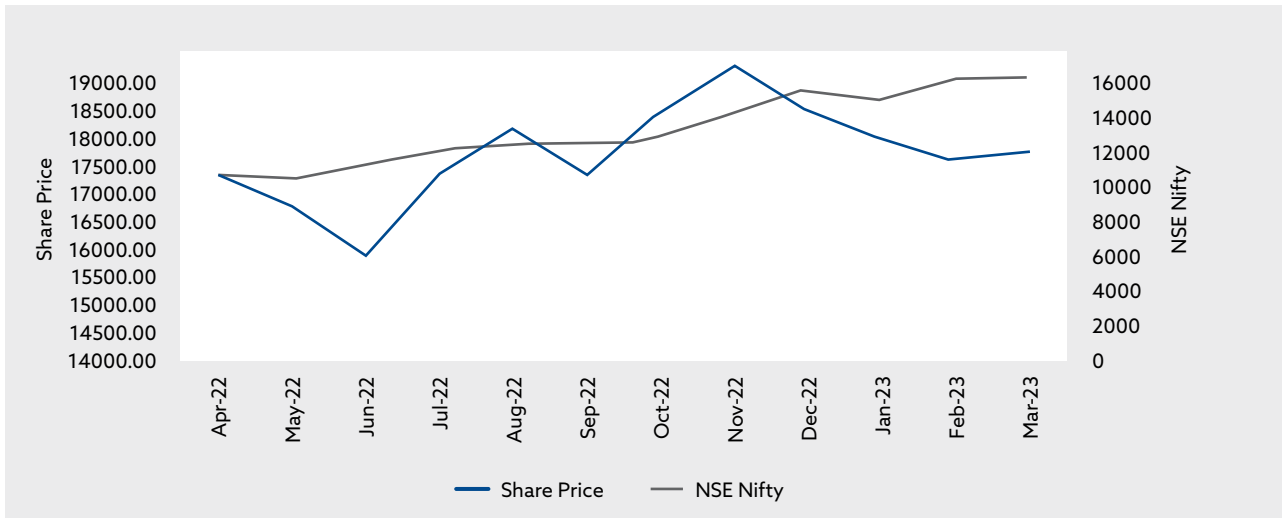


Monthly closing price of shares on NSE and NSE Nifty

Month	Share Price	NSE Nifty
Apr-22	341.55	17102.55
May-22	327.65	16584.55
Jun-22	298.80	15780.25
Jul-22	346.30	17158.25
Aug-22	325.40	17759.30
Sep-22	385.55	17094.35
Oct-22	368.85	18012.20
Nov-22	338.05	18758.35
Dec-22	444.00	18105.30
Jan-23	418.45	17662.15
Feb-23	367.95	17303.95
Mar-23	355.35	17359.75



Monthly closing prices of the shares on NSE and NSE NIFTY



Distribution of Shareholding as on 31 March 2023

Number of Shares held	Shareholders		Shares	
	Number	% of Total	Number	% of Total
Upto 500	33223	87.82	2424245	3.35
501-1,000	1694	4.48	1323648	1.83
1,001-2,000	1321	3.49	1989856	2.75
2,001-3,000	621	1.64	1559555	2.16
3,001-4,000	300	0.79	1051224	1.45
4,001-5,000	173	0.46	790179	1.09
5,001-10,000	271	0.72	1929422	2.67
10,001 and above	227	0.60	61228266	84.69
Total	37830	100.00	72296395	100.00

Category of Shareholders as on 31 March 2023

Category	No. of Shares of ₹ 2 each	% of Total
Promoters	37099787	51.32
Mutual Fund/UTI	1631484	2.26
Alternative Investment Funds	4234341	5.86
Foreign Portfolio Investors/Foreign Institutional Investors	3587077	4.96
Financial Institutions/Banks	1687	0.00
Insurance Companies	111181	0.15
Foreign National	207	0.00
Domestic Companies/Bodies Corporate	3864295	5.35
Non-Resident Individual	1982744	2.74
Others	19783592	27.36
Total	72296395	100.00

Dematerialization of Shares

Particulars of Shares	Shares of ₹ 2 each	
	Number	% of Total
Dematerialized Form		
National Securities Depository Ltd. (NSDL)	63460923	87.78
Central Depository Services (India) Ltd. (CDSL)	8821693	12.20
Physical Form	13779	0.02
Total	72296395	100.00

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

Disclosure in respect of equity shares transferred in the Company's unclaimed suspense account

Details	No. of Shareholders	No. of Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 01 April 2022	1184	640450
Shareholders who approached the Company for transfer of shares from suspense account during the year	29	14812
Shareholders to whom shares were transferred from the suspense account during the year	29	14812
Shareholders whose shares are transferred to the demat account of the IEPF Authority as per Section 124 of the Act	0	0
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 31 March 2023	1155	625638

The voting rights on the shares outstanding in the suspense account as on 31 March 2023 shall remain frozen till the rightful owner of such shares claims the shares.

Credit Ratings

The Company has obtained the following credit ratings during the financial year:

Name of the Agency	Facilities	Amount (₹ in crore)	Rating
Care Ratings Limited (CARE)	Long Term Bank Facilities	186.75	CARE A+ Stable (Single A Plus Outlook: Stable)
	Short Term Bank Facilities	110.00	CARE A1+ (A One Plus)

H. CODE OF CONDUCT

The Company's Board of Directors laid down and adopted a Code of Conduct under Corporate Governance for all the Directors and the Senior Management Personnel of your Company. The said Code of Conduct has also been posted on the Company's website i.e. www.hindwarehomes.com. The Board members and Senior Management Personnel have affirmed their compliance with the Code of Conduct for the FY 2022-23.

A declaration signed by the Company's Senior Vice President to this effect is enclosed at the end of this report.

I. CEO AND CFO CERTIFICATION

The Certificate, as required under Regulation 17(8) of the Listing Regulations, duly signed by the Senior Vice President and Chief Financial Officer, was placed before the Board, and the same is enclosed to this report and forms part of the Annual Report.

J. CERTIFICATION BY SECRETARIAL AUDITORS

As required under the Listing Regulations, M/s. DMK Associates, Company Secretaries, the Company's Secretarial Auditors, have verified the compliances of the Corporate Governance by the Company. We have obtained a Certificate affirming the compliance from M/s. DMK Associates, Company Secretaries, and the same is enclosed to this Report and forms a part of the Annual Report.

Declaration by Senior Vice President under Listing Regulations regarding adherence to the Code of Conduct

In accordance with Listing Regulations, I hereby confirm that all the Directors and the Senior Management Personnel have affirmed compliance with their respective Code of Conduct, as applicable to them, for the year ended 31 March 2023.

Place: Gurugram
Date: 24 May 2023

Alok Mishra
Senior Vice President

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members of
Hindware Home Innovation Limited
(Formerly known as Somany Home Innovation Limited)
CIN: L74999WB2017PLC222970
2, Red Cross Place, Kolkata-700001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Hindware Home Innovation Limited (Formerly known as Somany Home Innovation Limited)** having **CIN: L74999WB2017PLC222970** and having registered office at 2, Red Cross Place, Kolkata-700001 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Director Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial year ended on 31 March 2023 have been debarred or disqualified from being appointed or continuing as Directors of the companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S. No.	Name of Director	DIN	Date of appointment
1.	Mr. Sandip Somany	00053597	28/09/2017
2.	Mr. Salil Kumar Bhandari	00017566	14/09/2019
3.	Mr. Nand Gopal Khaitan	00020588	14/09/2019
4.	Mr. Ashok Jaipuria	00214707	14/09/2019
5.	Mr. Rakesh Kaul (WTD & CEO)*	08560772	17/09/2019
6.	Ms. Anisha Motwani	06943493	11/02/2020
7.	Mr. Girdhari Lal Sultania	00060931	08/02/2023

*Mr. Rakesh Kaul ceased to be a Director w.e.f. 6 April 2023 due to his resignation from the Board.

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **DMK ASSOCIATES**
COMPANY SECRETARIES

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

Date: 24 May 2023
Place: New Delhi
UDIN: F005480E000365721

CERTIFICATION BY SENIOR VICE PRESIDENT AND CHIEF FINANCIAL OFFICER

To
The Board of Directors

We hereby certify that:

- a) We have reviewed financial statements and cash flow statement of Hindware Home Innovation Limited (Formerly known as Somany Home Innovation Limited) ('the Company') for the year ended 31 March 2023 and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the above said period which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept the responsibility of establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
 - i. significant changes in internal control over financial reporting during the above said period;
 - ii. significant changes in accounting policies during the above said period and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud, of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Alok Mishra
Senior Vice President

Naveen Malik
Chief Financial Officer

Place: Gurugram
Date: 24 May 2023



CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Hindware Home Innovation Limited
(Formerly known as Somany Home Innovation Limited)
CIN: L74999WB2017PLC222970
2, Red Cross Place, Kolkata-700001

1. We have examined the compliance of the conditions of corporate governance by **Hindware Home Innovation Limited (Formerly known as Somany Home Innovation Limited)** ("the Company") for the year ended 31 March 2023 as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("SEBI Listing Regulations").

Management's Responsibility

2. The compliance of conditions of corporate governance is the responsibility of the management of the Company. This responsibility includes the designing, implementing and operating effectiveness of internal control to ensure compliance with the conditions of Corporate Governance as stipulated in the Listing Regulations.

Our Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

Opinion

5. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31 March 2023.
6. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the company

For **DMK ASSOCIATES**
COMPANY SECRETARIES

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

Date: 24 May 2023
Place: New Delhi
UDIN: F005480E000365818

Business Responsibility and Sustainability Report

BRSR OVERVIEW

Section A: General Disclosures

Section B: Management and Process Disclosures

Section C: Principle-wise Performance Disclosure

Principle 1	Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent, and accountable
Principle 2	Businesses should provide goods and services in a manner that is sustainable and safe
Principle 3	Businesses should respect and promote the well-being of all employees, including those in their value chains
Principle 4	Businesses should respect the interests of and be responsive to all their stakeholders
Principle 5	Businesses should respect and promote human rights
Principle 6	Businesses should respect and make efforts to protect and restore the environment
Principle 7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
Principle 8	Businesses should promote inclusive growth and equitable development
Principle 9	Businesses should engage with and provide value to their consumers in a responsible manner

SECTION A: GENERAL DISCLOSURES

I. DETAILS OF LISTED ENTITY

1.	Corporate Identity Number (CIN) of the Company	L74999WB2017PLC222970
2.	Name of the Company	Hindware Home Innovation Limited (Formerly known as Somany Home Innovation Limited)
3.	Year of Incorporation	2017
4.	Registered office address	2 Red Cross Place, Kolkata - 700001, West Bengal
5.	Corporate office address	Plot No. 68, Echelon Institutional area, Sector-32, Gurugram-122001, Haryana
6.	E-mail	investors@shilgroup.com
7.	Telephone	91-124-2889300
8.	Website	www.hindwarehomes.com
9.	Financial year for which reporting is being done	1 April 2022- 31 March 2023
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited (NSE) and BSE Limited (BSE)
11.	Paid-up Capital	₹ 1,445.93 lakh
12.	Name and contact details (telephone, email address) of the person for BRSR Reporting	Mr. Sandip Somany, Chairman and Non-Executive Director, +91 33 22487407
13.	Reporting boundary	All the disclosures under this report are made on a standalone basis for Hindware Home Innovation Limited (Formerly known as Somany Home Innovation Limited)

II. PRODUCTS/SERVICES

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% Of Turnover of the entity
1.	Consumer Appliances	Kitchen Appliances, Fans, Air Coolers, Water Purifiers	90.11%
2.	Retail Business	Home Interior and Furniture Products	9.89%

**15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):**

S. No.	Product/Service	NIC Code	% Of total Turnover contributedw
1	Kitchen appliances (chimneys, hobs, cooktops, sinks)	47593	65.68%
2	Air coolers (Desert and personal air coolers)	47594	16.83%
3	Electronic Household Goods and other household appliances (Fans -ceiling and portable fans)	47599	7.60%

III. OPERATIONS**16. Number of locations where plants and/or operations/offices of the entity are situated:**

Location	Number of plants	Number of offices	Total
National	NIL	31	31
International	NIL	NIL	NIL

17. Markets served by the entity**a. Number of locations**

Locations	Number
National (No. of States)	28
International (No. of Countries)	10

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Exports contribute 1% of total turnover.

c. A brief on types of customers

Hindware Home Innovation Limited (HHIL) serves a wide spectrum of customers, encompassing a diverse array of individuals and entities seeking innovative and high-quality home solutions. These customers span various segments, including but not limited to the following:

1. **Brand Stores:** HHIL engages with brand stores, which are established retail outlets specializing in showcasing and selling a curated selection of Hindware's cutting-edge consumer appliances. These brand stores act as exclusive destinations where customers can explore and purchase a comprehensive range of home innovations products designed to elevate their living spaces.
2. **Retailers:** HHIL collaborates with retailers, who are key intermediaries bridging the gap between the manufacturer and the end consumers. These retailers encompass a wide network of outlets, both physical and online, that feature Hindware's products. By partnering with retailers, HHIL ensures that its innovative home solutions are easily accessible to a broad audience, enabling customers to integrate the latest advancements into their homes.
3. **Distributors:** The distribution network plays a crucial role in HHIL's outreach strategy. Distributors, acting as pivotal nodes within the supply chain, facilitate the efficient movement of Hindware's consumer appliances from manufacturing hubs to various retail points. By engaging with distributors, HHIL ensures widespread availability and seamless access to its home innovations, enhancing the convenience for customers to acquire these state-of-the-art solutions.

IV. EMPLOYEES

18. Details as of the end of the Financial Year:

a) Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	442	427	96.61%	15	3.39%
2.	Other than Permanent (E)	136	130	95.59%	6	4.41%
3.	Total employees (D + E)	578	557	96.37%	21	3.63%
WORKERS						
4.	Permanent (F)*	0	0	0.00%	0	0.00%
5.	Other than Permanent (G)	12	10	83.33%	2	16.67%
6.	Total workers (F + G)	12	10	83.33%	2	16.67%

*HHIL operates as a retailer, specializing in the sale of manufactured products only, and as part of our business model, we do not employ any permanent workers.

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)			NIL		
2.	Other than Permanent (E)					
3.	Total differently-abled employees (D + E)					
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)			NIL		
5.	Other than permanent (G)					
6.	Total differently abled workers (F + G)					

19. Participation/Inclusion/Representation of women

Particulars	Total	No. and percentage of females	
		No. (B)	% (B/A)
Board of Directors	7*	1	14%
Key Management Personnel	3*	1	33%

*Note- Mr. Rakesh Kaul, the Whole-time director and CEO of the company resigned on 6 April 2023.

20. Turnover rate for permanent employees and workers

Particulars	FY 2023			FY 2022			FY 2021		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	37%	27%	39%	37%	14%	37%	41%	2%	40%
Permanent Workers	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL



V. HOLDING, SUBSIDIARY, AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

21. (a) Names of subsidiary/associate Companies/joint ventures

S.No.	Name of the holding/subsidiary/associate Companies/joint ventures (A)	Indicate whether holding/subsidiary/associate Companies/joint ventures	% of shares held by listed entity	Does the entity indicated at column A participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Hindware Limited (Formerly known as Brilloca limited)	Subsidiary	98.20%	Yes
2	Luxxis Heating Solution Private Limited (Ceased to be a subsidiary w.e.f. 28 April 2023 due to strike-off and dissolution)	Subsidiary	100%	No
3	Evok Homes Private Limited (Formerly known as Hindware Home Retail Private Limited)	Subsidiary	100%	Yes
4	Halis International Limited	Subsidiary of Hindware Limited	98.20%	No
5	Trufflo Pipes Limited	Subsidiary of Hindware Limited	98.20%	No
6	Hintastica Private Limited	Joint Venture	50%	No
7	Queo Bathroom Innovations Limited	Subsidiary of Halis International Limited	98.20%	No

VI. CSR DETAILS

22. (i) Whether CSR is applicable as per section 135 of the Companies Act, 2013:(Yes/No) - Not Applicable*

(ii) Turnover (in ₹): 55,206.21 lakh

(iii) Net worth (in ₹): 12,654.48 lakh

*HHIL does not fall under the obligation of CSR as per Section 135 of the Companies Act, 2013.

VII. TRANSPARENCY AND DISCLOSURES COMPLIANCES:

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY23 Current Financial Year			FY22 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	-	NIL	NIL		NIL	NIL	
Investors (other than shareholders)	For Investor's grievances and queries, HHIL has a separate mail id - investors@shilgroup.com	NIL	NIL		NIL	NIL	
Shareholders	For Investor's grievances and queries, HHIL has a separate mail id - investors@shilgroup.com	3	0		NIL	NIL	
Employees	For any violation of the policy and grievances, HHIL has a separate mail id shilsuggestion@hindware.co.in Employees can also submit a written complaint to the designated HR SPOC	NIL	NIL		NIL	NIL	
Customers	HHIL has a standalone policy on customer value Policy on Customer Value and Customers can also raise enquiry related to their concerns on wecare@hindware.co.in and brr@shilgroup.com	10823	154*	NIL	9068	88*	NIL
Value Chain Partners	The company's website has a dedicated section for value chain partners to raise their concerns or complaints, Click here	0	0		0	0	
Others (please specify)			NIL		NIL		

*All the pending complaints are resolved post year closure

24. Overview of the entity’s material responsible business conduct issues

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Emission Reduction and Energy Management	Opportunity	Processes and Systems are in place to ensure maximum energy efficiency, and this will be continuously improved	-	Positive - Any cost put into improving the energy management system will fetch positive outcomes and reduced costs in the long run
2	Human Capital Development (Employee well-being, learning, and development, Diversity & Inclusion)	Opportunity	A skilled and trained workforce is an asset to our Company. Trained employees perform their tasks more efficiently, in reduced time and injuries	-	Positive - Measures taken to train and retain these employees, aid in decreased hiring and training costs, increased productivity, reduction in quality issues, and ensure our continued success and build brand value
3	Corporate Governance (Code of Conduct, Business Ethics, Board Management, Tax Transparency, Policy Influence)	Opportunity	To build upon our organizational strategy for championing success	-	Positive - In transforming our business and leveling it up
4	Product Quality and Safety	Opportunity	Ensuring product safety & quality is extremely crucial for the business to continue to deliver best-in-class services and avoid loss of business.	-	Positive - Enhanced revenue and profits
5	Waste Management	Opportunity	Initiatives and opportunities to reduce plastic and paper in the office premises which result in minimizing environmental damage	-	Positive - Enhance our waste segregation and collection methods to optimise the overall efficiency of the procedure.
6	Customer Relationship Management	Opportunity	This gives us an opportunity to be the leader in this segment by being the preferred choice for all our customers across different business segments. Our endeavors are aligned towards achieving customer delight and satisfaction and we shall continue using this as an excellent opportunity for business leadership and growth.	-	A positive brand image and a strong recall value amongst consumers will help in being the platform of choice.
7	Supply Chain Management	Opportunity	Since fleet is a major part of our business, introducing sustainable transport can help HHIL lead the industry as a conscious and responsible business. This environmental stewardship effort will reduce carbon footprint.	-	Positive - This will have a significant impact on energy efficiency and will help us to reduce our scope 3 emissions through delivery.

**SECTION B: MANAGEMENT AND PROCESS DISCLOSURES**

HHIL has a robust management framework in place which enables us to align with the NGRBC Principles with respect to structure and policies to ensure we continue to deliver our best in an ethical, and responsible way. This encompasses transparent and principled business practices that hold us accountable, as well as protect the interests of our stakeholders, including customers and employees.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	The company's policies are available at: https://www.hindwarehomes.com/pdf/Business%20Responsibility%20Policies.pdf								
2. Whether the entity has translated the policy into procedures. (Yes / No)	HHIL has developed policies based on National Voluntary Guidelines on Social, Environmental, and Economic Responsibilities of Business released by the Ministry of Corporate Affairs								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/certifications/labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle	ISO 9001:2015 – Quality Management System								
5. Specific commitments, goals, and targets set by the entity with defined timelines, if any	The company is in the process of defining specific goals to improve its ESG framework which the management will periodically review.								
6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met	The goals and targets are currently in the process of being finalized, and as a result, the assessment of performance will be documented in the upcoming years.								

Governance, leadership, and oversight**7. Statement by the director responsible for the business responsibility report, highlighting ESG-related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure)**

We at HHIL, recognize the critical importance of Environmental, Social, and Governance (ESG) factors in driving sustainable business practices. As a part of our commitment to responsible business operations, we have integrated ESG considerations into our overall strategy and operations, ensuring that we are accountable for the impact we have on the environment and society.

One of the key ESG challenges we face is reducing our carbon footprint and minimizing our environmental impact. We understand the urgency of addressing climate change and have set ambitious targets to reduce our greenhouse gas emissions. By investing in energy-efficient technologies, optimizing our manufacturing processes, if any and utilizing renewable energy sources, we aim to significantly decrease our carbon emissions over the next five years. Additionally, we are actively exploring opportunities to increase the use of recycled materials in our production processes, contributing to a circular economy.

Social responsibility is another fundamental aspect of our business. We strive to create a safe and inclusive workplace where diversity is celebrated, and all employees are treated with respect and fairness. We are dedicated to fostering a culture that promoted employee well-being, health, and safety. Our ongoing initiatives include providing training and development opportunities, implementing fair labor practices, and ensuring effective health and safety measures across our operations.

Hindware Home Innovation Limited

In terms of Governance, we uphold the highest ethical standards and value transparency and accountability. We have implemented robust corporate governance practices that promote integrity and responsible decision-making throughout our organization. As a part of our governance framework, we regularly engage with our stakeholders, to understand their expectations and address their concerns.

Looking forward to the future, we have set ambitious sustainability goals that align with international standards and best practices. Our roadmap includes initiatives such as further reducing our energy consumption, water usage, and waste generation. We are actively exploring partnerships and collaborations with other industry stakeholders, research institutes, and NGOs, to drive innovation and find sustainable solutions to the challenges we face.

We aim to create long-term value for our stakeholders, and we believe that sustainable business practices are not only essential for the well-being of our planet and society but also critical for the long-term success and resilience of our Company. We are committed to continually improving our ESG performance and reporting transparency on our progress, as we strive to be a leader in sustainability within our industry.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).

DIN: 00053597

Name: Mr. Sandip Somany

Designation: Chairman and Non-Executive Director

9. Does the entity have a specified Committee of the Board/Director responsible for decision-making on sustainability-related issues? (Yes/No). If yes, provide details.

Yes. Our Risk Management Committee at HHIL also undertakes responsibility for ESG and sustainability-related matters. The Committee is empowered to formulate policies, implement strategies, and take all the pertinent decisions related to steering the organization towards equitable, empathetic, and responsible business conduct.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/ Any other Committee.								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Frequency Annually/Half yearly/Quarterly/Any other – please specify)								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Yes, it is standard procedure for the Company to review its policies as and when required. The effectiveness of the policies is examined during this assessment, and any necessary adjustments to the policies and processes are put into place. Indicate whether review was undertaken by Director/Committee of the Board/ Any other Committee.								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

P1	P2	P3	P4	P5	P6	P7	P8	P9
No								

12. If the answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)						NA			
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									



SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: **Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent, and Accountable**

The Company has earned the recognition and trust of its customers through its ethical business practices. The Company's commitment to impactful governance is echoed throughout the organization, ensuring appropriate culture and procedures to effectively manage risk while upholding the highest standards of ethics and compliance.

Essential Indicators

1. Percentage coverage by training and awareness programs on any of the principles during the financial year

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors	2	Vigil Mechanism Cyber security	100%
Key Managerial Personnel	3	Code of Conduct Prevention of Sexual Harassment Cyber security	100%
Employees other than BoD and KMPs	4	Code of Conduct Prevention of Sexual Harassment Health and Safety Skill Upgradation	98%
Workers		NA*	

*HHIL operates as a retailer, specializing in the sale of manufactured products only, and as part of our business model, we do not employ any permanent workers.

Please note:- Additionally training was imparted to Designated Persons of the Company as required under SEBI (Prohibition of Insider Trading) Regulations, 2015.

2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by its directors/KMPs) with regulators/law enforcement agencies/ judicial institutions in FY 2022-23 (Note: the entity shall make disclosures based on materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website)

Particulars	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Monetary					
Penalty/Fine			NIL		
Settlement					
Compounding fee					
Non-Monetary					
Particulars	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions		Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment			NIL		
Punishment					

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed. Of the instances disclosed in Question 2 above, details of the Appeal/Revision, preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
NIL	NIL

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web link to the policy.

HHIL covers its Anti-corruption and Anti-Bribery policy under Vigil Mechanism/Whistleblower Policy which offers a formal mechanism to Company Directors, Employees, and other external stakeholders to raise their voices on unethical behavior, actual or suspected fraud or flag any violations of the Company’s Code of Conduct. The Company maintains a strong stance against bribery and corruption as per the Anti-Bribery and Anti-Corruption Policy, which imposes strict consequences against anyone found guilty of engaging in unethical conduct. This policy extends to every employee within the Company, including its subsidiaries, and joint ventures. More information on the policy can be accessed [here](#)

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption

Particulars	FY 2023 (Current Financial Year)		FY 2022 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Directors	NIL		NIL	
KMPs				
Employees				
Workers				

6. Details of complaints with regard to conflict of interest

Particulars	FY 2023 (Current Financial Year)		FY 2022 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL		NIL	
Number of complaints received in relation to issues of Conflict of Interest of the KMPs				

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable, since there were no fines, penalties, or action taken by regulators, law enforcement agencies or judicial institutions on cases of corruption and conflict of interest

**PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe.**

The Company aspires to make a difference by providing great products and amenities to its consumers that are ecologically sustainable. HHIL ensures that its product quality is not affected by its intended end consumers.

Essential Indicators**1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of products and processes to total R&D and capex investments made by the entity, respectively.**

Particulars	FY2023	FY2022	Details of improvements in environmental and social impacts
	Current Financial Year	Previous Financial Year	
Research & Development	19%	16%	HHIL is contributing towards reducing the environmental impacts of the products by investing in energy-efficient products such as: <ul style="list-style-type: none"> • BLDC Fans with Low power consumption • BLDC Chimney with higher suction and low power consumption • Water Wastage Reduction in RO Water Purifiers • Local production of Chimney to reduce carbon footprints in transportation costs from China • Noise Reduction from chimneys to make them convenient for consumers.
Capex	11.2%	24.8%	

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

At HHIL, as retailers, we recognize the importance of sustainable sourcing in today's business landscape. While we currently do not have specific procedures in place for sustainable sourcing, we are committed to taking proactive steps towards implementing such procedures in the future.

b. If yes, what percentage of inputs were sourced sustainably?

Not Applicable, as the Company hasn't established procedures for sustainable sourcing. However, we are actively working on implementing strategies to enhance our sustainable sourcing practices soon.

3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste, and (d) other waste.

Currently, HHIL is yet to establish any procedures for the safe reclamation of our products. However, we are actively in the process of designing and developing a robust mechanism, which will allow us to efficiently reclaim our products, ensuring they're reused, recycled, or appropriately disposed of at the end of their lifecycle.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, is the waste collection plan in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same

Yes, EPR is applicable to HHIL business activities.

HHIL has recently applied for the importer EPR license

HHIL has also aligned the waste collection plan w.r.t., EPR guidelines. It includes the following components:

- Setting up collection infrastructure
- Awareness programs
- Tie-ups with waste management agencies
- Reporting and compliance

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

The Company recognizes that empowering employees to achieve their full potential is fundamental to the Company's continued success. The Company is committed to providing equal i.e., merit-based opportunities both at the time of recruitment and during the course of employment irrespective of caste, creed, gender, race, religion, disability, etc.

The Company is devoted to providing a safe environment and hygienic working conditions. Training during induction and periodic training on the usage of protective equipment and identifying and eliminating unsafe working conditions are the top priority. Prevention of accidents is at the heart of what the Company does. The Company has a policy for health and safety. The Company continuously focuses and ensures the skill development of employees through its structured training and competency development programs. The Company also conducts various programs concerning the well-being of employees and strives to employ and empower women employees and fosters a friendly environment through its policy for the prevention of sexual harassment and related grievance redressal mechanisms.

Essential Indicators**1. a. Details of measures for the well-being of employees**

Category	Total (A)	% Of employees covered by									
		Health insurance		Accident insurance Maternity benefits Paternity Benefits		Maternity benefits		Paternity Benefits		Day Care facilities	
		No: (B)	% (B/A)	No: (C)	% (C/A)	No: (D)	% (D/A)	No: (E)	% (E/A)	No: (F)	% (F/A)
Permanent Employees											
Male	427	427	100%	427	100%	NA	NA	NIL	0%	NIL	NIL
Female	15	15	100%	15	100%	15	100%	NA	NA	NIL	NIL
Total	442	442	100%	442	100%	15	3.39%	NIL	0%	NIL	NIL
Other than Permanent Employees											
Male	130	130	100%	130	100%	NIL	NIL	NIL	NIL	NIL	NIL
Female	6	6	100%	6	100%	NIL	NIL	NIL	NIL	NIL	NIL
Total	136	136	100%	136	100%	NIL	NIL	NIL	NIL	NIL	NIL

1. b. Details of measures for the well-being of workers

Category	Total (A)	% Of Workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		No: (B)	% (B/A)	No: (C)	% (C/A)	No: (D)	% (D/A)	No: (E)	% (E/A)	No: (F)	% (F/A)
Permanent Workers*											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Other than permanent workers											
Male	10	10	100%	10	100%	NIL*	NIL*	NIL*	NIL*	NIL*	NIL*
Female	2	2	100%	2	100%	NIL*	NIL*	NIL*	NIL*	NIL*	NIL*
Total	12	12	100%	12	100%	NIL*	NIL*	NIL*	NIL*	NIL*	NIL*

*HHIL operates as a retailer, specializing in the sale of manufactured products only, and as part of our business model, we do not employ any permanent workers.



2. Details of retirement benefits, for Current Financial Year and Previous Financial Year.

Category	FY 2023 (Current Financial Year)			FY 2022 (Previous Financial Year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	99.77%	NA	Yes	99.77%	NA	Yes
Gratuity	100%	NA	Yes	100%	NA	Yes
ESI	0%	NA	Yes	0%	NA	NA

3. Accessibility of workplaces - Are the premises/offices of the entity accessible to differently abled employees, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, HHIL's premises are accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016. We promote an inclusive workplace to support every employee and towards this end, all the necessary measures are undertaken to make our premises equipped with amenities to make it more accessible.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web link to the policy.

Yes, in accordance with HHIL's policy on Diversity and Equal opportunity, the Company is dedicated to ensuring and upholding equal prospects not only during the hiring process but also throughout the entire duration of employment, regardless of caste, creed, gender, race, religion, or disability. Our diversity and equal opportunity policy can be assessed [here](#).

5. Return to work and Retention rates of permanent employees that took parental leave.

Gender	Permanent Employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NIL	NIL	NA	NA
Female	100%	NIL	NA	NA
Total	100%	NIL	NA	NA

6. Is there a mechanism available to receive and redress grievances for the following categories of employees? If yes, give details of the mechanism in brief.

Particulars	Yes/No
Permanent Employees	Yes
Other than Permanent Employees	Yes
Permanent Workers	NA
Other than Permanent Workers	Yes

The redressal mechanism is as follows:

Yes, HHIL has established a grievance redressal mechanism for its workforce to receive and address their concerns. HHIL has a dedicated email channel accessible to all to raise any complaints/ issues. Concerns of stakeholders are addressed while ensuring utmost confidentiality. HHIL encourages employees to participate in open and constructive dialogue with the management, without fear of reprisal and has established formal mechanisms to allow employees to report any grievance. All grievances are timely addressed and resolved to mutual satisfaction. Employees who feel they have experienced or are experiencing any form of discrimination at HHIL based on their age, religion, sex, gender, color, national origin, sexual orientation, or physical impairment can submit a written complaint to their designated HR SPOC or to shilsuggestion@hindware.co.in. The Human Resources team ensures that complaints are handled promptly and rationally while preserving the strictest confidentiality and sensitivity.

7. Membership of employees in association(s) or Unions recognized by the listed entity.

Category	FY 2023 (Current Financial Year)			FY 2022 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	Not applicable, as the company has no recognized employee unions or associations.					
Male						
Female						
Total Permanent Workers	None, as HHIL operates as a retailer, specializing in the sale of manufactured products only, and as part of our business model, we do not employ any permanent workers.					
Male						
Female						

8. Details of training given to employees.

Category	FY 2023 (Current Financial Year)					FY 2022 (Previous Financial Year)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	427	427	100%	401	93.91%	386	386	100%	250	64.77%
Female	15	15	100%	8	53.33%	14	14	100%	11	78.57%
Total	442	442	100%	409	92.53%	400	400	100%	250	65.25%
Workers*										
Male			NIL*					NIL*		
Female			NIL*					NIL*		
Total			NIL					NIL		

*HHIL operates as a retailer, specializing in the sale of manufactured products only, and as part of our business model, we do not employ any permanent workers directly.

9. Details of performance and career development reviews of employees

Category	FY 2023 (Current Financial Year)			FY 2022 (Previous Financial Year)		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	427	427	100%	386	386	100%
Female	15	15	100%	14	14	100%
Total	442	442	100%	400	400	100%
Workers						
Male						
Female			NIL*			NIL*
Total						

*HHIL operates as a retailer, specializing in the sale of manufactured products only, and as part of our business model, we do not employ any permanent workers.



10. Health and Safety Management System:

a) Has an occupational health and safety management system been implemented by the entity? (Yes / No). If yes, the coverage of such a system?

Yes, HHIL is committed to achieving the highest standards of Health & Safety across the value chain. For our offices across the country, we have already implemented a robust health & safety system. All office buildings are designed to ensure safety and are equipped with safety systems such as fire detection, firefighting system, safe means of escape, assembly points emergency evacuation plans etc. We regularly impart safety training to our workforce to build a culture of safety in the organization.

b) What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

We have conducted a comprehensive Hazard Identification and Risk Assessment (HIRA) study to identify and assess risks associated with work-related hazards. HIRA process is followed to identify work-related hazards for all routine & non-routine activities. Based on the severity of risks, we take mitigation measures as per the hierarchy of risk controls such as engineering, administrative, and PPE controls, etc.

c) Whether you have processes for employees to report work-related hazards and to remove themselves from such risks. (Y/N)

Yes, we have processes for employees to report work-related hazards

d) Do the employees of the entity have access to non-occupational medical and healthcare services? (Yes / No)

Yes, HHIL believes in establishing an environment in which employees' financial requirements, in addition to their remunerations, are met. All employees are covered under Health Insurance Scheme provided by HHIL or the Employees State Insurance (ESI) scheme.

11. Details of safety-related incidents, in the following format

At present, as per available records maintained by the health & safety team for HHIL offices, there have been no fatalities or high-consequence injuries among employees in FY 23.

Safety Incident/Number	Category	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (Per one-million-person hours worked)	Employees	0	0
	Workers	NA*	NA*
Total recordable work-related injuries	Employees	0	0
	Workers	NA*	NA*
No. of fatalities	Employees	0	0
	Workers	NA*	NA*
High consequence work-related injury or ill health (excluding fatalities)	Employees	0	0
	Workers	NA*	NA*

*HHIL operates as a retailer, specializing in the sale of manufactured products only, and as part of our business model, we do not employ any permanent workers

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

HHIL has the highest regard for the health, safety, and well-being of its employees. Thus, we have an EHS management system in place for Hazard identification & risk assessment, safety audits, and training, safe operating procedures, and EHS Manual to ensure a safe and healthy workplace. We have also initiated health & safety training followed by preventive and corrective actions. This will ensure that we comply with all crucial requirements in the future.

13. Number of Complaints on the following made by employees

Particulars	FY 2023 (Current Financial Year)			FY 2022 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	-	0	0	-
Health & Safety	0	0	-	0	0	-

14. Assessments for the year:

Particulars	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

At HHIL, we are undertaking measures to promote continuous improvement in our health and safety practices. There have been no safety-related incidents at the workplace. However, we have strengthened our internal procedures to prevent any potential risks, including

- Procedures for safety incident management including incident monitoring, investigation, and reporting
- Safety-related training and awareness generation
- Emergency response and preparedness including improvements in fire safety measures

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes. HHIL has life insurance policy for all the permanent employees.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

HHIL is committed to upholding Principle 4 of the BRSR and will continue to engage with its stakeholders to ensure that its business practices are responsible, sustainable, and responsive to the needs of all. The Company engages with its stakeholders on an ongoing basis to understand their needs and expectations. The Company also conducts regular stakeholder mapping exercises to identify and prioritize stakeholders based on their relevance to its business. HHIL has established channels for stakeholders to raise concerns or provide feedback, and it takes these inputs seriously. HHIL believes that by respecting the interests of all stakeholders, it can build long-term relationships that benefit everyone.

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

HHIL has already completed a systematic and iterative approach to identify stakeholders who have an interest in or may be impacted by its activities. HHIL has identified its key stakeholders as below:

1. Firstly, an internal stakeholder comprises individuals within the organization who are part of critical functions such as Employees and Board Members
2. Following this, an external stakeholder, individuals outside the organization, such as vendors, suppliers, investors, regulators, NGOs, local communities, and other key stakeholders.
3. Once all stakeholders were identified, they were prioritized based on their level of influence on the business and the impact that the organization's activities have on them. This process helped determine the most critical stakeholders with whom the organization needed to engage more deeply.



The organization continues to regularly review and update its stakeholder analysis to remain responsive towards stakeholder needs and expectations. This process ensures that the organization is addressing the important challenges and opportunities it faces by engaging with the right set of stakeholders in a transparent and accountable manner.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Board of Directors	No	Meetings, emails, and others	Quarterly & on need basis	Business enhancements, Governance, Fair business practices
Employees	No	Email, notice board, intranet	Regularly & on a need basis	Employee engagement activities, training, awareness, and welfare programs for health, safety and well-being, learning development and upskilling
Community	Yes	Community meetings, pamphlets	Regularly & on a need basis	Need assessment, Development Program, and impacts, and opportunities for improvement
Suppliers	No	Email, website	Regularly & on a need basis	Ethical practices, business expectation and growth. Query and Grievance redressal Vendor satisfaction
Investors	No	Email, SMS, advertisements, website, newspaper	Regularly & on a need basis	Business updates, Queries, Business Performance - financial and non-financial, Events & Activations (campaigns & announcements)
Shareholders	No	Email, advertisements, website, newspaper	Quarterly & on need basis	Annual General Meetings, Dividend updates, Business Performance, Sustainability announcements
Regulators	No	Email, correspondence, meetings	On need basis	Discussions on Statutory and Regulatory compliances regulations and their amendments, inspections, and regulatory approvals
Bankers	No	Email, meetings	On need basis	Discussion on Company Finance
Auditors	No	Email, meetings	Annually & on a need basis	Discussion on Company's financials, processes, and systems
Industrial Association	No	Email, Website, Seminars, Conferences	On need basis	Industry concerns related to health, environment, safety, inter-company product transfer, etc. Collaboration for commercialization of Technologies / Products or Joint Research, providing product / technology components, Complaints and grievance redressal

PRINCIPLE 5: Businesses should respect and promote human rights

HHIL is committed to respect and promote human rights of all stakeholders and ensures that there is no violation while conducting business. The company is committed to create an environment that fosters these rights for all its stakeholders, including employees, customers, suppliers, and local communities, and strongly believes in fostering human dignity and equality, mutual respect, trust, tolerance, and fairness.

Essential Indicators**1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2023 (Current Financial Year)			FY 2022 (Previous Financial Year)		
	Total (A)	No. of employees / workers covered (B)	% B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	442	442	100%	400	400	100%
Other than permanent	136	136	100%	137	137	100%
Total Employees	578	578	100%	537	537	100%
Workers						
Permanent*	0	0	0%	0	0	0%
Other than permanent	12	12	100%	12	12	100%
Total Workers	12	12	100%	12	12	100%

*HHIL operates as a retailer, specializing in the sale of manufactured products only, and as part of our business model, we do not employ any permanent workers.

Note: At HHIL, we conduct mandatory training on Fair Employment and Harassment free workplace for all employees and workers which covers the principles of Human Rights.

2. Details of minimum wages paid to employees and workers, in the following format

Category	FY 2023 (Current Financial Year)					FY 2022 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F / D)
Employees										
Permanent										
Male	427	0	0.00%	427	100%	386	0	0.00%	386	100%
Female	15	0	0.00%	15	100%	14	0	0.00%	14	100%
Other than Permanent										
Male	130	126	96.92%	4	3.08%	133	129	96.99%	4	3.01%
Female	6	6	100%	0	0.00%	4	4	100%	0	0.00%
Worker										
Permanent										
Male										NA*
Female										NA*
Other than Permanent										
Male	10	10	100%	0	0%	10	10	100%	0	0%
Female	2	2	100%	0	0%	2	2	100%	0	0%

*HHIL operates as a retailer, specializing in the sale of manufactured products only, and as part of our business model, we do not employ any permanent workers.



3. Details of remuneration/salary/wages, in the following format:

Particulars	Male		Female	
	Number	Median remuneration/ salary/wages of respective category (in ₹)	Number	Median remuneration/ salary/wages of respective category (in ₹)
Board of Directors (BoD) (wholetime director)	1	3,07,94,307	-	-
Key Managerial Personnel	2	2,09,05,336	1	93,07,582
Employees other than BoD & KMP	425	8,00,000	14	10,76,000
Workers	NIL	NIL	NIL	NIL

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, all the issues pertaining to Human Rights are overseen by the respective HR head. The HR head is in charge of assessing reported concerns and ensuring that they are handled and corrected. They also suggest appropriate resolution in consultation with Senior Management.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

HHIL's Vigil Mechanism Policy establishes a framework for reporting and rectifying human rights violations. Additionally, a dedicated email address (brr@shilgroup.com) is available for reporting grievances or complaints.

6. Number of Complaints on the following made by employees and workers

Particulars	FY-23 (Current Financial Year)			FY-22 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual harassment	NIL			NIL		
Discrimination at workplace						
Child labour						
Forced labour / Involuntary labour						
Wages						
Other human rights related issues						

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases

When addressing complaints within the grievance redressal system, every measure is taken to ensure a discreet investigation, aimed at preventing any adverse consequences. The entire process is conducted with the utmost confidentiality. To safeguard complainants from potential negative outcomes, the Company follows established procedures outlined in the grievance redressal process and adheres to the provisions of the POSH Act.

Through the grievance redressal mechanism, employees, workers, independent contractors, and suppliers can openly express concerns related to human rights without the fear of reprisal. All valid infractions are treated with gravity, and appropriate actions are taken accordingly. Depending on the severity of the issue, these actions may extend to terminating commercial agreements and employment contracts.

8. Do human rights requirements form part of your business agreements and contracts?

Yes, the Company's Human Rights Policy extends its applicability to encompass not only its business associates but also any other entities that engage directly with the Company as part of its business operations. This commitment underscores the Company's dedication to upholding fundamental human rights principles throughout its entire network of interactions and collaborations.

9. Assessments for the year

% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)	
Child labor	100%
Forced/involuntary labor	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others - please specify	-

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

HHIL is committed to conduct business in an environment-friendly and safe manner. HHIL demonstrates its commitment towards conducting business in a responsible and sustainable manner, while reducing the ecological footprint. We also focuses on responsible management of resources, including energy, waste, water and mitigating carbon emissions. Due to various local requirements, legal developments are pursued and evaluated and - where necessary - measures are implemented at all locations.

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format

Parameter (in GJ)	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Total electricity consumption (A)	1166.37	902.31
Total fuel consumption (B)	165.64	70.18
Energy consumption through other sources (C)	-	-
Total energy consumption (A+B+C)	1332.01	972.49
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.024 GJ/₹ Cr.	0.0199 GJ/₹ Cr.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency. (Y/N) If yes, name of the external agency.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No, the entity does not have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.



3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY-23 (Current Financial Year)	FY-22 (Previous Financial Year)
Water withdrawal by source (in kiloliters)		
(i) Surface water	NIL	NIL
(ii) Groundwater	NIL	NIL
(iii) Third party water	3484	2817
(iv) Seawater / desalinated water	NIL	NIL
(v) Others	NIL	NIL
Total volume of water withdrawal (In kiloliters) (i + ii + iii + iv + v)	3484	2817
Total volume of water consumption (In kiloliters)	3484	2817
Water intensity per rupee of turnover (Water consumed / turnover in ₹)	0.063 kl/₹ Cr	0.057 Kl/₹ Cr

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

At HHIL, currently, we do not have a Zero Liquid Discharge mechanism. However, we are planning and are in between developing and implementing the ZLD mechanism in the subsequent years.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format

Parameter	Please specify unit	FY-23 (Current Financial Year)	FY-22 (Previous Financial Year)
NOx		Not Applicable, HHIL being a retail company doesn't have any ambient air emissions due to its day-to-day operations (particularly NOx, SOx, and PM).	
SOx			
Particulate matter (PM)			
Persistent organic pollutants (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others-please specify			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency.

No, there has not been any independent assessment/ evaluation/assurance carried out by an external agency.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format

Parameter	Unit	FY-23 (Current Financial Year)	FY-22 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, FCs, SF ₆ , NF ₃ , if available)	tCO ₂ e	12.39	5.25
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, FCs, SF ₆ , NF ₃ , if available)	tCO ₂ e	230.03	198.01
Total Scope 1 and Scope 2 emissions per rupee of Turnover (in ₹)	tCO ₂ e/₹ Cr.	0.0044	0.0042

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, there has not been any independent assessment/ evaluation/assurance carried out by an external agency.

7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

Yes, the Company has been undertaking several initiatives to curb the greenhouse gas emissions. We have replaced conventional lights with LED lights and have been transitioning from non-renewable energy source to renewable energy source like the installation of solar panels. Further, in the subsequent years we are considering expanding our initiatives.

8. Provide details related to waste management by the entity, in the following format

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	-	-
E-waste (B)	-	0.8
Bio-medical waste (C)	-	-
Construction & demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	-	-
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	-	-
Total (A+B + C + D + E + F + G + H)	-	0.8
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (In metric tonnes)*		
Category of waste		
(i) Recycled	-	0.8
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	-	0.8
For each category of waste generated, total waste disposed by nature of disposal method (In metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, there has not been any independent assessment/ evaluation/assurance carried out by an external agency.

*For FY 2022-23, at HHIL, we have not conducted any assessment for e-waste as we were having very less number of assets to perform. Also for FY 2023-24, we have already initiated the E-Waste Assessment process.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

HHIL operates as a retailer, specializing in the sale of manufactured products only, and thus, no hazardous or toxic chemicals are used in our business operations.



10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format

S.No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N) If not, the reasons thereof and corrective action taken, if any.
Not Applicable, This indicator is not relevant as we don't have any operations/offices in or around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones, etc.			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year

Name & brief details of project	EIA Notification No.	Date	Results communicated in public domain (Yes / No)	Name and brief details of project	EIA
Not Applicable, HHIL has not undertaken any Environmental Impact Assessments for any project during the current financial year.					

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format

S. No.	Specify the law/ regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties /action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken if any
Not Applicable				

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

HHIL is a part of several industry and trade associations and actively contributes to such forums to enable sharing of best practices, represent industry concerns and support in implementing measures to foster growth of industry and larger communities. We pursue our policy advocacy work by collaborating with various trade and industry associations, government bodies, as well as other comparable collective platforms, and we drive efforts to ensure policy advocacy positions support ethical business practices, environmental stewardship, social well-being, and respect for human rights.

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

HHIL is affiliated with 4 trade and industry chambers/associations.

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
2	Indian Council of Sanitaryware Manufactures	National
3	PHD Chamber of Commerce and Industry (PHDCCI)	National
4	Water Quality Association (WQA)	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of the entity	Brief of the case	Corrective action taken
There were no adverse orders from regulatory authorities hence, this question is not applicable.		

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

As a responsible corporate entity, HHIL believes in fulfilling its responsibility towards the community and society through its socio-economic activities for the benefit of the underprivileged sections. The Company aims to leverage its position and resources to make a difference for local communities to elevate their quality of life.

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes/No)	Relevant Web link
Not applicable					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format.

Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of Project Affected Families (PAFs)	Amounts paid to PAFs in the FY (In ₹)
Not applicable					

3. Describe the mechanisms to receive and redress grievances of the community.

Given the nature of our business which is retailing, we do not operate in or around communities directly. Hence, we do not have mechanisms in place to receive and redress the grievances of the community.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers

	FY 23 (Current Financial Year)	FY 22 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	53%	44%
Sourced directly from within the district and neighboring districts	70%	70%

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

HHIL being a customer-centered business constantly strives to innovate and enhance its customer experience. The company prioritizes and incorporates customer feedback regularly to improve its current position and increase customer satisfaction regarding the services provided. The Company's products are the result of understanding consumers' needs, through innovative technology by combining generations of practical experience with a continuous flow of new knowledge.

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

HHIL believes in putting the customer at the center of its value proposition. In order to ensure customers can easily reach us, we have established multiple lines of communication such as online service requests, a central helpline, WhatsApp support, app-based interaction, and email-id. We have established a structured data management system and SLA to ensure every query is responded to within a specified period of time.



2. Turnover of products and / services as a percentage of turnover from all products/services that carry information about

	As a percentage of total turnover
Environmental and social parameters relevant to the product	0%
Safe and responsible usage	100%
Recycling and/or safe disposal	0%

3. Number of consumer complaints in respect of the following

	FY 23 (Current Financial Year)			FY 22 (Previous Financial Year)		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data Privacy						
Advertising						
Cyber security						
Delivery of essential services			Nil			
Restrictive Trade Practices						
Unfair Trade Practices						
Other	10823	154*	-	9068	88*	-

*All the pending complaints are resolved post year closure

4. Details of instances of product recalls on accounts of safety issues

	Number	Reasons for recall
Voluntary recalls		
Forced recalls	There have been no product recalls in the reporting period of FY 23	

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web link to the policy.

Yes, HHIL has an internal robust cybersecurity policy that addresses the rise of cyber threats and crimes organizations face today. This policy helps in protecting the Company from cyber threats, safeguarding sensitive data such as designs, patents, and customer and employee information. The policy can be assessed at the web link: <https://www.hindwarehomes.com/privacy-policy.php>

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.

NIL

Independent Auditor's Report

To the Members of Hindware Home Innovation Limited (formerly known as Somany Home Innovation Limited)

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

OPINION

We have audited the accompanying standalone financial statements of Hindware Home Innovation Limited (formerly known as Somany Home Innovation Limited) ("the Company"), which comprise the Balance Sheet as at 31 March 2023, and 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 standalone financial statements, including a summary of the significant accounting policies and other explanatory information (herein after referred to as the "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 mannerso required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, 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.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended 31 March 2023. These matters were addressed in the context of our audit of the standalone 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 the matters described below to be the key audit matters to be communicated in our report.

Description of Key Audit Matter	How our audit addressed the key audit matters
<p>1. Valuation of Corporate Guarantee</p> <p>The company has given letter of continuing guarantee to banker against borrowing facilities extended to a Joint venture ₹ 8,221.36 lakh (PY ₹ 2,782.73 lakh). We have considered the valuation of corporate guarantee as key audit matter considering complexities and financial impact involved over financial statements.</p>	<p>Our audit procedures includes:</p> <ul style="list-style-type: none"> We tested the design and operating effectiveness of key Controls. Controls over the validation, completeness, implementation and usage of valuation models. Our own valuation specialists independently evaluated the valuation model and reasonableness of key assumptions.
<p>2. Recognition of revenue (as described in Note 3.4 and 30 of the standalone financial statements)</p> <p>The Company recognizes revenues when the control of goods and/ or services are transferred to the customer at an amount that reflects the net consideration, which the Company expects to receive for those goods and/or services from customers in accordance with the terms of the contracts. In determining the sales price, the Company considers the effects of applicable rebates, and discounts (variable consideration).</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> We read and evaluated the Company's revenue recognition policy and assessed its compliance in terms of Ind AS 115 'Revenue from contracts with customers'. We assessed the design and tested the operating effectiveness of internal controls related to sales and applicable rebates/discounts.



Description of Key Audit Matter

The terms of sales arrangements, including the timing of transfer of control, based on the terms of relevant contract and nature of discount and rebates arrangements, create complexities that require judgment in determining sales revenues.

Considering the above factors and the risk associated with revenue recognition, we have determined the same to be a key audit matter.

How our audit addressed the key audit matters

- We performed test for a sample of sales transactions by comparing the underlying sales invoices, sales orders and other related documents to assess that revenue is recognized on transfer of control to the customer in accordance with the terms of the contract.
- We tested on a sample basis rebates and discount schemes as approved by the management to assess its accounting. For the samples selected, we also compared that the actual rebates and discounts recognized in respect of particular schemes do not exceed their approved amounts.
- We tested on a sample basis, that revenue has been recognized in the proper period with reference to the supporting documents including confirmations from customers.

We read and assessed the relevant disclosures made in the standalone Ind AS financial statements

INFORMATION OTHER THAN THE STANDALONE 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 implementation and maintenance of 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, the 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those 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 judgments 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended 31 March 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 standalone 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 Act, read with Companies (Indian Accounting Standards) Rules, 2015 (as amended);



- (e) On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 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 no. 43 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; and
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March, 2023.
 - iv) (i) The management has represented that to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - (ii) The management has represented that to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries
 - (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 and Auditors) Rules 2014, as amended, contains any material mis-statement.
 - v) The Board of Directors of the Company have proposed dividend for the year 2022-23 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. (Refer note no. 54)
- (h) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/ provided for by the Company to its directors during the year in accordance with the provisions of Section 197 read with Schedule V to the Act.
- (i) As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is currently not applicable.

For **LODHA & CO.**
Chartered Accountants
ICAI Firm Registration Number: 301051E

Shyamal Kumar
Partner
Membership Number: 509325
UDIN: : 23509325BGXJFX2031

Place: Delhi
Date: 24 May 2023

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 of even date on the standalone financial statements of Hindware Home Innovation Limited (formerly known as Somany Home Innovation Limited) for the year ended 31 March 2023)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment (PPE), and relevant details of Right-of-use-Assets (ROU).
- (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 in the phased manner designed to cover all the items over a period of three years. Accordingly, during the year, certain items have been physically verified which, in our opinion, provides for physical verification at reasonable intervals having regard 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) The Company does not have any immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), hence reporting under clause (i)(c) of the Order is not applicable.
- (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 crore, 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:-
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not revalued any of its PPE (including ROU) & 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 31 March, 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 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.

(₹ 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.	17,400	Stock, trade receivables, advance to suppliers, trade payable	30 June 2022	20,746	21,477	731	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.
			30 September 2022	23,933	23,036	897	
			31 December 2022	23,222	21,199	2,023	
			31 March 2023	19,884	18,862	1,022	

(Refer Note No-24)



- (iii) The Company has made investments in a joint venture and provided guarantee to during the year, in respect of which details are given below:

	(₹ in lakh)	
	Investments	Guarantee
A. Aggregate amount granted / provided during the year:		
- Others- Joint Venture	899.99	-
B. Balance outstanding (Carrying value) as at balance sheet date in respect of above cases:		
- Others Joint Venture	3,686.38	6,950.00

- (a) The Company has not provided any guarantee to any entity during the year, in our opinion, prima facie, not prejudicial to the Company's interest.
- (b) The investments made during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- (c) The Company does not have any loans or advances in the nature of loans outstanding at the beginning as well as end of the year, hence reporting under clause (iii)(c), (iii)(d), (iii)(e) & (iii)(f) of the order are 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.

- b) According to the records and information & explanations given to us, the details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below:

Name of Statute	Nature of Due	Period	Amount (₹ in lakh)	Forum where matter is pending
Finance Act 1994	Service Tax	2013-14	37.57	The Hon'ble Supreme court of india
Haryana VAT Act	Haryana VAT	2016-17	266.24	Excise and Taxation Department, Haryana
Haryana CST Act	Haryana CST	2016-17	403.97	Excise and Taxation Department, Haryana
Haryana CST Act	Haryana CST	2017-18	9.83	Excise & taxation Officer- Cum assessing Authority Gurgaon (South)
Gujarat VAT Act	Gujrat VAT	2014-15	82.51	The Hon'ble Gujarat VAT Tribunal, Ahmedabad

- (viii) As per the information and explanations and records provided, 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.

- (v) The Company has not accepted any deposits from the public or amounts which are deemed to be deposits within the meaning of the directives issued by the Reserve Bank of India, provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and rules framed thereunder, hence, we do not offer any comment on the same.

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 specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products and services. Accordingly, the provisions of clause (vi) of the Order are not applicable to the company.

- (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 31 March 2023 for a period of more than six months from the date they become payable.

- (ix) (a) As per the information and explanations and records provided, 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) As per the information and explanations and records provided, 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 standalone 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 standalone 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 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.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3 (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 provided 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) As represented to us by the Management and records provided, there were no whistle blower complaints received by the Company during the year.
- (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 standalone 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 procedures.
- (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) As per the information and representations provided, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934 and hence reporting under clause 3 (xvi)(a), (b) and (c) of the Order is not applicable. As per the explanations provided and based on the information, the Group does not have any Core Investment Company (CIC) as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and in 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 standalone 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 was not having net worth of rupees five hundred crore or more, or turnover of rupees

one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

(xxi) The reporting under Clause 3(xxii) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **LODHA & CO.**
Chartered Accountants
ICAI Firm Registration Number: 301051E

Shyamal Kumar
Partner
Membership Number: 509325

Place: Delhi
Date: 24 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")

OPINION

We have audited the internal financial controls over financial reporting of Hindware Home Innovation Limited (formerly known as Somany Home Innovation Limited) ("the Company") as of 31 March 2023 in conjunction with our audit of the Ind AS standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Board of Directors 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.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on Company's 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 was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 Company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of 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.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur



and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 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
ICAI Firm Registration Number: 301051E

Shyamal Kumar
Partner
Membership Number: 509325

Place: Delhi
Date: 24 May 2023

Standalone Balance Sheet

as at 31 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	3,263.29	2,423.92
(b) Right of use assets	4a	5,803.64	6,197.12
(c) Capital work-in-progress	4b	471.61	599.28
(d) Other intangible assets	5a	33.07	18.99
(e) Other intangible assets under development	5b	12.15	44.70
(f) Financial assets			
(i) Investments	6	3,894.14	2,946.67
(ii) Loans	7	106.23	98.36
(iii) Other financial assets	8	304.77	268.40
(g) Income-tax assets (net)	38(d)	8.69	171.95
(h) Deferred tax assets (net)	22	1,861.72	2,263.31
(i) Other non-current assets	9	568.64	533.43
Total non-current assets		16,327.95	15,566.13
2 Current assets			
(a) Inventories	10	12,095.09	14,305.34
(b) Financial assets			
(i) Trade receivables	11	13,859.74	14,017.89
(ii) Cash and cash equivalents	12	109.16	260.49
(iii) Bank balances other than (ii) above	13	7.00	6.61
(iv) Other financial assets	14	522.81	541.11
(c) Other current assets	15	4,190.24	5,965.98
Total current assets		30,784.04	35,097.42
Total assets		47,111.99	50,663.55
EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	16	1,445.93	1,445.93
(b) Other equity	17	11,208.55	10,153.75
Total equity		12,654.48	11,599.68
2 Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	3,325.00	2,750.00
(ii) Lease liabilities	19	5,628.39	5,865.92
(iii) Other financial liabilities	20	388.68	268.54
(b) Provisions	21	197.93	176.92
(c) Other non-current liabilities	23	102.92	69.15
Total non-current liabilities		9,642.92	9,130.53
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	24	8,090.81	13,239.54
(ii) Lease liabilities	25	812.73	637.05
(iii) Trade payables			
- Due to micro and small enterprise	26	1,971.02	3,061.42
- Due to others	26	5,806.58	5,075.49
(iv) Other financial liabilities	27	6,018.02	5,866.44
(b) Other current liabilities	28	1,821.14	1,786.96
(c) Provisions	29	294.29	266.44
Total current liabilities		24,814.59	29,933.34
Total liabilities		34,457.51	39,063.87
Total equity and liabilities		47,111.99	50,663.55

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 : Delhi
Date : 24 May 2023

G.L. Sultania

Director
DIN: 00060931

Payal M Puri

Company Secretary
ACS No.: 16068

Sandip Somany

Chairman
DIN: 00053597

Naveen Malik

Chief Financial Officer

Place : Gurugram
Date : 24 May 2023



Standalone Statement of Profit and Loss

for the year ended 31 March 2023

(₹ in lakh)			
Particulars	Note	For the year ended 31 March 2023	For the year ended 31 March 2022
I Revenue from operations	30	55,691.59	49,128.10
II Other income	31	4,360.41	3,494.76
III Total income		60,052.00	52,622.86
IV Expenses			
Purchases of stock-in-trade	32	33,047.14	34,389.97
Changes in inventories of stock-in-trade	33	2,262.76	(2,750.39)
Employee benefits expense	34	6,539.57	5,434.87
Finance costs	35	1,996.16	1,622.54
Depreciation and amortisation expense	36	1,805.77	1,411.00
Other expenses	37	12,530.63	10,787.96
Total expenses		58,182.03	50,895.95
V Profit before exceptional items and tax		1,869.97	1,726.91
VI Exceptional items		-	-
VII Profit before tax		1,869.97	1,726.91
VIII Tax expense	38		
(1) Current tax		397.22	344.81
(2) MAT credit entitlement		(367.58)	(344.81)
(3) Earlier year income tax		7.76	-
(4) Deferred tax		772.17	458.06
Total tax expense		809.57	458.06
IX Profit for the year		1,060.40	1,268.85
X Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plan		(8.60)	11.65
(ii) Income-tax relating to these items		3.00	(4.07)
Other comprehensive income (net of tax)		(5.60)	7.58
XI Total comprehensive income for the year		1,054.80	1,276.42
XII Earnings per equity share (of ₹ 2/- each):			
Basic and diluted	41	1.47	1.76

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.

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Shyamal Kumar

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Naveen Malik

Chief Financial Officer

Place : Gurugram
Date : 24 May 2023

Standalone Statement of Cash Flows

for the year ended 31 March 2023

Particulars	(₹ in lakh)	
	Year ended 31 March 2023	Year ended 31 March 2022
Cash flows from operating activities		
Profit before tax	1,869.97	1,726.91
Adjustments for:		
Finance costs	1,996.16	1,622.54
Dividend income	(2,940.00)	(2,450.00)
Interest income	(40.10)	(30.17)
Gain on disposal of property, plant and equipment	(3.03)	(0.64)
Loss on disposal of property, plant and equipment	0.01	0.42
Bad debts written off	-	7.70
Impairment of investments	-	20.00
Sundry balances and liabilities no longer required, written back	(280.74)	(60.42)
Provision for expected credit loss	403.51	238.25
Lease concession /liabilities written back	(1.44)	(131.08)
Depreciation and amortisation expenses	1,805.77	1,411.00
Net foreign exchange (gain)/loss	(11.59)	(17.90)
	2,798.52	2,336.61
Movements in working capital:		
(Increase)/decrease in trade and other receivables	(254.78)	975.25
(Increase)/decrease in inventories	2,210.25	(2,927.26)
(Increase)/decrease in other assets	1,775.75	(3,173.84)
Increase/(decrease) in trade and other liabilities	(230.50)	(1,758.40)
Increase/(decrease) in provisions	48.86	4.22
	3,549.58	(6,880.03)
Cash generated from / (used in) operations	6,348.10	(4,543.42)
Income taxes paid	(486.94)	(1,361.97)
Income tax refund	245.22	68.25
Net cash generated from / (used in) operating activities	6,106.38	(5,837.14)
Cash flows from investing activities:		
Investment in Joint Venture	(899.99)	(2,766.39)
Interest received	11.81	7.03
Loan to Related party	-	620.00
Dividend income	2,940.00	2,450.00
Receipt against slump sale	-	5,220.48
Payments for property, plant and equipment	(1,481.12)	(984.17)
Proceeds from disposal of property, plant and equipment	4.80	4.28
Movement in other bank balances	(0.39)	(5.43)
Net Cash generated from / (used in) investing activities	575.11	4,545.80



Standalone Statement of Cash Flows (Contd.)

for the year ended 31 March 2023

(₹ in lakh)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Cash flows from financing activities:		
Repayment of borrowings	(225.00)	(150.00)
Loan from related party	800.00	700.00
Movement in short term borrowings (net)	(5,148.73)	3,476.97
Principal payment of lease liability	(710.05)	(483.56)
Interest on lease liability	(569.01)	(531.24)
Dividends paid	0.39	(572.94)
Interest paid	(980.42)	(1,083.00)
Net Cash generated from / (used in) financing activities	(6,832.82)	1,356.23
Net increase / (decrease) in cash and cash equivalents:	(151.33)	64.89
Cash and cash equivalents at the beginning of the year	260.49	195.60
Cash and cash equivalents at the end of the year	109.16	260.49

The movement in liabilities from financing activities:

Particulars	As at 31 March, 2022	Cashflows	Non-cashflow changes		As at 31 March, 2023
			Foreign exchange	Other	
Long term borrowings	2,975.00	575.00	-	-	3,550.00
Short term borrowings	13,014.54	(5,148.73)	-	-	7,865.81
Total liabilities from financing activities	15,989.54	(4,573.73)	-	-	11,415.81

Particulars	As at 31 March, 2021	Cashflows	Non-cashflow changes		As at 31 March, 2022
			Foreign exchange	Other	
Long term borrowings	2,425.00	550.00	-	-	2,975.00
Short term borrowings	9,537.57	3,476.97	-	-	13,014.54
Total liabilities from financing activities	11,962.57	4,026.97	-	-	15,989.54

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
DIN: 00053597

Shyamal Kumar

Partner
M. No. 509325
Place : Delhi
Date : 24 May 2023

Payal M Puri

Company Secretary
ACS No.: 16068

Naveen Malik

Chief Financial Officer

Place : Gurugram
Date : 24 May 2023

Standalone Statement of Changes in Equity

for the year ended 31 March 2023

A. EQUITY SHARE CAPITAL

Particulars	Number of shares	₹ in lakh
Issued and paid up capital		
Balance as at 1 April 2021	7,22,96,395	1,445.93
Changes in equity share capital during the year	-	-
Balance as at 31 March 2022	7,22,96,395	1,445.93
Changes in equity share capital during the year	-	-
Balance as at 31 March 2023	7,22,96,395	1,445.93

B. OTHER EQUITY

Particulars	Reserves and surplus					Total
	Securities Premium Account	Capital Reserve	General Reserve	Retained Earnings	Actuarial gain / (loss)	
Balance as at 1 April 2021	3,325.92	10.00	1,125.22	4,939.12	55.43	9,455.69
Profit for the year	-	-	-	1,268.85	-	1,268.85
Other comprehensive income for the year (net of tax)	-	-	-	-	7.58	7.58
Total comprehensive income for the year	-	-	-	1,268.85	7.58	1,276.43
Dividend paid	-	-	-	(578.37)	-	(578.37)
Balance as at 31 March 2022	3,325.92	10.00	1,125.22	5,629.60	63.01	10,153.75
Profit for the year	-	-	-	1,060.40	-	1,060.40
Other comprehensive income for the year (net of tax)	-	-	-	-	(5.60)	(5.60)
Total comprehensive income for the year	-	-	-	1,060.40	(5.60)	1,054.80
Balance as at 31 March 2023	3,325.92	10.00	1,125.22	6,690.00	57.41	11,208.55

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 : Delhi
Date : 24 May 2023

G.L. Sultania

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DIN: 00053597

Naveen Malik

Chief Financial Officer

Place : Gurugram
Date : 24 May 2023



Significant accounting policies and other explanatory information to the standalone financial statements

for the year ended 31 March 2023

1. CORPORATE INFORMATION

Hindware Home Innovation Limited (the 'Company') (formerly Somany Home Innovation Limited) is a public limited company incorporated in India under the Companies Act 2013. The registered office of the Company is situated in Kolkata and the corporate office is in Gurugram. The Company is into the business of selling and trading of Consumer products and Retail business. The equity shares of the Company is listed at National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).

These financial statements were approved and authorized for issue in accordance with the resolution of the Company's Board of Directors on 24 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 31 March, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1 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.

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. 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.

Significant accounting policies and other explanatory information to the standalone financial statements

for the year ended 31 March 2023

3.3 Business combinations

Business combinations involving entities under common control are accounted for using the pooling of interest 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.

3.4 Revenue recognition

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

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

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.

3.5 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,



Significant accounting policies and other explanatory information to the standalone financial statements

for the year ended 31 March 2023

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.

3.6 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.

3.7 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.

3.8 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.

Significant accounting policies and other explanatory information to the standalone financial statements

for the year ended 31 March 2023

Long-term employee benefits

Compensated absences which are allowed to be 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.

3.9 Taxation

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

Current tax

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

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT Credit is allowed to be carried forward. In the year in which the Company recognizes MAT Credit as an asset, the said asset is created by way of credit to the statement of Profit and Loss and shown as "MAT Credit Entitlement".

The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period. The MAT Credit Entitlement is disclosed under the head "Deferred tax liabilities (net)".

Deferred tax

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

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

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

3.10 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.

3.11 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.

3.12(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.



Significant accounting policies and other explanatory information to the standalone financial statements

for the year ended 31 March 2023

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 Assets are recognised, if the future economic benefits attributable to the assets are expected to flow to the company and cost of the asset can be measured reliably. All other expenditure is expensed as incurred. The same are amortised over the expected duration of benefits. Such intangible assets are measured at cost less any accumulated amortisation and impairment losses, if any and are amortised over their respective individual estimated useful life on straight line method. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period and adjusted prospectively, if appropriate

(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.

3.13 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 - 10 years*
Furniture and fixtures	2-10 years [^]
Office equipment	upto 5 years
Computer	3-6 years
Vehicles	8 years**
Intangible assets	
Software	6 years

*Moulds are parts of consumer appliances business of the Company, included in plant and machinery, are depreciated over a life of 10 years, which is different from life prescribed in schedule II of the Act, based on independent chartered engineer certificate

** Vehicles are being depreciated using written down value method as per life of 8 years mentioned in Schedule II of the Act

[^] Wooden pallets are parts of consumer appliances business of the Company, included in furniture and fixtures, are depreciated over a life of upto 5 years which is lesser than life prescribed in schedule II of the Act, depending on the actual use of the asset.

3.14 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.

3.15 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

Significant accounting policies and other explanatory information to the standalone financial statements

for the year ended 31 March 2023

and are subject to an insignificant risk of changes in value.

3.16 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. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

3.17 Inventories

Inventories are stated at the lower of cost and net realisable value. The cost of inventories comprises of all costs of purchase, 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.

3.18 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.

3.19 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.

3.20 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.

3.21 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



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- 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.

3.22 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.

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

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. De-recognition of financial assets

A financial asset is derecognised when:

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

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

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of the ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial 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.

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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.

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.

3.23 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.

3.24 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.



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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 (refer note 39).

(vi) Impairment of Goodwill

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount based on a number of factors including operating results, business plans, future cash flows and economic conditions. The recoverable amount of cash generating units is determined based on higher of value-in-use and fair value less cost to sell. The goodwill impairment test is performed at the level of the cash-generating unit or groups of cash-generating units which are benefitting from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes.

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments.

Significant accounting policies and other explanatory information to the standalone financial statements

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Description of assets	(₹ in lakh)									
	Leasehold improvements	Right of use - Building	Plant and equipment	Office equipment	Furniture and fixtures	Computers	Vehicles	Total		
I. Gross block										
Balance as at 01 April 2021	936.25	3,303.02	2,464.35	220.88	793.62	381.01	159.37	8,258.50		
Additions	-	5,383.98	-	58.33	197.24	128.17	-	5,767.72		
Disposals/adjustment	-	(1,011.00)	-	-	-	(4.76)	(18.33)	(1,034.09)		
Balance as at 31 March 2022	936.25	7,676.00	2,464.35	279.21	990.86	504.42	141.04	12,992.13		
Additions	-	671.41	559.10	41.11	759.61	168.83	47.47	2,247.53		
Disposals/adjustment	-	(24.82)	-	-	-	(9.22)	(12.72)	(46.76)		
Balance as at 31 March 2023	936.25	8,322.59	3,023.45	320.32	1,750.47	664.03	175.79	15,192.90		
II. Accumulated depreciation and amortisation										
Balance as at 01 April 2021	580.53	995.81	691.75	156.24	621.86	255.54	78.70	3,380.43		
Depreciation and amortisation charge for the year	54.93	871.68	276.81	29.90	66.11	78.61	20.25	1,398.29		
Disposals/adjustment	-	(388.61)	-	-	-	(4.64)	(14.38)	(407.63)		
Balance as at 31 March 2022	635.46	1,478.88	968.56	186.14	687.97	329.51	84.57	4,371.09		
Depreciation and amortisation charge for the year	54.65	1,054.88	263.61	38.00	227.09	130.90	20.72	1,789.85		
Disposals/adjustment	-	(14.81)	-	-	-	(8.26)	(11.90)	(34.97)		
Balance as at 31 March 2023	690.11	2,518.95	1,232.17	224.14	915.06	452.15	93.39	6,125.97		
Net block (I-II)										
Balance as at 31 March 2023	246.14	5,803.64	1,791.28	96.18	835.41	211.88	82.40	9,066.93		
Balance as at 31 March 2022	300.79	6,197.12	1,495.79	93.07	302.89	174.91	56.47	8,621.04		

Refer note 18 for detail of property, plant and equipment hypothecated as security by the company.



Significant accounting policies and other explanatory information to the standalone financial statements

for the year ended 31 March 2023

NOTE 4b - CAPITAL WORK-IN-PROGRESS

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Capital work in progress	471.61	599.28
	471.61	599.28

(i) Details and Ageing of CWIP

As at 31 March 2023

Particulars	Amount for a period of				Total
	less than 1 year	1 to 2 years	2 to 3 years	more than 3 years	
Project in progress	112.87	329.57	29.17	-	471.61

As at 31 March 2022

Particulars	Amount for a period of				Total
	less than 1 year	1 to 2 years	2 to 3 years	more than 3 years	
Project in progress	547.00	49.92	2.36	-	599.28

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

Particulars*	As at 31 March 2023				
	less than 1 year	1 to 2 years	2 to 3 years	more than 3 years	Total
Water purifier and desert cooler	20.36	-	-	-	20.36
Kitchen chimney and HOB molds, tools	240.09	-	-	-	240.09
Fans	152.84	-	-	-	152.84
Total	413.29	-	-	-	413.29

* Projects are in final stage of completion

There are no projects which are overdue / over-run as at 31 March 2022

Significant accounting policies and other explanatory information to the standalone financial statements

for the year ended 31 March 2023

NOTE 5a- OTHER INTANGIBLE ASSETS

Description of assets	(₹ in lakh)	
	Computer software	Total
I. Gross block		
Balance as at 01 April 2021	325.40	325.40
Additions	-	-
Disposals/adjustment	-	-
Balance as at 31 March 2022	325.40	325.40
Additions	30.00	30.00
Disposals/adjustment	-	-
Balance as at 31 March 2023	355.40	355.40
II. Accumulated amortisation		
Balance as at 01 April 2021	293.70	293.70
Amortisation charge for the year	12.71	12.71
Disposals/adjustment	-	-
Balance as at 31 March 2022	306.41	306.41
Amortisation charge for the year	15.92	15.92
Disposals/adjustment	-	-
Balance as at 31 March 2023	322.33	322.33
Net block (I-II)		
Balance as at 31 March 2023	33.07	33.07
Balance as at 31 March 2022	18.99	18.99

NOTE 5b - OTHER INTANGIBLES UNDER DEVELOPMENT

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Other intangible assets under development	12.15	44.70
	12.15	44.70

Details and Ageing of other intangibles under development

As at 31 March 2023

Particulars	Amount for a period of				Total
	less than 1 year	1 to 2 years	2 to 3 years	more than 3 years	
Project in progress	4.45	7.70	-	-	12.15

As at 31 March 2022

Particulars	Amount for a period of				Total
	less than 1 year	1 to 2 years	2 to 3 years	more than 3 years	
Project in progress	24.70	20.00	-	-	44.70

There are no projects which are overdue / over-run as at 31 March 2023 as well as 31 March 2022



Significant accounting policies and other explanatory information to the standalone financial statements

for the year ended 31 March 2023

NOTE 6 - NON-CURRENT FINANCIAL ASSETS - INVESTMENTS

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number	₹ in lakh	Number	₹ in lakh
(A) Investments carried at Amortised cost				
I) Investment in Subsidiaries				
(i) Investment in equity shares fully paid-up				
Unquoted				
Evok Homes Private Limited (Formerly Hindware Home Retail Private Limited) (face value ₹ 10 each)	6,40,000	8.72	6,40,000	8.72
Luxxis Heating Solution Pvt. Ltd. (face value ₹ 10 each)*		-	2,00,000	20.00
Less: Provision for diminution of investment		-		(20.00)
Hindware Limited (formerly Brilloca Limited) (face value ₹ 2 each)**	4,90,00,000	10.00	2,45,00,000	10.00
(ii) Investment in equity component of debt instruments				
Evok Homes Private Limited (Formerly Hindware Home Retail Private Limited)		128.56		128.56
II) Investment in Joint Ventures				
(i) Investment in equity shares fully paid-up				
Unquoted				
Hintastica Private Limited (face value ₹ 10 each)**	3,20,146	3,686.38	2,91,300	2,786.39
Deemed equity contribution #		60.48		13.00
		3,894.14		2,946.67
Total investments		3,894.14		2,946.67

* Voluntarily struck off w.e.f 28 April 2023 (refer note 37)

** The Company subscribed 28,846 equity shares (right issue) of Hintastica Private Limited (JV) (towards its 50 percent share of subscription of the equity share) at ₹3,120 per share (including share premium of ₹3,110 per share) of face value of ₹10 each, amounting to ₹899.99 lakh.

Fair value of letter of guarantee given for the Hintastica Private Limited (refer note 27)

*** 2,45,00,000 bonus equity shares of ₹ 2/- each fully paid up issued during the current financial year 2022-23 (in the proportion of 1 equity shares for every 1 equity share held) of the Company.

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Other disclosures		
Aggregate amount of unquoted investments	3,894.14	2,946.67
Aggregate amount of diminution of investments	-	20.00

Significant accounting policies and other explanatory information to the standalone financial statements

for the year ended 31 March 2023

NOTE 7 - NON-CURRENT FINANCIAL ASSETS - LOANS

Particulars	(₹ in lakh)	
	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 parties (refer note 46)	106.23	98.36
	106.23	98.36

NOTE 8 - NON-CURRENT FINANCIAL ASSETS - OTHER FINANCIAL ASSETS

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
(unsecured and considered good unless otherwise specified, as considered by the management)		
Security deposits *	304.77	268.40
	304.77	268.40

* Including of AGI Greenpac Limited of NIL (previous year ₹ 12.07 lakh)

NOTE 9 - OTHER NON-CURRENT ASSETS

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
(unsecured and considered good, unless stated otherwise, as considered by the management)		
Capital advances	282.42	247.21
Balances with government authorities *	286.22	286.22
	568.64	533.43

* deposits against demand under dispute

NOTE 10 - INVENTORIES

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
(At cost or net realisable value, whichever is lower)		
Stock-in-trade	11,865.71	14,128.47
Packing material	229.38	176.87
	12,095.09	14,305.34
Included above, goods-in-transit:		
Stock-in-trade	-	345.50
	-	345.50

Refer note 24 for information on inventory hypothecated as security by the Company.



Significant accounting policies and other explanatory information to the standalone financial statements

for the year ended 31 March 2023

NOTE 11 - TRADE RECEIVABLES

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
(i) Trade Receivables considered good - Secured	349.01	207.47
(ii) Trade Receivables considered good - Unsecured*	13,510.73	13,810.42
(iii) Trade Receivables - credit impaired	1,185.21	781.70
	15,044.95	14,799.59
Less: Provision for impairment/Expected credit loss	1,185.21	781.70
	13,859.74	14,017.89

*including of Hintastica Private Limited ₹ 25.81 lakh (previous year ₹ 242.59 lakh) and Evok Homes Private Limited (Formerly Hindware Home Retail Private Limited) ₹ 401.28 lakh (previous year ₹ 287.15 lakh)

As at 31 March 2023

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	4,220.04	6,350.74	1,356.98	699.03	347.23	-	12,974.02
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	83.75	120.94	180.75	385.44
(iv) Disputed Trade Receivables - considered good	-	31.21	185.47	212.41	456.63	-	885.72
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	23.60	152.21	623.96	799.77
Total	4,220.04	6,381.95	1,542.45	1,018.79	1,077.01	804.71	15,044.95
Total Provision (iii+vi)	-	-	-	107.35	273.15	804.71	1,185.21

As at 31 March 2022

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	4,635.15	6,610.17	1,065.56	1,048.72	159.42	-	13,519.02
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	122.79	72.22	157.08	352.09
(iv) Disputed Trade Receivables - considered good	-	4.09	0.18	291.76	202.84	-	498.87
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	32.42	67.61	329.58	429.61
Total	4,635.15	6,614.26	1,065.74	1,495.69	502.09	486.66	14,799.59
Total Provision (iii+vi)	-	-	-	155.21	139.83	486.66	781.70

Significant accounting policies and other explanatory information to the standalone financial statements

for the year ended 31 March 2023

NOTE 11 - TRADE RECEIVABLES (Contd.)

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

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Opening balance	781.70	543.45
Expected credit losses provided for during the year (refer note 37)	403.51	238.25
	1,185.21	781.70

Trade receivables are hypothecated against the borrowings obtained by the Company as referred in note 24.

NOTE 12 - CASH AND CASH EQUIVALENTS

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Balances with banks	76.07	162.82
Cheques, drafts in hand	-	20.14
Cash in hand	7.41	6.32
Remittance in transit	25.68	71.21
	109.16	260.49

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

NOTE 13 - BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Earmarked balances with banks		
Unpaid dividends accounts *	7.00	6.61
	7.00	6.61

* Not due for deposit in investor education and protection fund

NOTE 14 - CURRENT FINANCIAL ASSETS - OTHER FINANCIAL ASSETS

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
(unsecured and considered good unless otherwise specified, as considered by the management)		
Other financial assets		
Other receivable *	515.18	533.48
Security deposits	7.63	7.63
	522.81	541.11

* Includes receivable from Hintastica Private Limited ₹ 514.25 lakh (previous year ₹ 517.86 lakh)



Significant accounting policies and other explanatory information to the standalone financial statements

for the year ended 31 March 2023

NOTE 15 - OTHER CURRENT ASSETS

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
(unsecured and considered good by the management)		
Prepaid expenses	126.86	80.94
Balances with government authorities	1,879.13	1,526.45
Others		
- Advance to suppliers	684.30	4,002.46
Considered doubtful	29.97	29.97
less : Provision against doubtful advances	(29.97)	(29.97)
- Employee advances	18.56	10.94
- Other current assets*	1,481.39	345.19
Considered doubtful	1.08	1.08
Less : Provision for doubtful advances	(1.08)	(1.08)
	4,190.24	5,965.98

*includes receivable from Hintastica Private Limited ₹ 133.39 lakh (previous year ₹ 42.52 lakh), Hindware Limited ₹4.15 lakh (previous year NIL) and Evok Homes Private Limited (Formerly Hindware Home Retail Private Limited) ₹ 95.89 lakh (previous year NIL)

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	7,50,00,000	1,500.00
Issued:				
Equity shares of ₹ 2 each	7,22,96,395	1,445.93	7,22,96,395	1,445.93
Subscribed and fully paid:				
Equity shares of ₹ 2 each	7,22,96,395	1,445.93	7,22,96,395	1,445.93
	7,22,96,395	1,445.93	7,22,96,395	1,445.93

(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	7,22,96,395	1,445.93	7,22,96,395	1,445.93
Add: Issue of shares during the year	-	-	-	-
Equity shares outstanding at the end of the year	7,22,96,395	1,445.93	7,22,96,395	1,445.93

Significant accounting policies and other explanatory information to the standalone financial statements

for the year ended 31 March 2023

NOTE 16 - EQUITY SHARE CAPITAL (Contd.)

(b) Statement of changes in promoters stake

Shares held by promoters[^] at the end of the year

S. No	Promoter name	As at 31 March 2023		As at 31 March 2022		% Change during the year
		No. of shares	% of holding	No. of shares	% of holding	
1	Rajendra Kumar Somany #	-	-	36,45,000	5.04%	-5.04%
2	Sandip Somany #	60,39,731	8.35%	23,94,731	3.31%	5.04%
3	Sumita Somany	1,61,000	0.22%	1,61,000	0.22%	-
4	Divya Somany	1,46,912	0.20%	1,46,912	0.20%	-
5	Sandip Somany HUF	95,832	0.13%	95,832	0.13%	-
6	Shashvat Somany	76,244	0.11%	76,244	0.11%	-
7	Somany Impresa Limited	3,05,79,968	42.30%	3,05,79,968	42.30%	-
8	Matterhorn Trust	100	0.00%	100	0.00%	-
Total		3,70,99,787	51.32%	3,70,99,787	51.32%	

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

36,45,000 equity shares of the Company were held in the name of Dr. Rajendra Kumar Somany jointly with Mr. Sandip Somany. Dr. Rajendra Kumar Somany passed away on 20.01.2023 thus, the said shares have been transferred in the name of Joint holder, Mr. Sandip Somany on 21.02.2023 by way of transferring the shares to a separate demat account in the name of Mr. Sandip Somany

(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	As at 31 March 2023		As at 31 March 2022	
	Number	% of holding	Number	% of holding
Somany Impresa Limited	3,05,79,968	42.30%	3,05,79,968	42.30%
Rajendra Kumar Somany #	-	-	36,45,000	5.04%
Sandip Somany	60,39,731	8.35%	23,94,731	3.31%

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

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

(f) Pursuant to the Scheme of arrangement the Company had issued 7,22,96,395 Equity Shares to the Shareholders of AGI Greenpac Limited (formerly HSIL Limited). On 23 August 2019 (Allotment date) Hindware Home Innovation Limited (formerly Somany Home innovation Limited) had issued one equity share for every equity share held of AGI Greenpac Limited on the date of 20 August 2019 (Record date) for consideration other than cash.



Significant accounting policies and other explanatory information to the standalone financial statements

for the year ended 31 March 2023

NOTE 17 - OTHER EQUITY

Particulars	Reserves and surplus					Total
	Securities premium account	Capital reserve	General reserve	Retained earnings	Actuarial gain / (loss)	
Balance as at 01 April 2021	3,325.92	10.00	1,125.22	4,939.12	55.43	9,455.69
Profit for the year	-	-	-	1,268.85	-	1,268.85
Other comprehensive income for the year (net of tax)	-	-	-	-	7.58	7.58
Total comprehensive income for the year	-	-	-	1,268.85	7.58	1,276.43
Dividend paid	-	-	-	(578.37)	-	(578.37)
Balance as at 31 March 2022	3,325.92	10.00	1,125.22	5,629.60	63.01	10,153.75
Profit for the year	-	-	-	1,060.40	-	1,060.40
Other comprehensive income for the year (net of tax)	-	-	-	-	(5.60)	(5.60)
Total comprehensive income for the year	-	-	-	1,060.40	(5.60)	1,054.80
Balance as at 31 March 2023	3,325.92	10.00	1,125.22	6,690.00	57.41	11,208.55

Nature and purpose of other reserves:

- Capital reserve is created on cancellation of equity shares consequent to the Scheme of Arrangement approved by the National Company Law Tribunal
- 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.
- General reserves was created by transferring certain amount out of profits at the time of distribution of dividend in the past.

NOTE 18 - NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

Particulars	As at	
	31 March 2023	31 March 2022
Secured:		
Rupee loan	1,050.00	1,275.00
Unsecured:		
Inter corporate loan from related party (refer note 46)	2,500.00	1,700.00
	3,550.00	2,975.00
Less: Current maturities of long term borrowings (refer note 24)	225.00	225.00
	3,325.00	2,750.00

Note:

- Rupee Loan of ₹ 1,050.00 lakh (previous year ₹ 1,275.00 lakh) is secured by First Pari Passu charge on Movable Fixed Assets (PPE) of the company, repayable in 8 half yearly instalments from June 2023 to December 2026 carrying interest rate @ 1 Year MCLR + 8 bps.
- Inter Corporate Loan of ₹ 2,500.00 lakh (previous year ₹ 1,700 lakh) has been received from Hindware Limited (subsidiary), repayable after eight years from the date of first disbursement carrying interest rate @ 1 Year MCLR + 33bps.

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NOTE 19 - NON-CURRENT FINANCIAL LIABILITIES - LEASE LIABILITIES

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Lease liabilities (refer note 48)	5,628.39	5,865.92
	5,628.39	5,865.92

NOTE 20 - NON-CURRENT FINANCIAL LIABILITIES - OTHER FINANCIAL LIABILITIES

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Trade deposits	388.68	268.54
	388.68	268.54

NOTE 21 - NON-CURRENT LIABILITIES - PROVISIONS

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits		
Long-term employee benefits		
Provision for compensated absences (refer note 40)	183.85	155.19
Provision for long service award	14.08	21.73
	197.93	176.92

NOTE 22 - DEFERRED TAX ASSETS (NET)

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Deferred tax asset arising on account of		
Deferred tax on business losses	-	1,109.59
Difference between book balance and tax balance of property, plant and equipment and right of use asset (net of lease liability)	614.79	465.05
Provision for doubtful debts and loans and advances	425.01	284.00
Provision for employee benefits	70.35	52.74
MAT credit entitlement	712.39	344.81
Others	39.18	7.12
	1,861.72	2,263.31
Deferred tax liabilities	-	-
Deferred tax assets (net)	1,861.72	2,263.31



Significant accounting policies and other explanatory information to the standalone financial statements

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NOTE 22 - DEFERRED TAX ASSETS (NET) (Contd.)

Deferred tax asset (net) in relation to:

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				
Deferred tax on business losses	1,109.59	(1,109.59)	-	-
Difference between book balance and tax balance of property, plant and equipment and Right of use asset (net of lease liability)	465.05	149.74	-	614.79
Provision for doubtful debts and loans and advances	284.00	141.01	-	425.01
Provision for employee benefits	52.74	14.61	3.00	70.35
MAT credit entitlement	344.81	367.58	-	712.39
Others	7.12	32.06	-	39.18
Sub total	2,263.31	(404.59)	3.00	1,861.72
Net deferred tax assets	2,263.31	(404.59)	3.00	1,861.72

Deferred tax asset (net) in relation to:

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 asset arising on account of				
Deferred tax on business losses	1,770.69	(661.10)	-	1,109.59
Difference between book balance and tax balance of property, plant and equipment and Right of use asset (net of lease liability)	359.23	105.82	-	465.05
Provision for doubtful debts and loans and advances	200.75	83.25	-	284.00
Provision for employee benefits	34.76	22.05	(4.07)	52.74
MAT credit entitlement	-	344.81	-	344.81
Others	15.20	(8.08)	-	7.12
Sub total	2,380.63	(113.25)	(4.07)	2,263.31
Net deferred tax assets	2,380.63	(113.25)	(4.07)	2,263.31

NOTE 23 - OTHER NON-CURRENT LIABILITIES

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Employee related payables	102.92	69.15
	102.92	69.15

Significant accounting policies and other explanatory information to the standalone financial statements

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NOTE 24 - CURRENT FINANCIAL LIABILITIES - BORROWINGS

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Secured borrowings		
From banks		
Cash credit - loans repayable on demand	865.81	2,114.54
Working capital demand loan	7,000.00	10,900.00
	7,865.81	13,014.54
Current maturities of long-term borrowings (refer note 18)	225.00	225.00
	225.00	225.00
	8,090.81	13,239.54

Short term loan facilities:

- The interest rate for the above short term borrowings varies from 1 month T- Bill + 111bps to 3 months MCLR + 65 bps.
- Working capital and Cash credit facilities are secured by hypothecation of inventories, finished, semi-finished goods and receivables of the Company. The Working capital facilities and Cash credit facilities are repayable on demand.
- 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 quarterly returns/ statements filed by the company with the bank, are generally in agreement with the books of accounts 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.	17,400	Stock, trade receivables, advance to suppliers, trade payable	June 30,2022	20,746	21,477	731	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	23,933	23,036	897	
			December 31,2022	23,222	21,199	2,023	
			March 31,2023	19,884	18,862	1,022	



Significant accounting policies and other explanatory information to the standalone financial statements

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NOTE 25 - CURRENT FINANCIAL LIABILITIES- LEASE LIABILITIES

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Lease liabilities (refer note 48)	812.73	637.05
	812.73	637.05

NOTE 26 CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
- Dues to micro and small enterprises	1,971.02	3,061.42
- Dues to other than micro and small enterprises*	5,806.58	5,075.49
	7,777.60	8,136.91

* Including of AGI Greenpac Limited of ₹ 15.12 lakh (previous year ₹ 112.23 lakh), and Evok Homes Private Limited NIL (previous year ₹ 25.96 lakh)

As at 31 March 2023

Particulars	Outstanding for following period from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
i MSME	21.37	684.00	1,226.83	30.63	5.28	2.91	1,971.02
ii Others	584.02	2,493.67	2,620.26	69.21	7.17	32.25	5,806.58
Total							7,777.60

As at 31 March 2022

Particulars	Outstanding for following period from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
i MSME	590.19	1,109.90	1,339.28	15.16	3.05	3.84	3,061.42
ii Others	3,086.18	417.69	1,347.71	162.54	12.78	48.59	5,075.49
Total							8,136.91

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:

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Principal amount overdue and remaining unpaid to any supplier	1,554.38	1,938.48
Interest due thereon remaining unpaid to any supplier	61.58	45.24
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	219.74	93.44
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	363.33	267.76
Interest accrued and remaining unpaid	566.34	446.99

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NOTE 27 - CURRENT FINANCIAL LIABILITIES - OTHER FINANCIAL LIABILITIES

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Interest accrued but not due on borrowings @	54.13	32.31
Unclaimed dividend ^	7.00	6.61
Security deposits/Retention money	68.51	16.09
Others		
Employee related payables	826.21	713.68
Towards expenses payable *	4,885.48	5,024.76
Financial obligation towards letter of guarantee (refer note 6)	60.48	13.00
Commission payable to directors	24.24	21.30
Gratuity payable (net of obligation)	81.65	38.69
Other payables	10.32	-
	6,018.02	5,866.44

^ Not due for deposit in Investors Education and Protection Fund

@ Including of Hindware Limited of ₹ 17.71 lakh

* Including of AGI Greenpac Limited of ₹ NIL (previous year ₹ 85.22 lakh) and Hindware Limited of NIL (previous year ₹ 114.70 lakh)

NOTE 28 - OTHER CURRENT LIABILITIES

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Advances received from customers	426.60	259.83
Payable towards statutory dues	1,326.09	1,456.22
Other payable	68.45	70.91
	1,821.14	1,786.96

NOTE 29 - CURRENT LIABILITIES - PROVISIONS

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits		
Provision for compensated absences	8.88	7.36
Provision for long service award	0.60	1.17
Provision for warranty	284.81	257.91
	294.29	266.44
Movement in the warranty provisions		
Balance as at the beginning of year	257.91	257.91
Additional provisions recognised (included in Other expenses)	26.90	-
Utilised during the year	-	-
Balance as at the end of year	284.81	257.91

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, services 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 2 years.



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NOTE 30 - REVENUE FROM OPERATIONS

Particulars	(₹ in lakh)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
i) Revenue from operations		
Sale of goods	55,035.59	48,728.58
Revenue from rendering of services	170.62	155.85
Other operating revenue @	485.38	243.67
	55,691.59	49,128.10
Segment wise revenue information		
a) Consumer products	50,085.45	43,066.57
b) Retail business	5,606.14	6,061.53
c) Others	-	-
Total	55,691.59	49,128.10
Total revenue from operations	55,691.59	49,128.10
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		
Sale of goods	426.60	259.83
iii) Reconciliation of contract price vis a vis revenue recognised in profit and loss statement is as follows:-		
Contract Price		
a) Sale of goods	62,350.64	55,244.41
b) Revenue from rendering of services	170.62	155.85
c) Other operating revenue	485.38	243.67
Adjustment:-		
Discount/Rebate	7,315.05	6,515.83
Revenue recognised in the statement of profit and loss account	55,691.59	49,128.10
@ Other operating revenues comprise of:		
Sundry balances and liabilities no longer required, written back	280.74	60.42
Gain on foreign exchange fluctuations	-	17.90
Insurance claims received	204.64	165.35
	485.38	243.67

NOTE 31 - OTHER INCOME

Particulars	(₹ in lakh)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest income on financial assets	40.10	30.17
Rental income	196.67	213.85
Profit on sale of property, plant and equipment	3.03	0.64
Dividend income	2,940.00	2,450.00
Management fee	850.42	292.30
Miscellaneous income	330.19	507.80
	4,360.41	3,494.76

Significant accounting policies and other explanatory information to the standalone financial statements

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NOTE 32 - PURCHASES OF STOCK-IN-TRADE

Particulars	(₹ in lakh)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Consumer appliances, home furnishing and others	33,047.14	34,389.97
	33,047.14	34,389.97

NOTE 33 - CHANGES IN INVENTORIES OF STOCK-IN-TRADE

Particulars	(₹ in lakh)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Inventories at the end of the year:		
Stock-in-trade	11,865.71	14,128.47
	11,865.71	14,128.47
Inventories at the beginning of the year:		
Stock-in-trade	14,128.47	11,378.08
	14,128.47	11,378.08
Changes in inventories of stock-in-trade	2,262.76	(2,750.39)

NOTE 34 - EMPLOYEE BENEFITS EXPENSE

Particulars	(₹ in lakh)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries, wages and bonus	5,827.50	4,853.34
Contribution to provident funds and other funds	338.59	239.98
Staff welfare expenses	373.48	341.55
	6,539.57	5,434.87

NOTE 35 - FINANCE COSTS

Particulars	(₹ in lakh)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest expense on financial liabilities	1,408.37	1,077.34
Interest on lease liability (refer note 48)	569.01	531.24
Other interest expense	18.78	13.96
	1,996.16	1,622.54

NOTE 36 - DEPRECIATION AND AMORTISATION

Particulars	(₹ in lakh)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation and amortisation of Property, plant and equipments (refer note 4a)	734.97	526.61
Amortisation of other intangible assets (refer note 5a)	15.92	12.71
Depreciation on right of use - Building (refer note 4a)	1,054.88	871.68
	1,805.77	1,411.00



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NOTE 37 - OTHER EXPENSES

Particulars	(₹ in lakh)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Power and fuel	77.85	58.87
Consumption of packing material	215.14	174.06
Repairs and maintenance:		
Others	118.52	68.26
Rent (including hire charges)	147.97	229.84
Rates and taxes	8.50	13.32
Directors sitting fees	13.35	14.60
Insurance	190.09	134.55
Travelling and conveyance	780.43	479.60
Advertisement and publicity	3,362.66	3,189.82
Transportation and forwarding	3,597.10	3,052.10
Sales promotion expenses	379.36	228.32
Other selling expenses	1,228.23	1,137.52
Provision for expected credit loss (refer note 11)	403.51	238.25
Bad debts written off	-	7.70
Loss on foreign exchange fluctuation	33.99	-
Loss on sale of property, plant and equipment	0.01	0.42
Investment Written off	20.00	
Less: Provision for diminution of Investments (refer note 6)	(20.00)	20.00
Management Fees	233.75	415.66
Legal and professional expenses	1,012.75	448.14
Miscellaneous expenses	727.42	876.93
	12,530.63	10,787.96

NOTE 38 - CURRENT TAX AND DEFERRED TAX

(a) Income tax expense through profit and loss

Particulars	(₹ in lakh)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Current tax:		
Current income tax charge (including Minimum alternate tax)	397.22	344.81
MAT credit entitlement	(367.58)	(344.81)
Earlier year income tax	7.76	-
	37.40	-
Deferred tax:		
In respect of current year origination and reversal of temporary differences	772.17	458.06
Total tax expense recognised in profit and loss account	809.57	458.06

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NOTE 38 - CURRENT TAX AND DEFERRED TAX (Contd.)

(b) Income tax on other comprehensive income

Particulars	(₹ in lakh)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Deferred Tax		
Re-measurement of defined benefit obligations	3.00	(4.07)
	3.00	(4.07)

(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 34.944 % (31 March 2022: 34.944%) and the reported tax expense in the statement of profit and loss are as follows:

Particulars	(₹ in lakh)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit before tax	1,869.97	1,726.91
Domestic tax rate for the Company	34.944%	34.944%
Latest statutory enacted income tax for the Company	653.44	603.46
Tax effect of:		
- Non deductible expenses	148.48	116.53
- Deduction u/s 80 M	-	(202.11)
Others	(0.11)	(59.82)
Earlier year income tax	7.76	-
Income-tax recognised in statement of profit and loss	809.57	458.06

(d) Income tax assets / (liabilities) (net)

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Income tax assets / (liabilities) (net)	8.69	171.95
	8.69	171.95

(e) There is no change in statutory enacted income-tax rate during the financial year.

(f) There is no temporary differences associated with investment in subsidiaries.

NOTE 39 - 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 & 24 and net off cash and cash equivalents as disclosed in note 12 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 Audit Committee and the Board of Directors.



Significant accounting policies and other explanatory information to the standalone financial statements

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NOTE 39 - FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

The following table summarises the capital of the Company

		(₹ in lakh)	
Particulars		As at 31 March 2023	As at 31 March 2022
Equity		12,654.48	11,599.68
Liquid assets (cash and cash equivalent and current investments) (a)	12	109.16	260.49
Current borrowings	24	7,865.81	13,014.54
Non-current borrowings	18	3,325.00	2,750.00
Current maturities of non current borrowings	24	225.00	225.00
Total debt (b)		11,415.81	15,989.54
Net debt [c = (b) - (a)]		11,306.65	15,729.05
Total capital (equity+net debt)		23,961.13	27,328.73
Gearing ratio			
Debt to equity		90%	138%
Net debt to equity ratio		89%	136%

Categories of financial instruments

Categories of financial assets/(liabilities)

		As at 31 March 2023			As at 31 March 2022		
Particulars	Notes	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	11	13,859.74	-	-	14,017.89	-	-
Loans	7	106.23	-	-	98.36	-	-
Other financial assets	8, 14	827.58	-	-	809.51	-	-
Cash and bank balances	12, 13	116.16	-	-	267.10	-	-
Investments	6	3,833.66	-	-	2,933.67	-	-
Financial assets measured at amortised costs		18,743.37	-	-	18,126.53	-	-
Deemed equity contribution towards letter of guarantee	6	60.48	-	-	13.00	-	-
Total financial assets		18,803.85	-	-	18,139.53	-	-
Financial liabilities							
Financial liabilities measured at amortised cost							
Current payables	24, 25, 26, 27	22,699.16	-	-	27,879.94	-	-
Non-current payables	19,20	6,017.07	-	-	6,134.46	-	-
Non-current borrowings	18	3,325.00	-	-	2,750.00	-	-
Financial liabilities measured at amortised cost		32,041.23	-	-	36,764.40	-	-
Total financial assets/ (liabilities)		(13,237.38)	-	-	(18,624.87)	-	-

Significant accounting policies and other explanatory information to the standalone financial statements

for the year ended 31 March 2023

NOTE 39 - FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

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.

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 90 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 is a customers who represent more than 10 per cent of total net revenue from operations.

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



Significant accounting policies and other explanatory information to the standalone financial statements

for the year ended 31 March 2023

NOTE 39 - FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

Ageing of past due trade receivables

Period	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Not due for payment	4,220.04	4,635.15
Up to 6 months	6,381.95	6,614.26
From 6 months to 1 year	1,542.45	1,065.74
From 1 year to 3 years	2,095.80	1,997.78
More than 3 years	804.71	486.66

Ageing of impaired trade receivables

Period	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Up to 6 months	-	-
From 6 months to 1 year	-	-
From 1 year to 3 years	380.50	295.04
More than 3 years	804.71	486.66

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.

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

Particulars	(₹ in lakh)				
	As at 31 March 2023				
	Notes	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	8,090.81	825.00	2,500.00	11,415.81
Current payables	25, 26, 27	15,112.23	-	-	15,112.23
Non-current payables	19, 20	-	4,878.37	2,610.57	7,488.94
Total		23,203.04	5,703.37	5,110.57	34,016.98

Significant accounting policies and other explanatory information to the standalone financial statements

for the year ended 31 March 2023

NOTE 39 - FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

Particulars	As at 31 March 2022				Total
	Notes	not later than one year	later than one year and not later than five years	later than five years	
(₹ in lakh)					
Financial liabilities					
Borrowings - bank loans	18, 24	13,239.54	2,750.00	-	15,989.54
Current payables	25, 26, 27	15,157.58	-	-	15,157.58
Non-current payables	19, 20	-	4,368.37	3,638.79	8,007.16
Total		28,397.12	7,118.37	3,638.79	39,154.28

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 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. 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:

Particulars		(in lakh)	
		As at 31 March 2023	As at 31 March 2022
Trade receivables	USD	0.42	0.27
Trade payables	USD	11.83	39.39
	EUR	0.48	0.03

Currency Rates	(₹ in lakh)	
	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:

Particulars		(₹ in lakh)	
		As at 31 March 2023	As at 31 March 2022
Trade receivables	USD	0.42	0.27
Trade payables	USD	11.83	39.39
	EUR	0.48	0.03



Significant accounting policies and other explanatory information to the standalone financial statements

for the year ended 31 March 2023

NOTE 39 - 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:

Currency	Change in currency exchange rate	Effect on profit before tax	
		31 March 2023	31 March 2022
USD	5%	(46.92)	(148.28)
	-5%	46.92	148.28
EUR	5%	(2.14)	(0.13)
	-5%	2.14	0.13

(₹ in lakh)

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:

Particulars	Change in interest rate	Effect on profit before tax	
		31 March 2023	31 March 2022
Long term borrowings from bank	+0.5%	(5.25)	(6.38)
	-0.5%	5.25	6.38

(₹ in lakh)

Commodity risk

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

Fair valuation techniques and inputs used

Financial liabilities	Fair value as at		Fair value hierarchy	Valuation technique and key input
	As at 31 March 2023	As at 31 March 2022		
	Deemed equity contribution towards letter of gurantee	60.48		

(₹ in lakh)

Significant accounting policies and other explanatory information to the standalone financial statements

for the year ended 31 March 2023

NOTE 40 - 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 ₹ 222.27 lakh (previous year ₹ 186.43 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:

Particulars	(₹ in lakh)	
	Gratuity (Funded plan)	
	31 March 2023	31 March 2022
Current service cost	66.83	50.16
Net interest expense/(income)	1.54	0.04
Plan Amendment	29.68	-
Components of defined benefit costs recognised in profit or loss	98.05	50.20
Net actuarial (gain)/loss	2.72	(15.02)
Expected return on plan assets excluding interest income	5.88	3.38
Components of defined benefit costs recognised in other comprehensive income	8.60	(11.64)
I. Net asset/(liability) recognised in the balance sheet as at 31 March		
1. Present value of defined benefit obligation	280.67	202.92
2. Fair value of plan assets	199.02	164.23
3. Deficit	81.65	38.69
4. Current portion of the above	81.65	38.69
II. Change in the obligation during the year ended 31 March		
1. Present value of defined benefit obligation at the beginning of the year	202.92	203.02
2. Expenses recognised in the statements of profit and loss		
- Current service cost	66.83	50.16
- Interest expense	13.43	13.18
- Plan Amendment	29.68	-
3. Recognised in other comprehensive income		
Remeasurement (gains) / losses		
- Actuarial (gain)/loss arising from experience adjustments	(1.47)	(9.43)
- Actuarial (gain)/loss arising from financial assumption	4.19	(5.59)
4. Benefit payments	(34.91)	(48.42)
Present value of defined benefit obligation at the end of the year	280.67	202.92



Significant accounting policies and other explanatory information to the standalone financial statements

for the year ended 31 March 2023

NOTE 40 - EMPLOYEE BENEFITS (Contd.)

Particulars	(₹ in lakh)	
	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	164.23	178.28
2. Recognised in the statement of profit and loss		
- Expected return on plan assets	11.89	13.14
3. Recognised in other comprehensive income		
- Actual return on plan assets in excess of the expected return	(5.88)	(3.38)
4. Contributions by employer (including benefit payments recoverable)	63.69	24.61
5. Benefit payments	(34.91)	(48.42)
Fair value of plan assets at the end of the year	199.02	164.23

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

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
1. Discount rate	7.24%	7.37%
2. Expected rate of increase in compensation level	6.50%	6.50%
3. Expected rate of return on plan assets	7.24%	7.37%
4. Attrition rate	1.00%	1.00%
5. Mortality table	IALM 2012-14	IALM 2012-14
6. Superannuation age	58	58

VI. Sensitivity analysis

Particulars	(₹ in lakh)			
	As at 31 March 2023		As at 31 March 2022	
	Change in assumption	Effect on gratuity obligation	Change in assumption	Effect on gratuity obligation
Discount rate	0.50%	(16.44)	0.50%	(13.13)
	-0.50%	17.93	-0.50%	14.37
Expected rate of increase in compensation level	0.50%	17.89	0.50%	13.30
	-0.50%	(16.55)	-0.50%	(12.23)

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.

Significant accounting policies and other explanatory information to the standalone financial statements

for the year ended 31 March 2023

NOTE 40 - EMPLOYEE BENEFITS (Contd.)

VII. Experience adjustments:

Particulars	(₹ in lakh)				
	Year ended				
	2022-23	2021-22	2020-21	2019-20	2018-19
1. Defined benefit obligation	280.67	202.92	203.02	171.78	113.86
2. Fair value of plan assets	199.02	164.23	178.28	132.52	113.89
3. Surplus/(deficit)	(81.65)	(38.69)	(24.74)	(39.26)	0.03
4. Experience adjustment on plan liabilities gain/(loss)	1.47	9.43	(6.31)	6.93	25.33

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.

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

Particulars	(₹ in lakh)	
	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)	183.85	155.19
Current (refer note 29)	8.88	7.36
	192.73	162.55
Amounts recognised in the statement of profit and loss		
Current service cost	57.76	46.88
Interest cost	11.67	11.01
Actuarial loss	29.68	35.79
Total included in employee benefits expense	99.11	93.68
Reconciliation of opening and closing balances of benefit obligations		
Change in benefit obligation		
Defined benefit obligation at the beginning of the year	162.55	161.95
Interest cost	11.67	11.01
Current service cost	57.76	46.88
Benefits paid	(68.93)	(93.08)
Actuarial loss	29.68	35.79
Defined benefit obligation at the end of the year	192.73	162.55

The average duration of remaining working life at the end of the reporting period is 16.85 years (previous year 17.24 years)



Significant accounting policies and other explanatory information to the standalone financial statements

for the year ended 31 March 2023

NOTE 41 - EARNINGS PER SHARE

Particulars	(₹ in lakh)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit for the year attributable to owners of the Company (₹ in lakh)	1,060.40	1,268.85
Weighted average number of equity shares (nos.)	7,22,96,395	7,22,96,395
Nominal value per share (₹)	2.00	2.00
Earnings per share - basic and diluted (₹)	1.47	1.76

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 42 - SEGMENT INFORMATION

Segment information, as required under Ind AS 108 "Operating Segment", has been provided in the consolidated financial statements of the company and therefore, no separate disclosure on segment information is given in these standalone financial statements.

NOTE 43 - CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF:

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
a) Demands raised by the service-tax authorities against which appeals have been filed	77.77	77.77
b) Demands raised by the sales tax authorities against which appeal have been filed	772.56	945.13
c) Claims against the Company not acknowledged as debts	144.74	124.57
d) Demands raised by goods and service tax authorities	189.42	189.42

NOTE 44 - CAPITAL AND OTHER COMMITMENTS

Particulars	(₹ in lakh)	
	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	430.74	635.06

NOTE 45 - PAYMENT TO STATUTORY AUDITORS (EXCLUDING GOODS AND SERVICES TAX)

Particulars	(₹ in lakh)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
As auditors	14.12	11.77
For taxation matter	2.14	2.14
Other services	4.52	3.79
Reimbursement of expenses	0.21	2.27
	20.99	19.97

Significant accounting policies and other explanatory information to the standalone financial statements

for the year ended 31 March 2023

NOTE 46 - 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
Key Management Personnel (KMP)	Executive Director
	Mr. Rakesh Kaul (Whole Time Director & CEO) (ceased to be w.e.f 6 April 2023)
	Executives/ Key Managerial Personnel
	Mr. Naveen Malik (Chief Financial Officer)
	Ms. Payal M Puri (Company Secretary)
	Non-Executive Directors
	Mr. Sandip Somany - Chairman (Non-Executive Non-Independent Director)
	Mr. Girdhari Lal Sultania (Additional director w.e.f 8 February 2023 and Non-Executive Non-Independent Director w.e.f 22 March 2023)
	Mr. Ashok Jaipuria (Independent Director)
	Mr. Nand Gopal Khaitan (Independent Director)
Mr. Salil Kumar Bhandari (Independent Director)	
Ms. Anisha Motwani (Independent Director)	
Subsidiaries	Evok Homes Private Limited (Formerly Hindware Home Retail Private Limited)
	Hintastica Private Limited (till 19 May, 2021)
	Hindware Limited (Formerly Brilloca Limited)
	Luxxis Heating Solutions Private Limited (Struk off w.e.f 28 April 2023)
Step down subsidiaries	Halis International Limited, Mauritius (subsidiary of Hindware Limited)
	Queo Bathroom Innovations Limited, UK (subsidiary of Halis International Limited)
	Truflo Pipes Limited (subsidiary of Hindware Limited (w.e.f 17 June 2022))
Joint venture	Hintastica Private Limited (W.e.f. 20 May, 2021)
Others	AGI Greenpac Limited (Formerly HSIL Limited)
Post employment benefit plan	SHIL Employee gratuity fund

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

Particulars	(₹ in lakh)					
	Subsidiaries		Joint Venture		Entities where significant influence is exercised by KMP and/or their relatives having transactions with the Company	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Transactions during the year						
1. Sale of goods to						
Evok Homes Private Limited	403.33	806.38	-	-	-	-
Hindware Limited	7.90	2.21	-	-	-	-
Hintastica Private Limited	-	-	111.33	204.11	-	-
AGI Greenpac Limited	-	-	-	-	0.12	1.12
2. Purchase of goods from						
Evok Homes Private Limited	88.56	63.72	-	-	-	-



Significant accounting policies and other explanatory information to the standalone financial statements

for the year ended 31 March 2023

NOTE 46 - RELATED PARTY TRANSACTIONS (Contd.)

Particulars	(₹ in lakh)					
	Subsidiaries		Joint Venture		Entities where significant influence is exercised by KMP and/or their relatives having transactions with the Company	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
3. Purchase of Property plant and equipment's from						
Hindware Limited	2.20	-	-	-	-	-
AGI Greenpac Limited	-	-	-	-	-	0.94
4. Sale of Property plant and equipment's to						
Hindware Limited	0.52	-	-	-	-	-
Hintastica Private Limited	-	-	-	7.33	-	-
5. Investment made in						
Equity shares of Hintastica Private Limited	-	-	899.99	2,766.39	-	-
6. Reimbursement of expenses received from						
Evok Homes Private Limited	5.97	-	-	-	-	-
Hindware Limited	129.49	-	-	-	-	-
Hintastica Private Limited	-	-	172.83	52.38	-	-
AGI Greenpac Limited	-	-	-	-	2.54	-
7. Reimbursement of expenses paid to						
AGI Greenpac Limited	-	-	-	-	-	3.47
8. Payment for Management support services						
Hindware Limited	227.80	317.56	-	-	-	-
Hintastica Private Limited	-	-	-	-	-	-
AGI Greenpac Limited	-	-	-	-	-	2.37
9. Management fees received from						
Hindware Limited	284.80	-	-	-	-	-
Hintastica Private Limited	-	-	465.62	292.30	-	-
Evok Homes Private Limited	100.00	-	-	-	-	-
10. Rent received from						
Hindware Limited	33.60	33.60	-	-	-	-
Hintastica Private Limited	-	18.35	160.07	122.22	-	-
11. Rent paid to						
AGI Greenpac Limited	-	-	-	-	13.33	85.29
12. Loan received from						
Hindware Limited	800.00	700.00	-	-	-	-
13. Loan given to / (Repaid)						
Hintastica Private Limited	-	(620.00)	-	-	-	-
14. Interest paid/provided for loan taken						
Hindware Limited	210.62	145.75	-	-	-	-
15. Interest on loan given						
Evok Homes Private Limited	7.87	7.02	-	-	-	-
16. Contribution made to						
SHIL Employee gratuity fund	-	-	-	-	63.69	44.74
17. Royalty received from						
Hintastica Private Limited	-	0.21	41.79	41.18	-	-

Significant accounting policies and other explanatory information to the standalone financial statements

for the year ended 31 March 2023

NOTE 46 - RELATED PARTY TRANSACTIONS (Contd.)

Particulars	(₹ in lakh)					
	Subsidiaries		Joint Venture		Entities where significant influence is exercised by KMP and/or their relatives having transactions with the Company	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
18. Corporate Guarantee provided to / (released)						
Hintastica Private Limited	-	-	(2,500.00)	4,450.00	-	-
19. Security Deposit refund received from:						
AGI Greenpac Limited	-	-	-	-	12.07	-
Balances outstanding at the end of the year						
Evok Homes Private Limited - Receivable						
Loan component of redeemable preference shares	106.23	98.36	-	-	-	-
Other receivable	497.17	261.19	-	-	-	-
Hindware Limited - Payable						
Loan	2,500.00	1,700.00	-	-	-	-
Other payable	13.56	114.70	-	-	-	-
Hintastica Private Limited - Receivable						
Corporate Guarantee outstanding*	-	-	6,950.00	9,450.00	-	-
Other receivable	-	-	673.45	802.97	-	-
AGI Greenpac Limited - Payable	-	-	-	-	15.12	185.38

* The Company has given corporate guarantee of ₹ 6,950.00 lakh (previous year ₹ 9,450.00 lakh) to bank for loan taken by its joint venture (Hintastica Private Limited), against which loan outstanding of ₹ 8,221.36 lakh (previous year ₹ 2,782.73 lakh) as on 31 March 2023.

KEY MANAGERIAL PERSONNEL

The remuneration and other transactions with members of key management personnel during the year were as follows:

Particulars	(₹ in lakh)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Short-term employee benefits #	523.62	437.76
Post-employment benefits		
- Defined contribution plan \$	25.14	16.00
- Defined benefit plan *	-	-
- Other long-term benefits *	-	-
Total	548.76	453.76

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.



Significant accounting policies and other explanatory information to the standalone financial statements

for the year ended 31 March 2023

NOTE 46 - RELATED PARTY TRANSACTIONS (Contd.)

Disclosure pursuant to Regulation 34(3) read with Schedule V, part A, Clause 2(2A) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015

Promoter/promoter group companies holding more than 10% of equity share capital of the Company:

AGI Greenpac Limited

Particulars	Nature of Transaction	(₹ in lakh)	
		For the year ended 31 March 2023	For the year ended 31 March 2022
Transaction during the year ^	Security deposit refunded received	12.07	-
	Sale of goods	0.12	1.12
	Godown rent paid	13.33	85.29
	Management fees paid	-	2.37
	Reimbursement of expense received	2.54	-
	Reimbursement of expense paid	-	3.47
	Purchase of PPE	-	0.94
Outstanding balance as the end of the year - Payable		15.12	185.38

^Excluding goods and services tax, wherever applicable

NOTE 47 - CORPORATE SOCIAL RESPONSIBILITY

In the absence of average net profit calculated under section 198 of the Companies Act, 2013 during the immediately preceding three years there is no obligation to spend on CSR activities under section 135 of Companies Act, 2013

NOTE 48 - 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 for the year ended:

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Current lease liabilities	812.73	637.05
Non current lease liabilities	5,628.39	5,865.92
Total	6,441.12	6,502.97

Particulars	(₹ in lakh)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Balance at the beginning	6,502.97	2,494.05
Addition	659.67	5,236.64
Finance cost accrued during the period	569.01	531.24
Deletions/adjustments	(11.47)	(706.59)
Payment of lease liabilities	(1,279.06)	(1,014.80)
Saving in lease rent	-	(37.57)
Balance at the end	6,441.12	6,502.97

Significant accounting policies and other explanatory information to the standalone financial statements

for the year ended 31 March 2023

NOTE 48 - LEASES (Contd.)

Details regarding the contractual maturities of lease liabilities on undiscounted basis for the year ended:

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Less than one year	1,316.61	1,154.23
One to five years	4,878.37	4,368.37
More than five years	2,221.89	3,370.25
Total	8,416.87	8,892.85

Rental expense recorded for short-term leases was ₹ 147.97 lakh (previous year ₹ 229.84 lakh) for the year ended March 31, 2023

NOTE 49 - FINANCIAL INSTRUMENT BY CATEGORY

Particulars	(₹ in lakh)					
	As at 31 March 2023			As at 31 March 2022		
	FVTOCI	FVTPL	Amortised cost	FVTOCI	FVTPL	Amortised cost
Non current financial assets						
Investments	-	-	3,894.14	-	-	2,946.67
Loans	-	-	106.23	-	-	98.36
Other financial assets	-	-	304.77	-	-	268.40
Current financial assets						
Trade receivable	-	-	13,859.74	-	-	14,017.89
Cash and cash equivalents	-	-	109.16	-	-	260.49
Bank balances other than cash and cash equivalents	-	-	7.00	-	-	6.61
Other financial assets	-	-	522.81	-	-	541.11
Total financial assets	-	-	18,803.85	-	-	18,139.53
Non current financial liabilities						
Non-current borrowings	-	-	3,325.00	-	-	2,750.00
Lease Liabilities	-	-	5,628.39	-	-	5,865.92
Other financial liabilities	-	-	388.68	-	-	268.54
Current financial liabilities						
Current borrowings	-	-	8,090.81	-	-	13,239.54
Lease Liabilities	-	-	812.73	-	-	637.05
Trade payables	-	-	7,777.60	-	-	8,136.92
Other financial liabilities	-	-	6,018.02	-	-	5,866.44
Total financial liabilities	-	-	32,041.23	-	-	36,764.41



Significant accounting policies and other explanatory information to the standalone financial statements

for the year ended 31 March 2023

NOTE 50 - DISCLOSURE UNDER SECTION 186(4) OF THE COMPANIES ACT, 2013

Particulars	Evok Homes Private Limited (Formerly Hindware Home Retail Private Limited) (Wholly owned subsidiary)*			Hintastica Private Limited (Joint venture)			Evok Homes Private Limited (Formerly Hindware Home Retail Private Limited) (Wholly owned subsidiary)			Luxxis Heating Solutions Private Limited (Wholly owned subsidiary)			Hintastica Private Limited (Wholly owned subsidiary) upto 19 May, 2021		
	Hindware Limited (Subsidiary)	Luxxis Heating Solutions Private Limited (Wholly owned subsidiary)*	Hintastica Private Limited (Joint venture)	Hindware Limited (Wholly owned subsidiary)	Luxxis Heating Solutions Private Limited (Wholly owned subsidiary)	Hintastica Private Limited (Joint venture)	Hindware Limited (Wholly owned subsidiary)	Luxxis Heating Solutions Private Limited (Wholly owned subsidiary)	Hintastica Private Limited (Joint venture w.e.f 20 May, 2021)	Hindware Limited (Wholly owned subsidiary)	Luxxis Heating Solutions Private Limited (Wholly owned subsidiary)	Hintastica Private Limited (Wholly owned subsidiary) upto 19 May, 2021			
	As at 31 March 2023												As at 31 March 2022		
Guarantee															
Guarantees given as at the beginning of the financial year	-	-	9,450.00	-	-	-	-	-	-	-	-	-	-	5,000.00	
Guarantees given during the financial year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Guarantee closed during the year	-	-	2,500.00	-	-	-	-	-	-	-	-	-	-	-	
Transfer upon loss of control	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Guarantees given as at the end of the financial year	-	-	6,950.00	-	-	-	-	-	-	-	-	-	-	-	
Investments															
Investments at the beginning of the financial year	10.00	-	188.52	188.52	2,786.39	-	10.00	20.00	188.52	-	20.00	-	-	20.00	
Additions during the financial year	-	-	-	-	899.99	-	-	-	-	-	1,999.80	-	-	766.59	
Provision for diminution in the value during the year	-	-	-	-	-	-	-	(20.00)	-	-	786.59	-	-	(786.59)	
Transfer upon loss of control	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Investment at the end of the financial year	10.00	-	188.52	188.52	3,686.38	-	10.00	-	188.52	-	2,786.39	-	-	-	
Loans and advances															
Loans at the beginning of the financial year	-	-	-	-	-	-	-	-	-	-	-	-	-	620.00	
Additions during the financial year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Return back during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Loans at the end of the financial year	-	-	-	-	-	-	-	-	-	-	-	-	-	(620.00)	

* Voluntarily struck off w.e.f 28 April 2023

Significant accounting policies and other explanatory information to the standalone financial statements

for the year ended 31 March 2023

NOTE 51 - DISCLOSURE OF STRUCK OFF COMPANIES

S. No.	Name of Struck-off company	Nature of transaction with struck-off company	Balance as on 31 March'2023	Balance as on 31 March'2022	Relationship with the struck-off company
1	Phonographic Performance Limited	Purchase of Goods	1.06	-	Vendor
2	Indus Global Exim Private Limited	Purchase of Goods	(0.45)	-	Vendor
3	Excel Rasayan Private Limited	Purchase of Goods	(1.95)	-	Vendor

Details of struck off entities holding equity shares in the Company

S. No.	Name of Struck-off company	No. of shares held	Paid-up value as at 31 March 2023 (in ₹)	Paid-up value as at 31 March 2022 (in ₹)
1	Rocket Investment Private Limited	7	14	14

NOTE 52 - RATIOS DISCLOSURE

Particulars	Year ended 31 March 2023	Year ended 31 March 2022	Variance	Remarks
(i) Current Ratio (times) Total Current assets / Total current liabilities (including Short term borrowings and Current maturities of long term borrowings)	1.24	1.17	6%	-
(ii) Total Debts to Equity Ratio (times) (Non-current borrowings including Current maturities of long term borrowings + Current Borrowings + Trade Deposits) / Net worth*) * Net worth = Equity Share Capital + Securities premium account + Capital reserve + General reserve + Retained earnings + Actuarial gain / (loss)	0.93	1.40	-33%	Due to repayment of borrowings
(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)	1.66	1.91	-13%	-
(iv) Return on Equity (%) (Profit for the year / Net worth*) * Net worth = Equity Share Capital + Securities premium account + Capital reserve + General reserve + Retained earnings + Actuarial gain / (loss)	8.74%	11.29%	-23%	-
(v) Inventory Turnover (times) (Cost of goods sold/ Average Inventories)	2.69	2.46	9%	-
(vi) Trade Receivables Turnover (times) (Net Sales / Average Trade receivables)	3.96	3.29	20%	-
(vii) Trade Payables Turnover (times) (Total Purchases / Average Trade payables)	4.19	3.79	10%	-
(viii) Net Capital Turnover (times) (Net Sales / Average Working Capital)	9.92	7.96	25%	-
(ix) Net Profit Ratio (%) (Profit for the year / Net Sales)	1.92%	2.58%	-26%	Due to reduction in profit
(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	15.84%	12.05%	31%	-



Significant accounting policies and other explanatory information to the standalone financial statements

for the year ended 31 March 2023

NOTE 53 - 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 13 November, 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 54 - DIVIDEND

The Board of Directors have recommended a dividend of 25% i.e. ₹0.50 /- (previous year ₹0.50 /-) on equity share of ₹2/- each for the year ended 31 March 2023 subject to approval of shareholder's in the ensuing General Meeting

NOTE 55 - SUBSIDIARY STRUCK-OFF

One of the non-operational subsidiary Company being Luxxis Heating Solutions Private Limited has been voluntarily struck off from Registrar of Companies w.e.f 28 April 2023

NOTE 56 - 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 31 December, 2023

NOTE 57 - 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 has 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

Significant accounting policies and other explanatory information to the standalone financial statements

for the year ended 31 March 2023

NOTE 57 - OTHER DISCLOSURES (Contd.)

- (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 understanding (whether recorded in writing or otherwise) that the Company shall:
- (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.

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
DIN: 00053597

Shyamal Kumar

Partner
M. No. 509325
Place : Delhi
Date : 24 May 2023

Payal M Puri

Company Secretary
ACS No.: 16068

Naveen Malik

Chief Financial Officer

Place : Gurugram
Date : 24 May 2023



Independent Auditor's Report

To the Members of Hindware Home Innovation Limited (formerly known as Somany Home Innovation Limited)

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the accompanying consolidated financial statements of Hindware Home Innovation Limited (formerly known as Somany Home Innovation Limited) ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its joint venture (jointly controlled entity), which comprise the Consolidated Balance Sheet as at 31 March 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 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 consolidated state of affairs of the Group and its joint venture as at 31 March 2023, their consolidated profit including their other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SA"s) 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 Consolidated Financial Statements section of our report. We are independent of the Group and joint venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters section below, other than the unaudited financial statements/ financial information of a company as certified by the management and referred to in and financial information not available as referred to in the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, 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 the matters described below to be the key audit matters to be communicated in our report.

Description of Key Audit Matter	How our audit addressed the key audit matters
<p data-bbox="129 1579 730 1612">Recognition of revenue (as described in 31 of the consolidated financial statements)</p> <p data-bbox="129 1624 730 1915">The group recognises revenues when the control of goods and/or services are transferred to the customer at an amount that reflects the net consideration, which the Group expects to receive for those goods and/or services from customers in accordance with the terms of the contracts. In determining the sales price, the Company considers the effects of applicable rebates, and discounts (variable consideration).</p> <p data-bbox="129 1937 730 2101">The terms of sales arrangements, including the timing of transfer of control, based on the terms of relevant contract and nature of discount and rebates arrangements, create complexities that require judgement in determining sales revenues.</p>	<p data-bbox="730 1579 1482 1612">How our audit addressed the key audit matters</p> <p data-bbox="730 1624 1482 1657">Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li data-bbox="730 1668 1482 1769">i. We read and evaluated the Group revenue recognition policy and assessed its compliance in terms of Ind AS 115 'Revenue from contracts with customers'. <li data-bbox="730 1780 1482 1881">ii. We assessed the design and tested the operating effectiveness of internal controls related to sales and applicable rebates/discounts. <li data-bbox="730 1892 1482 2049">iii. We performed test for a sample of sales transactions by comparing the underlying sales invoices, sales orders and other related documents to assess that revenue is recognised on transfer of control to the customer in accordance with the terms of the contract.

Description of Key Audit Matter	How our audit addressed the key audit matters
<p>Considering the above factors and the risk associated with revenue recognition, we have determined the same to be a key audit matter.</p>	<p>iv. We tested on a sample basis rebates and discount schemes as approved by the management to assess its accounting. For the samples selected, we also compared that the actual rebates and discounts recognised in respect of particular schemes do not exceed their approved amounts.</p> <p>v. We tested on a sample basis, that revenue has been recognised in the proper period with reference to the supporting documents including confirmations from customers.</p> <p>We read and assessed the relevant disclosures made in the Consolidated Ind AS financial statements</p>
Assessment of carrying amount of goodwill related to	Hindware Limited (subsidiary company)
<p>The Group has a goodwill balance of ₹ 191.00 lakh as at March 31, 2023 relating to the above-mentioned subsidiary. The Group carries Goodwill at cost less impairment losses, if any, and tests the same for impairment atleast annually or when events occur which indicate that the recoverable amount of the Cash Generating Unit (“CGU”) is less than the carrying amount of Goodwill.</p> <p>The Group has identified the subsidiary as a separate CGU for the purpose of impairment assessment and has estimated its recoverable amount based on discounted free cash flows forecast of the CGU which requires judgement in respect of certain key inputs such as assumptions on discount rates, growth rate, expected change in selling prices, direct costs and capital expenditure, etc. This has been determined to be a Key Audit Matter as the determination of recoverable amount involves significant management judgement</p>	<p>Our procedures included the following:</p> <p>i. We obtained an understanding from the management, assessed and tested the design and operating effectiveness of the Group’s key controls over the impairment assessment of goodwill.</p> <p>ii. We evaluated the appropriateness of the Group’s accounting policy in respect of impairment assessment of Goodwill.</p> <p>iii. We evaluated the Group’s process regarding impairment assessment by involving auditor’s valuation experts, to assist in assessing the appropriateness of the impairment assessment model, underlying assumptions relating to discount rate, terminal value, etc.</p> <p>iv. We evaluated the cash flow forecasts/incremental cash flows by comparing them to the budgets and our understanding of the internal and external factors.</p> <p>v. We checked the mathematical accuracy of the impairment assessment model and agreed the relevant data with the latest budgets, actual results and other supporting documents, as applicable.</p> <p>vi. We assessed the sensitivity analysis and evaluated whether any reasonably foreseeable change in assumptions could lead to impairment.</p> <p>vii. We have discussed the key assumptions and sensitivities with those charged with governance.</p> <p>viii. We evaluated the appropriateness of the disclosures made in the consolidated financial statements. Based on the above procedures performed, we did not identify any significant exceptions in the management’s impairment assessment of the carrying amount of goodwill related to the above mentioned subsidiary.</p>

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR’S REPORT THEREON

The holding 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 consolidate financial statements and our auditor’s report thereon.



Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT'S AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group and joint venture in accordance with Ind As and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and joint venture are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and joint venture 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 consolidated 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 consolidated financial statements by the Directors of the Holding Company as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and joint venture are responsible for assessing the ability of the Group and joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and joint venture or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and joint venture are also responsible for overseeing the financial reporting process of the Group and joint venture.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 Group and companies incorporated in India, 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 Group and joint venture 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 consolidated 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 Group and joint venture to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Holding company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

OTHER MATTERS

1. The consolidated financial statement include the audited financial statement of three subsidiaries, whose financial statements/financial information reflect total assets of ₹ 705.06 lakh as at 31 March 2023, total revenue of ₹ 522.64 lakh, total net profit/(loss) after tax of (₹ 268.23 lakh), total comprehensive income of (₹269.22 lakh) for year ended 31 March 2023 and net cash outflow of ₹ 18.10 lakh for the period from 1 April 2022 to 31 March 2023, as considered in the consolidated financial statement. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated Financial statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us are as stated in paragraph above.
2. We did not audit the financial statement of one foreign subsidiary whose financial statement reflect total assets of ₹ 21.29 lakh as at 31 March 2023, total revenue of ₹ Nil, total net profit/(loss) after tax of (₹ 5.58 lakh), total comprehensive income of (₹ 5.68 lakh) for the year ended 31 March 2023 and net cash outflow of ₹ 0.97 lakh for the period from 1 April 2022 to 31 March 2023, as considered in the consolidated financial Statement. The financial statement and other information have been prepared in accordance with accounting principles generally accepted in their respective country and which have been certified by the management. The Company's management has converted the financial statements which have been certified by a independent Chartered Accountant in India and other information of such subsidiary located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is solely based on the conversion adjustments prepared by the management of the Company and certified by a Chartered Accountant in India and audited by us. In our opinion and according to the information and explanations given to us by the Board of Director these financial statement are not material to the group.
3. Certain of these subsidiaries are located outside India whose financial statements and other information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been reviewed by their respective auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements which have been certified by a Chartered Accountant in India and other information of such



subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is solely based on the report of other auditors, the conversion adjustments prepared by the management of the Company and certified by a Chartered Accountant and audited by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors/independent firm of chartered accountants for the purpose of preparation of these consolidated financial statements.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), 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 matter specified in paragraph 3(xxi) of CARO 2020.
2. As required by Section 143(3) of the Act, 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 consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2023 taken on record by the Board of Directors of the Holding Company and its subsidiaries and its joint venture incorporated in India and the reports of the statutory auditors of its subsidiary companies and its joint venture incorporated in India, none of the directors of the Group companies and joint venture incorporated in India is disqualified as on 31 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" which is based on the auditor's reports of the Holding Company and its subsidiary companies and its joint venture incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.

g) With respect to the other matter to be included in the Auditors' report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and according to the information and explanation given to us, the remuneration paid by the Holding company to its directors during the year and its subsidiaries and its joint venture which are incorporated in India is in accordance with the provisions of Section 197 of the Act.

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 consolidated financial statements disclose impact of pending litigations on the consolidated financial position of the Group and joint venture – Refer Note No. 43 of the Consolidated Financial Statements.

II. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

III. There has been no delay in transferring amounts, required to be transferred, to the

Investor Education and Protection Fund by the Holding Company and its subsidiary and its joint venture companies incorporated in India.

- IV. (a) The respective management of the Holding Company and its subsidiaries and its joint venture which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries or joint venture to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries or joint venture ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The respective Management of the Holding Company and its subsidiaries and its joint venture which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in aggregate) have been received by the Holding Company or any of such subsidiaries or joint venture from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries or joint

venture shall, 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.

- (c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Holding Company and its subsidiaries and its joint venture which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above as required by Rule 11(e) of Companies (Audit & Auditors) Rules, 2014, as amended, contains any material mis-statement.
- v. The dividend declared and paid during the year by the Holding Company, its subsidiary companies and joint venture entities incorporated in India, is in compliance with Section 123 of the Companies Act, 2013.
- vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Group and its joint venture which are incorporated in India only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

For **LODHA & CO.**
Chartered Accountants
Firm Registration Number: 301051E

Shyamal Kumar
Partner
Membership Number: 509325
UDIN: 23509325BGXJFY7360

Place: Delhi
Date: 24 May 2023



Annexure "A" to the Independent Auditor's Report

Referred to in of the Independent Auditor's Report of even date to the members of Hindware Home Innovation Limited (formerly known as Somany Home Innovation Limited) on the Consolidated Financial Statements as of and for the year ended March 31, 2023. As required by paragraph 3(xxi) of the CARO 2020, we report that the auditors of the following companies have given qualification or adverse remarks in their CARO report on the standalone/consolidated financial statements of the respective companies included in the Consolidated Financial Statements of the Holding Company:

No.	Name of the Company	CIN	Nature of relationship	Clause Number of CARO report with qualification or adverse remark
1.	Hindware Limited	U74999WB2017PLC223307	Subsidiary	ii(b), xi(c)
2.	Truflo Pipes Limited	U25205WB2022PLC254788	Subsidiary	xvii
3.	Evok Homes Private Limited (formerly Hindware Home Retail Private Limited)	U51109WB2005PTC106307	Subsidiary	xvii
3.	Hintastica Private Limited	U31909WB2019PTC234717	Joint venture	ii (b), xi(c), xvii

For **LODHA & CO.**
Chartered Accountants
Firm Registration Number: 301051E

Shyamal Kumar
Partner
Membership Number: 509325

Place: Delhi
Date: 24 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 UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2023, we have audited the internal financial controls over financial reporting of Hindware Home Innovation Limited (formerly known as Somany Home Innovation Limited) ('the Holding Company'), its subsidiary companies and joint venture, which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding Company, its subsidiary companies and joint venture which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 ('the Act').

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding company and its subsidiary companies and joint venture, which are companies incorporated in India, based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued

by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance 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; 3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.



INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Group, its Subsidiary companies and joint venture, which are incorporated in India, have, maintained, 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 31 March 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.

OTHER MATTERS

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to two subsidiaries, which is company incorporated in India, is based on the corresponding reports of the auditors of such companies.

Our opinion is not modified in respect of this matter.

For **LODHA & CO.**
Chartered Accountants
Firm Registration Number: 301051E

Shyamal Kumar
Partner
Membership Number: 509325

Place: Delhi
Date: 24 May 2023

Consolidated Balance Sheet

as at 31 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	65,268.35	49,019.36
(b) Right-to-use Asset	4a	25,515.74	24,819.33
(c) Capital work-in-progress	4b	3,580.23	5,791.29
(d) Goodwill	4c	191.00	191.00
(e) Other intangible assets	5a	221.25	272.52
(f) Other intangible assets under development	5b	43.21	58.50
(g) Financial assets			
(i) Investments	6	8,794.55	8,734.78
(ii) Other financial assets	7	893.00	931.88
(h) Income-tax assets (net)	8	273.63	87.76
(i) Deferred tax assets (net)	9	3,627.15	3,824.10
(j) Other non-current assets	10	2,112.60	2,005.63
Total non-current assets		1,10,520.71	95,736.15
2 Current assets			
(a) Inventories	11	68,376.70	67,530.99
(b) Financial assets			
(i) Investments	12	-	2,709.06
(ii) Trade receivables	13	37,761.01	30,589.60
(iii) Cash and cash equivalents	14	919.90	2,647.77
(iv) Bank balances other than (iii) above	15	7.00	6.61
(v) Other financial assets	16	1,435.88	1,768.81
(c) Other current assets	17	11,244.10	13,579.85
Total current assets		1,19,744.59	1,18,832.69
Total assets		2,30,265.30	2,14,568.84
EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	18	1,445.93	1,445.93
(b) Other equity	19	56,128.37	51,190.56
Equity attributable to the equity holders of the parent		57,574.30	52,636.49
(c) Non-controlling interest	19	728.00	-
Total equity		58,302.30	52,636.49
2 Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	20	32,805.23	1,050.00
(ii) Lease liabilities	21	21,357.10	20,888.05
(iii) Other financial liabilities	22	4,954.92	3,928.80
(b) Provisions	23	1,335.26	1,192.29
(c) Other non-current liabilities	24	477.08	386.74
Total non-current liabilities		60,929.59	27,445.88
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	25	38,362.57	13,272.12
(ii) Lease liabilities	26	3,228.53	2,189.24
(iii) Trade payables	27		
- Due to micro and small enterprise		5,950.16	6,884.18
- Due to others		23,771.94	18,354.80
(iv) Other financial liabilities	28	29,694.55	84,628.11
(b) Other current liabilities	30	9,418.60	8,353.02
(c) Provisions	29	607.06	805.00
Total current liabilities		1,11,033.41	1,34,486.47
Total liabilities		1,71,963.00	1,61,932.35
Total equity and liabilities		2,30,265.30	2,14,568.84

The accompanying notes form an integral part of the Consolidated 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: Delhi
Date: 24 May 2023

G.L. Sultania

Director
DIN: 00060931

Payal M Puri

Company Secretary
ACS No.: 16068

Sandip Somany

Chairman
DIN: 00053597

Naveen Malik

Chief Financial Officer

Place: Gurugram
Date: 24 May 2023



Consolidated Statement of Profit and Loss

for the year ended 31 March 2023

		(₹ in lakh)	
Particulars	Note	For the year ended 31 March 2023	For the year ended 31 March 2022
I Income			
Revenue from operations	31	2,87,327.12	2,29,363.20
Other income	32	3,462.61	2,929.96
Total income		2,90,789.73	2,32,293.16
II Expenses			
Cost of materials consumed	33	75,470.34	-
Purchases of stock-in-trade	34	92,606.11	1,64,510.58
Changes in inventories of finished goods, stock-in-trade and work-in-progress	35	(4,335.24)	(8,055.88)
Employee benefits expense	36	40,234.06	23,102.64
Finance costs	37	7,710.44	2,041.92
Depreciation and amortisation expense	38	10,097.62	3,933.50
Other expenses	39	58,707.89	32,323.34
Total expenses		2,80,491.22	2,17,856.10
III Profit before exceptional items and tax		10,298.51	14,437.06
IV Exceptional items		-	10,086.09
V Profit before tax		10,298.51	24,523.15
VI Tax expense			
(1) Current tax (including MAT)	40	3,412.90	4,461.77
(2) MAT Credit entitlement		(367.58)	(344.81)
(3) Earlier year income tax	40	7.76	-
(4) Deferred tax	40	599.43	57.04
Total tax expense		3,652.51	4,174.00
VII Profit after tax		6,646.00	20,349.15
VIII Profit/ (Loss) from Joint venture		(890.79)	(180.79)
IX Profit for the year		5,755.21	20,168.36
X Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit plan		(135.33)	72.24
(b) Income-tax relating to these items		34.90	(19.26)
(ii) Items that will be reclassified to profit or loss			
Exchange difference on translation of foreign operations		(1.06)	(0.48)
(iii) Share in other comprehensive income of Joint Venture (net of tax)		3.09	(0.31)
Other comprehensive income, net of tax		(98.40)	52.19
XI Total comprehensive income for the year		5,656.81	20,220.55
XII Profit for the year		5,755.21	20,168.36
a) Attributable to owners of the parent		5,709.01	20,168.36
b) Attributable to non-controlling interests		46.20	-
XIII Other comprehensive income		(98.40)	52.19
a) Attributable to owners of the parent		(96.02)	52.19
b) Attributable to non-controlling interests		(2.38)	-
XIV Total comprehensive income for the year		5,656.81	20,220.55
a) Attributable to owners of the parent		5,612.99	20,220.55
b) Attributable to non-controlling interests		43.82	-
XV Earnings per equity share (of ₹ 2/- each):			
Basic and diluted	41	7.96	27.90

The accompanying notes form an integral part of the Consolidated 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: Delhi
Date: 24 May 2023

G.L. Sultania

Director
DIN: 00060931

Payal M Puri

Company Secretary
ACS No.: 16068

Sandip Somany

Chairman
DIN: 00053597

Naveen Malik

Chief Financial Officer

Place: Gurugram
Date: 24 May 2023

Consolidated Statement of Cash Flows

for the year ended 31 March 2023

Particulars	(₹ in lakh)	
	Year ended 31 March 2023	Year ended 31 March 2022
Cash flows from operating activities		
Profit before tax*	9,407.72	24,342.36
Adjustments for:		
Finance costs	7,710.44	2,041.92
Interest income	(55.94)	(26.19)
Gain on disposal of property, plant and equipment	(25.19)	(9.78)
Loss on disposal of property, plant and equipment	7.59	116.62
Net loss/(gain) arising on current investments	(1.30)	(138.52)
Sundry balances and liabilities no longer required, written back	(4,554.06)	(2,096.68)
Provision for expected credit/impairment loss and doubtful advances	1,266.21	1,071.29
Provision for doubtful advances	83.45	635.75
Bad debts written off	-	7.70
Depreciation and amortisation expenses	10,097.62	3,933.50
Lease concession/liability written back	(45.58)	(205.86)
Exceptional items	-	(10,086.09)
Share of (profit)/loss of joint venture	890.79	180.79
Net foreign exchange loss/(gain)	(105.30)	(183.55)
	24,676.45	19,583.26
Movements in working capital:		
(Increase)/decrease in trade and other receivables	(8,049.03)	7,798.34
(Increase)/decrease in inventories	(845.71)	(8,757.88)
(Increase)/decrease in other assets	2,289.22	(1,801.58)
Increase/(decrease) in trade and other liabilities	7,669.26	11,500.30
Increase/(decrease) in provisions	(54.97)	388.62
	1,008.77	9,127.80
Cash generated from operations	25,685.22	28,711.06
Income taxes paid	(3,995.20)	(6,173.97)
Income tax refund	388.67	68.25
Net cash generated by operating activities	22,078.69	22,605.34
Cash flows from investing activities:		
Payments to acquire financial assets	-	(26,280.00)
Proceeds from sale of financial assets	2,710.36	26,252.46
Investment in joint venture	(899.99)	(2,766.39)
Interest received	27.41	10.30
Payment against slump sale	(52,867.17)	(10,900.00)
Payments for property, plant and equipment	(19,560.13)	(3,956.34)
Receipt against slump sale	-	5,220.48
Proceeds from disposal of property, plant and equipment	115.96	24.25
Movement in other bank balances	(0.39)	(5.43)
Net cash used in investing activities	(70,473.95)	(12,400.67)

* Including share in profit / (loss) from joint venture



Consolidated Statement of Cash Flows (Contd.)

for the year ended 31 March 2023

(₹ in lakh)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Cash flows from financing activities:		
Proceeds from borrowings	45,690.00	-
Repayment of borrowings	(5,605.23)	(3,478.37)
Proceeds from issue of shares forming part of Non-controlling interests	9.00	-
Movement in short-term borrowings (net)	16,760.91	(1,143.21)
Principal payment of lease liability	(2,940.85)	(1,051.26)
Interest on lease liability	(1,826.86)	(840.31)
Dividends paid	0.39	(572.94)
Interest paid	(5,418.91)	(1,230.77)
Net cash used in financing activities	46,668.45	(8,316.86)
Net increase / (decrease) in cash and cash equivalents :	(1,726.81)	1,887.81
Cash and cash equivalents at the beginning of the year	2,647.77	760.44
Foreign currency translation gain/(loss) on consolidation	(1.06)	(0.48)
Cash and cash equivalents at the end of the year	919.90	2,647.77

The movement in liabilities from financing activities:

Particulars	As at 31 March 2022	Cash flow	Non-cash flow changes - Other		As at 31 March 2023
			Foreign exchange	Other	
Long-term borrowings	1,278.59	40,084.77	-	-	41,363.36
Short-term borrowings	13,043.53	16,760.91	-	-	29,804.44
Total liabilities from financing activities	14,322.12	56,845.68	-	-	71,167.80

Particulars	As at 31 March 2021	Cash flow	Non-cash flow changes - Other		As at 31 March 2022
			Foreign exchange	Other	
Long-term borrowings	4,756.96	(3,478.37)	-	-	1,278.59
Short-term borrowings	14,186.74	(1,143.21)	-	-	13,043.53
Total liabilities from financing activities	18,943.70	(4,621.58)	-	-	14,322.12

The accompanying notes form an integral part of the Consolidated 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: Delhi
Date: 24 May 2023

G.L. Sultania

Director
DIN: 00060931

Payal M Puri

Company Secretary
ACS No.: 16068

Sandip Somany

Chairman
DIN: 00053597

Naveen Malik

Chief Financial Officer

Place: Gurugram

Date: 24 May 2023

Consolidated Statement of Changes in Equity

for the year ended 31 March 2023

A. EQUITY SHARE CAPITAL

Particulars	Number of shares	₹ in lakh
Issued and paid up capital		
Balance as at 1 April 2021	7,22,96,395	1,445.93
Changes in Equity Share Capital during the year	-	-
Balance as at 31 March 2022	7,22,96,395	1,445.93
Changes in equity share capital during the year	-	-
Balance as at 31 March 2023	7,22,96,395	1,445.93

B. OTHER EQUITY

Particulars	Reserves and surplus				Other comprehensive income		Total Attributable to owners of the Parent	Attributable to Non-Controlling Interests	Total
	Capital reserve	Securities premium account	General reserve	Retained earnings	Actuarial gain/(loss)	Foreign currency translation reserve			
Balance as at 1 April 2021	49.88	7,238.97	2,449.08	21,540.79	221.81	47.85	31,548.38	-	31,548.38
Profit for the year	-	-	-	20,168.36	-	-	20,168.36	-	20,168.36
Other comprehensive income for the year (net of tax)	-	-	-	-	52.67	(0.48)	52.19	-	52.19
Payment of dividend	-	-	-	(578.37)	-	-	(578.37)	-	(578.37)
Balance as at 31 March 2022	49.88	7,238.97	2,449.08	41,130.78	274.48	47.37	51,190.56	-	51,190.56
Adjustments for change in ownership interests	-	(53.08)	(23.88)	(592.98)	(4.40)	(0.84)	(675.18)	675.18	-
Profit for the year	-	-	-	5,709.01	-	-	5,709.01	46.20	5,755.21
Other comprehensive income for the year (net of tax)	-	-	-	-	(94.96)	(1.06)	(96.02)	(2.38)	(98.40)
Issue of equity shares during the year	-	-	-	-	-	-	-	9.00	9.00
Payment of dividend	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2023	49.88	7,185.89	2,425.20	46,246.81	175.12	45.47	56,128.37	728.00	56,856.37

The accompanying notes form an integral part of the Consolidated 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: Delhi
Date: 24 May 2023

G.L. Sultania

Director
DIN: 00060931

Payal M Puri

Company Secretary
ACS No.: 16068

Sandip Somany

Chairman
DIN: 00053597

Naveen Malik

Chief Financial Officer

Place: Gurugram
Date: 24 May 2023



Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

1 A) Corporate information

Hindware Home Innovation Limited (the 'Parent Company') (formerly Somany Home Innovation Limited) is a public limited company incorporated in India under the Companies Act, 2013. The registered office of the Parent Company is situated in Kolkata and the corporate office is in Gurugram. The Group is into the business of manufacturing, selling and trading of building products, consumer appliances and

retail business. The equity shares of the parent Company is listed at National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).

The consolidated financial statements include the consolidated balance sheet, consolidated statement of profit and loss, consolidated cash flow statement and consolidated statement of changes in equity of the Parent Company, its under mentioned subsidiaries (hereinafter referred as the 'Group') and joint venture:-

Subsidiary Companies	Date of shareholding/ membership	Country of incorporation	% of shareholding
Evok Homes Private Limited	1 April 2018	India	100%
Luxxis Heating Solutions Private Limited [^]	1 April 2018	India	100%
Hindware Limited	1 April 2018	India	98.2%
Halis International Limited	1 April 2018	Mauritius	98.2%
Queo Bathroom Innovations Limited UK (subsidiary of Halis International Limited)	1 April 2018	United Kingdom (UK)	98.2%
Truflo Pipes Limited	17 June 2022	India	98.2%

[^] Luxxis Heating Solutions Private Limited ceased to be subsidiary as the same was struck off w.e.f. 28 April, 2023.

Joint Venture Company	Date of shareholding/ membership	Country of incorporation	% of shareholding
Hintastica Private Limited*	14 November 2019	India	50%

* w.e.f. 20 May 2021, the Company has become Joint Venture of the Group

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

The consolidated financial statements of the Group have been prepared in accordance with Ind AS notified by the Companies (Indian Accounting Standards) Rules, 2015 (as amended). Accordingly, the Group's financial statements for the year ended 31 March 2023 are prepared complying in material aspects with applicable Ind AS.

The consolidated financial statement of the Group as at and for the year ended 31 March 2023 were approved and authorised by the Board of Directors on 24 May, 2023.

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

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1 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).

Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

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 recognise 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 utilised. 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 recognise on gross basis based on the carrying amount of right-of use assets and lease liabilities.

The Group does not expect the above amendments to have any significant impact in its financial statements.

2.2 Basis of preparation of Consolidated Financial Statements

These financial statements are the Consolidated Financial Statements of the Group prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

These Consolidated Financial Statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except

for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below.

The Consolidated Financial Statements (CFS) comprises the Financial Statements of Hindware Home Innovation Limited ("the Company"), its Subsidiaries (hereinafter referred as the 'Group') and joint venture. The CFS of the Group have been prepared in accordance with the Indian Accounting Standards on "Consolidated Financial Statements" (Ind AS 110), "Joint Arrangements" (Ind AS 111), "Disclosure of Interest in Other Entities" (Ind AS 112), "Investment in Associates and Joint Ventures" (Ind AS 28) notified under Section 133 of the Companies Act, 2013.

2.3 Principles of Consolidation

(i) Subsidiaries

Control is gained when the Parent Company:

- Has power over the investee
- Is exposed or has rights to variable return from its involvement with the investee, and
- Has the ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Parent Company has less than a majority of the voting or similar rights of an investee, the Parent Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Parent Company's voting rights and potential voting rights
- The size of the Parent Company's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Parent Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation



Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

of a subsidiary begins when the Parent Company obtains control over the subsidiary and ceases when the Parent Company loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Parent Company gains control until the date the Parent Company ceases to control the subsidiary.

(ii) Joint Venture/Equity Accounted Investees

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether joint control exists are similar to those necessary to determine control over the subsidiaries.

(iii) Loss of Control

When the Group loses control over a subsidiary, it de-recognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in the Statement of Profit and Loss.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent Company, i.e., year ended on 31 March.

2.4 Consolidation procedure:

Subsidiaries

- a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- b) Offset (eliminate) the carrying amount of the Parent's investment in each subsidiary and the Parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements.
- d) Non-controlling interest represents that part of the total comprehensive income and net assets of subsidiaries attributable to interests which are not owned, directly or indirectly, by the Holding Company

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Joint Venture

The Group's investments in its joint ventures are accounted for using the equity method. Under the equity method, the investment in a joint venture is

Significant accounting policies and other explanatory information to the consolidated financial statements

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initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment.

Unrealised gains resulting from the transaction between the Group and joint venture are eliminated to the extent of the interest in the joint venture, and deferred tax is made on the same.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value, and then recognises the loss as 'Share of profit of a joint venture' in the Statement of Profit and Loss.

3 SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

The significant accounting policies to prepare consolidated financial statements are in uniformity with the standalone financial statements of the Company. Following are the additional policies specifically considered for preparation of consolidated financial statements:

3.1 Business combinations

Business combinations are accounted for using the acquisition method. At the acquisition date, identifiable assets acquired and liabilities assumed are measured at fair value. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. The consideration transferred is measured at fair value at acquisition date and includes the fair value of any contingent consideration. However, deferred tax asset or liability and any liability or asset relating to employee benefit arrangements arising from a business combination are measured and recognised in accordance with the requirements

of Ind AS 12, 'Income Taxes' and Ind AS 19, 'Employee Benefits', respectively. Where the consideration transferred exceeds the fair value of the net identifiable assets acquired and liabilities assumed, the excess is recorded as goodwill. Alternatively, in case of a bargain purchase wherein the consideration transferred is lower than the fair value of the net identifiable assets acquired and liabilities assumed, the difference is recorded as a gain in other comprehensive income and accumulated in equity as capital reserve. The costs of acquisition excluding those relating to issue of equity or debt securities are charged to the Statement of Profit and Loss in the period in which they are incurred.

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and the control is not transitory. The transactions between entities under common control are specifically covered by Ind AS 103. Such transactions are accounted for using the pooling-of-interest method. The assets and liabilities of the acquired entity are recognised at their carrying amounts of the parent entity's consolidated financial statements with the exception of certain income tax and deferred tax assets. No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies. The components of equity of the acquired companies are added to the same components within the Group's equity. The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to other equity and is presented separately from other capital reserves.

3.2 Foreign currency transactions and translations

Initial recognition

The Group's consolidated financial statements are presented in INR, which is also the Group'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.



Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

Measurement at the balance sheet date

Foreign currency monetary items of the Group, 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 Group's monetary items at the closing rate are recognised as income or expenses in the period in which they arise.

3.3 Taxation

Deferred tax

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

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

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

3.4 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group has three operating/reportable segments: consumer appliances business, retail business and building products segments. In identifying these operating segments, management generally follows the Group's service lines representing its main products and services.

Each of these operating segments is managed separately as each requires different technologies, marketing approaches and other resources. All inter-segment transfers are carried out at arm's length prices based on prices charged to unrelated customers in standalone sales of identical goods or services.

For management purposes, the Group uses the same measurement policies as those used in its financial statements. In addition, unallocated assets which are not directly attributable to the business activities of any operating segment are not allocated to a segment.

Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

Description of assets	Land- Freehold	Right of use - Land	Buildings	Leasehold improvements	Right of Use - Building	Plant and equipment	Office equipment	Furniture and fixtures	Computers	Vehicles	Total	(₹ in lakh)
I. Gross block												
Opening balance as at 1 April 2021	-	-	-	961.31	6,894.01	8,101.81	636.66	6,832.82	1,258.85	920.69	25,606.15	
Additions	-	-	-	-	20,347.92	72.00	240.61	1,526.92	332.51	385.71	22,905.67	
Disposals/adjustment	-	-	-	-	(1,889.36)	(322.08)	(11.79)	(482.33)	(58.04)	(40.93)	(2,804.53)	
Asset acquired in slump sale	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	961.31	25,352.57	31,175.37	1,023.77	8,223.04	1,647.75	1,699.43	86,563.15	
Additions	4,581.40	221.84	916.75	979.13	5,741.59	9,868.71	223.44	4,409.28	550.11	779.58	28,271.83	
Disposals/adjustment	-	-	-	-	(1,771.43)	(1.19)	(2.34)	-	(125.18)	(132.45)	(2,032.59)	
Balance As at 31 March 2023	8,910.02	2,576.84	10,713.04	1,940.44	29,322.73	41,042.89	1,244.87	12,632.32	2,072.68	2,346.56	1,12,802.39	
II. Accumulated depreciation and amortisation												
Opening balance as at 1 April 2021	-	-	-	583.63	1,950.96	2,051.51	411.06	3,910.76	873.84	256.35	10,038.11	
Depreciation and amortisation charge for the year	-	-	-	60.27	1,649.10	646.14	102.22	886.38	247.02	272.54	3,863.67	
Disposals/adjustment	-	-	-	-	(711.82)	(13.65)	(10.24)	(367.42)	(44.26)	(29.93)	(1,177.32)	
Balance as at 31 March 2022	-	-	-	643.90	2,888.24	2,684.00	503.04	4,429.72	1,076.60	498.96	12,724.46	
Depreciation and amortisation charge for the year	-	29.28	267.85	85.82	4,002.65	2,862.76	209.79	1,672.19	392.38	470.26	9,992.98	
Disposals/adjustment	-	-	-	-	(536.34)	(1.03)	(1.49)	-	(105.68)	(54.60)	(699.14)	
Balance As at 31 March 2023	-	29.28	267.85	729.72	6,354.55	5,545.73	711.34	6,101.91	1,363.30	914.62	22,018.30	
Net block (I-II)												
Balance as at 31 March 2023	8,910.02	2,547.56	10,445.19	1,210.72	22,968.18	35,497.16	533.53	6,530.41	709.38	1,431.94	90,784.09	
Balance as at 31 March 2022	4,328.62	2,355.00	9,796.29	317.41	22,464.33	28,491.37	520.73	3,793.32	571.15	1,200.47	73,838.69	

Refer note 20 & 25 for details of property, plant and equipment hypothecated as security by the Company.



Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

NOTE 4b - CAPITAL WORK-IN-PROGRESS

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Capital work in progress	3,580.23	5,791.29
Total	3,580.23	5,791.29

i) Details and Ageing of CWIP is as follows:

As at 31 March 2023

Particulars	(₹ in lakh)				
	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress	3,214.25	329.64	36.34	-	3,580.23
Total					3,580.23

As at 31 March 2022

Particulars	(₹ in lakh)				
	Amount in CWIP for a period of				
	Less than 1 year*	1-2 years	2-3 years	More than 3 years	Total
Project in progress	5,726.77	61.81	2.71	-	5,791.29
Total					5,791.29

* Assets acquired under business acquisition (refer note 51)

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

Particulars*	As at 31 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
Water purifier and Desert cooler**	20.36	-	-	-	20.36
Kitchen Chimney and HOB molds, tools **	240.09	-	-	-	240.09
Fans Design **	152.84	-	-	-	152.84
Other Miscellaneous projects *	114.11	-	-	-	114.11
Total	2,565.48	-	-	-	2,565.48

* Due to Covid related restrictions/ disturbances in global businesses and supply chain disturbed, which impacted the pace of execution of projects.

** Projects are in final stage of completion.

There are no projects which are overdue / over-run as on 31 March 2022

Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

NOTE 4c - GOODWILL

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Goodwill (Refer note 51)	191.00	191.00
	191.00	191.00

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

Particulars	(₹ in lakh)	
	Amount	
Balance as at 1 April 2021	-	
Goodwill generated under business acquisition	191.00	
Balance as at 31 March 2022	191.00	
Impairment for the year	-	
Balance as at 31 March 2023	191.00	

The Group 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 Group 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	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.



Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

NOTE 5a - OTHER INTANGIBLE ASSETS

(₹ in lakh)			
Description of assets	Trade mark	Computer software	Total
Opening balance as at 1 April 2021	36.15	815.05	851.20
Additions	-	157.16	157.16
Assets acquired in slump sale	-	50.80	50.80
Balance as at 31 March 2022	36.15	1,023.01	1,059.16
Additions	-	53.37	53.37
Balance as at 31 March 2023	36.15	1,076.38	1,112.53
II. Accumulated amortisation			
Opening balance as at 1 April 2021	3.91	712.90	716.81
Amortisation charge for the year	-	69.83	69.83
Disposals/adjustment	-	-	-
Balance as at 31 March 2022	3.91	782.73	786.64
Amortisation charge for the year	3.77	100.87	104.64
Disposals/adjustment	-	-	-
Balance as at 31 March 2023	7.68	883.60	891.28
Net block (I-II)			
Balance as at 31 March 2023	28.47	192.78	221.25
Balance as at 31 March 2022	32.24	240.28	272.52

NOTE 5b - OTHER INTANGIBLES UNDER DEVELOPMENT

(₹ in lakh)		
Particulars	As at 31 March 2023	As at 31 March 2022
Other intangible assets under development	43.21	58.50
	43.21	58.50

Details and Ageing of other intangibles under development

As at 31 March 2023

(₹ in lakh)					
Particulars	Amount for a period of				Total
	less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Project in progress	21.71	21.50	-	-	43.21

As at 31 March 2022

(₹ in lakh)					
Particulars	Amount for a period of				Total
	less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Project in progress	38.50	20.00	-	-	58.50

There are no projects which are overdue / over-run as on 31 March 2023 as well as 31 March 2022

Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

NOTE 6 - NON-CURRENT FINANCIAL ASSETS - NON CURRENT INVESTMENTS

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number	₹ in lakh	Number	₹ in lakh
A. Deemed equity contribution				
Deemed equity contribution#		60.48		13.00
Total [A]		60.48		13.00
B. At Amortised Cost				
Unquoted investments (fully paid-up)				
Neycer India Limited (face value ₹ 10 each) (refer note 51)	125	0.01	125	0.01
Water Management & Plumbing Skill Council (Formerly Indian Plumbing Skills Council) (face value ₹ 10 each)	10,000	1.00	10,000	1.00
Unquoted investments		1.01		1.01
Total investments carried at cost [B]		1.01		1.01
C. Using Equity Method:				
Joint Venture				
Unquoted				
Equity share fully paid up				
Hintastica Private Limited (face value ₹ 2 each)*	3,20,146	8,733.06	2,91,300	8,720.77
Total investments carried at cost [C]		8,733.06		8,720.77
Total investments (A+B+C)		8,794.55		8,734.78
Other disclosures				
Aggregate amount of unquoted investments		8,794.55		8,734.78

Fair value of letter of guarantee given for the Hintastica Private Limited (JV)

* The Company (i.e. Hindware Home Innovation Limited) subscribed 28,846 equity shares (right issue) of Hintastica Private Limited (JV) (towards its 50 percent share of subscription of the equity share) at ₹3,120 per share (including share premium of ₹3,110 per share) of face value of ₹10 each, amounting to ₹899.99 lakh.

NOTE 7 - NON-CURRENT FINANCIAL ASSETS - OTHER FINANCIAL ASSETS

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
(Unsecured and considered good unless otherwise specified, as considered by the management)		
Security deposits *	869.66	908.54
Unsecured, considered doubtful	2.82	2.82
Less: Provision against advance	(2.82)	(2.82)
Other bank balances		
- Deposit account with other banks for more than 1 year^	23.34	23.34
	893.00	931.88

* Including of AGI Greenpac Limited of Nil (previous year ₹ 12.07 lakh)

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



Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

NOTE 8 - INCOME-TAX ASSETS (NET)

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Advance income-tax (net)	273.63	87.76
	273.63	87.76

NOTE 9 - DEFERRED TAX (NET)

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Deferred tax asset arising on account of		
Deferred tax on business losses	111.74	1,140.46
Difference between book balance and tax balance of property, plant and equipment and Right of use asset (net of lease liability)	728.23	847.15
Provision for doubtful debts and loans and advances	1,602.54	1,224.05
Provision for employee benefits	347.38	252.39
MAT Credit entitlement	712.39	344.81
Others	124.88	15.24
	3,627.15	3,824.10
Deferred tax liabilities	-	
Deferred tax assets (net)	3,627.15	3,824.10

Deferred tax assets (net) in relation to:

Particulars	As at 1 April 2022	Recognised in statement of profit and loss	Recognised in other comprehensive income	Movement due to loss of control in subsidiary	Recognised directly in equity	As at 31 March 2023
Deferred tax asset arising on account of						
Deferred tax on business losses	1,140.46	(1,028.73)	-	-	-	111.73
Difference between book balance and tax balance of property, plant and equipment and Right of use asset (net of lease liability)	847.15	(118.92)	-	-	-	728.23
Provision for doubtful debts and loans and advances	1,224.05	378.49	-	-	-	1,602.54
Provision for employee benefits	252.39	60.09	34.90	-	-	347.38
Others	15.24	109.64	-	-	-	124.88
Sub-total	3,479.29	(599.43)	34.90	-	-	2,914.76
MAT Credit entitlement	344.81	367.58	-	-	-	712.39
Net deferred tax assets	3,824.10	(231.85)	34.90	-	-	3,627.15

Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

NOTE 9 - DEFERRED TAX (NET) (Contd.)

Deferred tax assets (net) in relation to:

Particulars	As at 1 April 2021	Recognised in statement of profit and loss	Recognised in other comprehensive income	Movement due to loss of control in subsidiary	Recognised directly in equity	As at 31 March 2022
Deferred tax liability arising on account of						
Others	1.25	(1.25)	-	-	-	-
Sub-total	1.25	(1.25)	-	-	-	-
Deferred tax asset arising on account of						
Deferred tax on business losses	1,866.07	(630.90)	-	(94.71)	-	1,140.46
Difference between book balance and tax balance of property, plant and equipment and Right of use asset (net of lease liability)	549.97	291.99	-	5.19	-	847.15
Provision for doubtful debts and loans and advances	1,119.79	104.26	-	-	-	1,224.05
Provision for employee benefits	78.26	200.02	(19.26)	(6.63)	-	252.39
Others	38.90	(23.66)	-	-	-	15.24
Sub-total	3,652.99	(58.29)	(19.26)	(96.15)	-	3,479.29
MAT Credit entitlement	-	344.81	-	-	-	344.81
Net deferred tax assets	3,651.74	287.77	(19.26)	(96.15)	-	3,824.10

NOTE 10 - OTHER NON-CURRENT ASSETS

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
(Unsecured and considered good, unless stated otherwise, as considered by the management)		
Capital advances	1,720.38	1,576.48
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*	363.82	397.86
Others	1.50	1.00
	2,112.60	2,005.63

* deposits against demand under dispute

NOTE 11 - INVENTORIES

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
(valued at cost or net realisable value which ever 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 @	36,527.92	34,633.82
Stores and spares	2,189.72	755.07
Packing material	1,141.72	1,025.88
Oils, fuels, lubricants and others	117.28	150.52
	68,376.70	67,530.99
@Included above, goods-in-transit:		



Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

NOTE 11 - INVENTORIES (Contd.)

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Raw materials	-	3,523.19
Finished goods	-	220.67
Stock-in-trade	286.20	-
	286.20	3,743.86

Notes

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

NOTE 12 - CURRENT INVESTMENTS

Particulars	(₹ in lakh)			
	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	-	-	214.00	8.88
	-	-	2,709.06	
Other disclosures				
Aggregate book value of quoted investments		-		2,708.69
Aggregate amount of market value of quoted investments		-		2,709.06

NOTE 13 - TRADE RECEIVABLES

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
(i) Trade Receivables considered good - Secured	1,885.40	1,491.68
(ii) Trade Receivables considered good - Unsecured*	35,875.61	29,097.92
(iii) Trade Receivables which have significant increase in Credit Risk	-	-
(iv) Trade Receivables - credit impaired	5,039.68	3,773.47
	42,800.69	34,363.07
Allowance for bad and doubtful debts	(5,039.68)	(3,773.47)
	37,761.01	30,589.60

*including of Hintastica Private Limited ₹ 25.81 lakh (previous year NIL).

Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

NOTE 13 - TRADE RECEIVABLES (Contd.)**Ageing As at 31 March 2023**

Particulars	Outstanding for following period from due date of payment						Total
	Not Due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	16,595.61	15,523.89	2,074.54	1,436.58	451.17	-	36,081.79
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	139.16	174.83	1,833.88	2,147.87
(iv) Disputed Trade Receivables – considered good	-	31.36	209.72	633.96	804.18	-	1,679.22
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	8.57	116.55	273.06	2,493.63	2,891.81
Total	16,595.61	15,555.25	2,292.83	2,326.25	1,703.24	4,327.51	42,800.69
Total Provision (iii+vi)	-	-	8.57	255.71	447.89	4,327.51	5,039.68

Ageing As at 31 March 2022

Particulars	Outstanding for following period from due date of payment						Total
	Not Due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	13,122.48	12,136.43	1,935.93	1,777.59	720.76	-	29,693.19
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	218.72	259.61	1,008.50	1,486.83
(iv) Disputed Trade Receivables – considered good	0.12	6.02	26.46	402.48	461.33	-	896.41
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	49.72	154.05	2,082.87	2,286.64
Total	13,122.60	12,142.45	1,962.39	2,448.51	1,595.75	3,091.37	34,363.07
Total Provision (iii+vi)	-	-	-	268.44	413.66	3,091.37	3,773.47



Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

NOTE 13 - TRADE RECEIVABLES (Contd.)

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

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	3,773.47	4,123.70
Expected credit losses provided for during the year (refer note 39)	1,266.21	1,071.29
Amounts written back during the year (net)	-	(1,421.52)
	5,039.68	3,773.47

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

NOTE 14 - CASH AND CASH EQUIVALENTS

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Balances with banks	604.03	2,537.20
Cheques, drafts in hand	276.38	38.25
Cash in hand	12.62	8.02
Remittance in transit	26.87	64.30
	919.90	2,647.77

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

NOTE 15 - BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Earmarked balances with banks		
Unpaid dividends accounts *	7.00	6.61
	7.00	6.61

* Not due for deposit in the investor education and protection fund

NOTE 16 - CURRENT FINANCIAL ASSETS - OTHER FINANCIAL ASSETS

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
(Unsecured and considered good by the management)		
Other financial assets		
Interest accrued on deposits, loans and advances	3.18	11.96
Security Deposit ^	53.59	69.74
Other Receivable *	1,379.11	1,687.11
	1,435.88	1,768.81

* Including of AGI Greenpac Limited of ₹ 720.56 lakh (previous year ₹ 209.98 lakh) and from Hintastica Private Limited ₹ 627.61 lakh (previous year ₹ 610.57 lakh).

^ Including of AGI Greenpac Limited of ₹ 40.56 lakh (previous year ₹ 62.11 lakh).

Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

NOTE 17 - OTHER CURRENT ASSETS

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
(unsecured and considered good by the management)		
Prepaid expenses	441.50	396.77
Balances with government authorities	7,023.96	7,096.53
Others		
- Advance to suppliers	1,798.88	5,084.85
Considered doubtful	124.36	124.36
Less: Provision against Advance to Vendors	(124.36)	(124.36)
Employee advances	277.99	58.74
- Other current assets#	1,701.77	942.96
Considered doubtful	790.11	706.66
Less: Provision for doubtful advances	(790.11)	(706.66)
	11,244.10	13,579.85

including of Hintastica Private Limited ₹ 133.39 lakh (previous year ₹ 42.52 lakh).

NOTE 18 - 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	7,50,00,000	1,500.00
Issued:				
Equity shares of ₹ 2 each	7,22,96,395	1,445.93	7,22,96,395	1,445.93
Subscribed and fully paid:				
Equity shares of ₹ 2 each	7,22,96,395	1,445.93	7,22,96,395	1,445.93
	7,22,96,395	1,445.93	7,22,96,395	1,445.93

(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	7,22,96,395	1,445.93	7,22,96,395	1,445.93
Add: Shares issued during the year	-	-	-	-
Equity shares outstanding at the end of the year	7,22,96,395	1,445.93	7,22,96,395	1,445.93



Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

NOTE 18 - EQUITY SHARE CAPITAL (Contd.)

(b) Statement of changes in promoters stake

Shares held by promoters[^] at the end of the year

S. No	Promoter name	As at 31 March 2023		As at 31 March 2022		% Change during the year
		No. of shares	% of holding	No. of shares	% of holding	
1	Rajendra Kumar Somany	-	0.00%	36,45,000	5.04%	-5.04%
2	Sandip Somany#	60,39,731	8.35%	23,94,731	3.31%	5.04%
3	Sumita Somany	1,61,000	0.22%	1,61,000	0.22%	-
4	Divya Somany	1,46,912	0.20%	1,46,912	0.20%	-
5	Sandip Somany Huf	95,832	0.13%	95,832	0.13%	-
6	Shashvat Somany	76,244	0.11%	76,244	0.11%	-
7	Somany Impresa Limited	3,05,79,968	42.30%	3,05,79,968	42.30%	-
8	Matterhorn Trust	100	0.00%	100	0.00%	-
Total		3,70,99,787	51.32%	3,70,99,787	51.32%	

[^] Promoters here means promoter as defined in the Companies Act, 2013.

36,45,000 equity shares of the Company were held in the name of Dr. Rajendra Kumar Somany jointly with Mr. Sandip Somany. Dr. Rajendra Kumar Somany passed away on 20.01.2023 thus, the said shares have been transferred in the name of Joint holder, Mr. Sandip Somany on 21.02.2023 by way of transferring the shares to a separate demat account in the name of Mr. Sandip Somany.

(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	As at 31 March 2023		As at 31 March 2022	
	Number	% of holding	Number	% of holding
Somany Impresa Limited (Formerly Known as Paco Exports Limited)	3,05,79,968	42.30%	3,05,79,968	42.30%
Rajendra Kumar Somany	-	-	36,45,000	5.04%
Sandip Somany	60,39,731	8.35%	23,94,731	3.31%

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

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

(f) Pursuant to the Scheme of arrangement the Company had issued 7,22,96,395 equity shares to the shareholders of AGI Greenpac Limited (formerly HSIL Limited). On 23 August 2019 (Allotment date) Hindware Home Innovation Limited had issued one equity share for every equity share held of AGI Greenpac Limited on the date of 20 August, 2019 (Record date) for consideration other than cash.

Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

NOTE 19 - OTHER EQUITY

Particulars	Reserves and surplus				Other comprehensive income		Total Attributable to owners of the Parent	Attributable to Non-Controlling Interests*	Total
	Capital reserve	Securities premium reserve	General reserve	Retained earnings	Actuarial gain/(loss)	Foreign currency translation reserve			
Balance as at 1 April 2021	49.88	7,238.97	2,449.08	21,540.79	221.81	47.85	31,548.38	-	31,548.38
Profit for the year	-	-	-	20,168.36	-	-	20,168.36	-	20,168.36
Other comprehensive income for the year (net of tax)					52.67	(0.48)	52.19	-	52.19
Payment of dividend	-	-	-	(578.37)	-	-	(578.37)	-	(578.37)
Balance as at 31 March 2022	49.88	7,238.97	2,449.08	41,130.78	274.48	47.37	51,190.56	-	51,190.56
Adjustments for change in ownership interests	-	(53.08)	(23.88)	(592.98)	(4.40)	(0.84)	(675.18)	675.18	-
Profit for the year	-	-	-	5,709.01	-	-	5,709.01	46.20	5,755.21
Other comprehensive income for the year (net of tax)	-	-	-	-	(94.96)	(1.06)	(96.02)	(2.38)	(98.40)
Issue of equity shares during the year	-	-	-	-	-	-	-	9.00	9.00
Payment of dividend	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2023	49.88	7,185.89	2,425.20	46,246.81	175.12	45.47	56,128.37	728.00	56,856.37

Nature and purpose of other reserves:

1. Capital reserve was created on amalgamation of certain entities/undertaking into the Company.
2. Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.
3. General reserves was created by transferring certain amount out of profits at the time of distribution of dividend in the past.

* The Board of Directors of one of the subsidiary company "Hindware Limited" in their meeting held on 3 February 2023 and pursuant to the approval of Shareholders obtained in their Extra Ordinary General meeting held on 30 November 2022 had approved, issued and allotted 9,00,000 equity shares (partly paid) 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 3 February 2023 company's holding in subsidiary stands reduced to 98.20%. Consequently the subsidiary ceases to be wholly owned subsidiary of the Company.



Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

NOTE 20 - NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Secured:		
Term loans from banks:		
Rupee loans [^]	41,363.36	1,275.00
Term loan from non-banking finance company		
Vehicle loan	-	3.59
	41,363.36	1,278.59
Less: Current maturities of long-term borrowing (refer note 25)	8,558.13	228.59
	32,805.23	1,050.00

Notes:

- Rupee Loan of ₹ 1,050.00 lakh (previous year ₹ 1,275.00 lakh) is secured by First Pari Passu charge on Movable Fixed Assets (PPE) of the holding company, repayable in 8 half yearly instalments from June 2023 to December 2026.
- Loans taken by one of the subsidiary companies are secured by way of hypothecation of first *pari passu* charge on movable fixed assets both present and future of the respective company. Further, this is secured by first *pari passu* charge by way of mortgage on immovable fixed assets both present and future of the respective company.
 - Term Loans aggregating to ₹ 4,250.00 lakh (previous year ₹ Nil lakh) are repayable in 17 equal quarterly instalments from April 2023 to April 2027.
 - Term Loans aggregating to ₹ 1,645.00 lakh (previous year ₹ Nil lakh) are repayable in 24 equal quarterly instalments from May 2024 to Feb 2030.
 - Term Loans aggregating to ₹ 8,320.00 lakh (previous year ₹ Nil lakh) are repayable in 13 instalments from May 2023 to May 2026.
 - Term Loans aggregating to ₹ 26,098.36 lakh (previous year ₹ Nil lakh) are repayable in 15 instalments from April 2023 to October 2026

[^] Interest rate ranging from 1 year MCLR+8 bps to 3 month T- Bill + 230 bps to 235 bps

NOTE 21 - NON-CURRENT FINANCIAL LIABILITIES - LEASE LIABILITIES

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Lease liability (refer note 48)	21,357.10	20,888.05
	21,357.10	20,888.05

NOTE 22 - NON-CURRENT FINANCIAL LIABILITIES - OTHER FINANCIAL LIABILITIES

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Trade deposits	4,954.92	3,928.80
	4,954.92	3,928.80

Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

NOTE 23 - NON-CURRENT LIABILITIES - PROVISIONS

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits		
Long-term employee benefits		
Provision for compensated absences	853.88	731.43
Provision for long service award	99.34	104.05
Provision for gratuity	0.96	0.74
Provision for warranty	381.08	356.07
	1,335.26	1,192.29

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

	(₹ in lakh)
Balance as at 1 April 2021	489.55
Additional provisions recognised (included in Other expenses)	59.98
Liability assumed on Business acquisition	64.45
Utilised during the year	-
	613.98
Less: Current provisions (refer note 29)	257.91
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.

NOTE 24 - OTHER NON-CURRENT LIABILITIES

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Employee related payables	477.08	386.74
	477.08	386.74



Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

NOTE 25 - CURRENT FINANCIAL LIABILITIES - BORROWINGS

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Secured borrowings		
From banks		
Cash credit - loans repayable on demand	1,559.95	2,143.53
Working capital demand loan	28,244.49	10,900.00
	29,804.44	13,043.53
Current maturities of long-term borrowings	8,558.13	228.59
	38,362.57	13,272.12

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

- Working capital and Cash credit facilities availed by the various entities of the group are secured by hypothecation of inventories, finished & semi-finished goods and receivables of respective entities. The Working capital facilities and Cash credit facilities are repayable on demand.
- The interest rate for Short-term borrowing ranges from 1 Month T-Bill + 120 bps to 3 month MCLR + 65 bps.

NOTE 26 - CURRENT FINANCIAL LIABILITIES - LEASE LIABILITIES

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Lease liability (refer note 48)	3,228.53	2,189.24
	3,228.53	2,189.24

NOTE 27 - TRADE PAYABLES

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Due to micro and small enterprise	5,950.16	6,884.18
Due to others*	23,771.94	18,354.80
	29,722.10	25,238.98

* Including of AGI Greenpac Limited of ₹ 255.07 lakh (previous year ₹ 4,505.82 lakh).

Ageing As at 31 March 2023

Particulars	(₹ in lakh)						Total
	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	
i MSME	32.92	3,960.33	1,869.67	72.09	5.28	9.87	5,950.16
ii Others	904.94	11,844.84	10,794.02	113.85	17.67	96.62	23,771.94
Total							29,722.10

Ageing As at 31 March 2022

Particulars	(₹ in lakh)						Total
	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	
i MSME	590.53	4,692.80	1,578.80	15.16	3.05	3.84	6,884.18
ii Others	3,714.08	12,043.45	2,295.50	180.50	16.77	104.50	18,354.80
Total							25,238.98

* Including liability assumed on Business acquisition (refer note 51).

Significant accounting policies and other explanatory information to the consolidated financial statements

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NOTE 27 - TRADE PAYABLES (Contd.)

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:

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Principal amount overdue remaining unpaid to any supplier	1,776.10	2,014.70
Interest due thereon remaining unpaid to any supplier	63.27	47.98
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	221.64	96.26
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	372.54	270.81
Liability assumed under business acquisition	-	45.24
Liability derecognised due to loss of control	-	1.28
Interest accrued and remaining unpaid	654.56	632.08

NOTE 28 - CURRENT FINANCIAL LIABILITIES - OTHER FINANCIAL LIABILITIES

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Interest accrued but not due on borrowings	72.10	32.34
Unpaid dividends [^]	7.00	6.61
Earnest money deposits	24.64	16.63
Security deposits/retention money payable	535.04	447.70
Others		
Towards capital creditors	40.25	314.75
Employee related payables	5,123.75	4,106.78
Towards expenses payable *	9,368.19	6,953.33
Financial obligation towards letter of guarantee (refer note 6)	60.48	13.00
Commission payable to directors	146.45	165.84
Gratuity payable (net obligation)	726.94	143.15
Other payables**	13,589.71	72,427.98
	29,694.55	84,628.11

[^] Not due for deposit in Investors Education and Protection Fund.

* Including of AGI Greenpac Limited of ₹ 839.51 (previous year ₹ 85.22 lakh).

** Including of AGI Greenpac Limited ₹ 1,215.52 lakh (previous year ₹ 59,095.55 lakh) (refer note 51).



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NOTE 29 - CURRENT LIABILITIES - PROVISIONS

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits		
Provision for compensated absences	311.86	283.71
Provision for long service award	10.36	263.36
Provision for gratuity	0.03	0.02
Provision for warranty (also refer note 23)	284.81	257.91
	607.06	805.00
Movement in the warranty provisions		
Balance as at the beginning of year	257.91	257.91
Additional provisions recognised (included in Other expenses)	26.90	-
Utilised during the year	-	-
Balance as at the end of year	284.81	257.91

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, services 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 2 years.

NOTE 30 - OTHER CURRENT LIABILITIES

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Advances received from customers	1,245.78	1,218.60
Payable towards statutory dues	8,104.40	7,063.53
Other payables	68.42	70.89
	9,418.60	8,353.02

NOTE 31 - REVENUE FROM OPERATIONS

Particulars	(₹ in lakh)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
i) Revenue from operations		
Sale of goods	2,79,855.53	2,25,119.84
Revenue from rendering of services	184.63	175.11
Other operating revenue @	7,286.96	4,068.25
	2,87,327.12	2,29,363.20
Segment wise revenue information		
a) Consumer products	50,085.45	43,107.25
b) Retail business	5,638.39	6,710.31
c) Building products	2,31,612.48	1,79,545.64
d) Others	-	-
Total	2,87,336.32	2,29,363.20
Less : Inter segment revenue	(9.20)	-
Total revenue from operations	2,87,327.12	2,29,363.20

Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

NOTE 31 - REVENUE FROM OPERATIONS (Contd.)

Particulars	(₹ in lakh)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
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		
Sale of goods	1,245.78	1,218.60
iii) Reconciliation of contract price vis a vis revenue recognised in profit and loss statement is as follows:-		
Contract Price		
a) Sale of goods	4,66,689.15	3,58,113.94
b) Revenue from rendering of services	184.63	175.11
c) Other operating revenue	7,286.96	4,068.25
Adjustment:-		
Discount/Rebate	1,86,833.62	1,32,994.10
Revenue recognised in the statement of profit and loss account	2,87,327.12	2,29,363.20
@ Other operating revenues comprise of:		
Sundry balances and liabilities no longer required, written back	4,548.20	2,096.68
Gain on foreign exchange fluctuations	98.15	183.55
Insurance claims received	233.27	218.11
Scrap sales	530.76	20.38
Miscellaneous receipts	1,876.58	1,549.53
	7,286.96	4,068.25

NOTE 32 - OTHER INCOME

Particulars	(₹ in lakh)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest income on financial assets	55.94	26.19
Excess balances and liabilities written back	5.86	-
Rental income	197.33	0.04
Profit on sale of current investments (net)	1.30	138.15
Profit on sale of property, plant and equipment	25.19	9.78
Gain arising on financials instruments designated as at FVTPL (net)	-	0.37
Management fee	2,827.92	1,745.48
Miscellaneous income	349.07	1,009.95
	3,462.61	2,929.96

NOTE 33 - COST OF MATERIALS CONSUMED

Particulars	(₹ in lakh)	
	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	-



Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

NOTE 34 - PURCHASES OF TRADED GOODS

Particulars	(₹ in lakh)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Sanitaryware and other products	59,593.85	1,29,864.41
Consumer appliances, home furnishing and others	33,012.26	34,646.17
	92,606.11	1,64,510.58

NOTE 35 - CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

Particulars	(₹ in lakh)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Inventories at the end of the year:		
Finished goods	9,830.04	7,126.77
Work-in-progress	3,377.17	3,639.30
Stock-in-trade	36,527.92	34,633.82
Total (A)	49,735.13	45,399.89
Inventories at the beginning of the year:		
Finished goods*	7,126.77	-
Work-in-progress*	3,639.30	-
Stock-in-trade	34,633.82	27,867.28
Total (B)	45,399.89	27,867.28
Change in stock (C=B-A)	(4,335.24)	(17,532.61)
Inventory (Finished goods and Work-in-progress) transferred under Business acquisition (refer note 51) (D)	-	10,766.07
Change due to loss of control (E)	-	(1,289.34)
Changes in inventories (F=C+D+E)	(4,335.24)	(8,055.88)

* Acquired under business acquisition (refer note 51)

NOTE 36 - EMPLOYEE BENEFITS EXPENSE

Particulars	(₹ in lakh)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries, wages and bonus	36,443.95	21,088.60
Contribution to provident funds and other funds	2,328.23	990.32
Staff welfare expenses	1,461.88	1,023.72
	40,234.06	23,102.64

NOTE 37 - FINANCE COST

Particulars	(₹ in lakh)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest expense on financial liabilities	5,810.15	725.84
Interest on lease liability (refer note 48)	1,826.86	840.31
Other borrowing cost	73.43	475.77
	7,710.44	2,041.92

Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

NOTE 38 - DEPRECIATION AND AMORTISATION

Particulars	(₹ in lakh)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation, amortisation and impairment of property, plant and equipment (also refer note 4a)	5,961.05	2,214.57
Amortisation of other intangible assets (also refer note 5a)	104.64	1,649.10
Depreciation on right of use-land and building (Refer note 4a)	4,031.93	69.83
	10,097.62	3,933.50

NOTE 39 - OTHER EXPENSES

Particulars	(₹ in lakh)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Power and fuel	11,032.74	59.28
Consumption of stores and spares	1,902.72	20.25
Consumption of packing material	4,152.33	753.12
Consumption of oil, fuel and lubricants	118.35	-
Repairs and maintenance:		
Buildings	111.01	22.81
Plant and machinery	250.28	8.43
Others	933.92	553.51
Rent (including hire charges)	786.22	1,113.98
Rates and taxes	138.15	32.19
Directors sitting fees	17.65	19.90
Expenditure on ceramic and applied research centre	166.15	-
Insurance	791.57	962.80
Travelling and conveyance	4,901.18	3,004.44
Commission on sales	162.96	367.45
Freight and forwarding charges	201.63	97.63
Advertisement and publicity	10,411.88	8,484.31
Transportation and forwarding	12,243.01	9,509.97
Sales promotion expenses*	1,233.34	663.65
Other selling expenses	2,105.90	1,712.99
Provision for expected credit loss (Refer note 13)	1,266.21	1,071.29
Provision for doubtful advances/debts	83.45	635.75
Bad debts written off	-	7.70
Corporate social responsibility expenditure	213.87	111.51
Charity and donation	0.25	5.00
Loss/(gain) on foreign exchange fluctuation	33.99	-
Loss on sale of property, plant and equipment	7.59	116.62
Legal and Professional Services	3,302.69	1,103.69
Management Fees	13.30	113.04
Miscellaneous expenses	2,125.55	1,772.03
	58,707.89	32,323.34

* Including of warranty expenses



Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

NOTE 40 - CURRENT TAX AND DEFERRED TAX

(a) Income tax expense through profit and loss

Particulars	(₹ in lakh)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Current tax:		
Current income tax charge (including Minimum alternate tax)	3,412.90	4,461.77
Minimum Alternate Tax entitlement	(367.58)	(344.81)
Earlier year income tax	7.76	-
	3,053.08	4,116.96
Deferred tax:		
In respect of current year origination and reversal of temporary differences	599.43	57.04
Total tax expense recognised in profit and loss account	3,652.51	4,174.00

(b) Income tax on other comprehensive income

Particulars	(₹ in lakh)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Current tax		
Re-measurement of defined benefit obligations	34.90	(19.26)
	34.90	(19.26)

(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 holding company at 34.944% (31 March 2022: 34.944%) and the reported tax expense in the statement of profit and loss are as follows:

Particulars	(₹ in lakh)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit before tax	10,298.51	14,437.06
Domestic tax rate for the holding Company	34.944%	34.944%
Latest statutory enacted income tax for the Company	3,598.71	5,044.89
Tax effect of:		
- Non-deductible expenses	209.47	186.13
- Differential tax rate of foreign subsidiaries	4.51	4.69
- Differential tax rate of domestic subsidiaries	(1,111.61)	(1,509.57)
- Dividend elimination	1,027.35	856.13
- Deduction u/s 80 M	-	(202.11)
- Earlier year income tax	7.76	-
Others	(83.68)	(206.16)
Income-tax recognised in statement of profit and loss	3,652.51	4,174.00

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

Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

NOTE 41 - EARNINGS PER SHARE

Particulars	(₹ in lakh)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit for the year (₹ in lakh)	5,755.21	20,168.36
Weighted average number of equity shares (nos.)	7,22,96,395	7,22,96,395
Nominal value per share (₹)	2.00	2.00
Earnings per share - basic and diluted (₹)	7.96	27.90

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

NOTE 42 - 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
Key Management Personnel (KMP)	Executive Director
	Mr. Rakesh Kaul - Whole-Time Director and CEO (ceased to be w.e.f 6 April 2023)
	Executive/ Key Managerial Personnel
	Mr. Naveen Malik - Chief Financial Officer
	Ms. Payal M Puri - Company Secretary
	Non-Executive Directors
	Mr. Sandip Somany (Non-Executive Non-Independent Director)
	Mr. Ashok Jaipuria - Independent Director
	Mr. Nand Gopal Khaitan - Independent Director
	Mr. Salil Kumar Bhandari - Independent Director
	Ms. Anisha Motwani - Independent Director
	Mr. Girdhari Lal Sultania (Additional director w.e.f. 8 February 2023 and Non-Executive Non-Independent Director w.e.f. 22 March 2023)
Relatives of Key management personnel	Ms. Sumita Somany (Wife of Mr. Sandip Somany)
Joint venture	Hintastica Private Limited (Ceased to be subsidiary w.e.f. 20 May 2021 and became 50:50 joint venture ("JV") between the Company and Groupe Atlantic.
Entities where significant influence is exercised by KMP and/or their relatives having transactions with the Company	Khaitan & Co., LLP SHIL Employee gratuity fund
Corporate Social Responsibility	HSIL Corporate Social Responsibility Foundation
Post employment benefit plan	SHIL Employee gratuity fund Brilloca Employee Gratuity Fund
Others	AGI Greenpac Limited (formerly known as "HSIL Limited")

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



Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

NOTE 42 - RELATED PARTY TRANSACTIONS (Contd.)

Particulars	(₹ in lakh)			
	Joint Venture		Entities where significant influence is exercised by KMP and/or their relatives having transactions with the Company	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Transactions during the year*				
1. Sale of goods to				
AGI Greenpac Limited	-	-	7.26	315.21
Hintastica Private Limited	111.33	204.11	-	-
2. Sale of property plant & equipment to				
AGI Greenpac Limited	-	-	-	1.17
Hintastica Private Limited	2.67	7.33	-	-
3. Purchase of property plant & equipment from				
AGI Greenpac Limited	-	-	-	8.91
4. Purchase of goods from				
AGI Greenpac Limited	-	-	7,067.95	93,038.71
5. Reimbursement of expenses paid to				
AGI Greenpac Limited	-	-	1,025.69	222.73
6. Reimbursement of expenses received from				
AGI Greenpac Limited	-	-	2.54	10.40
Hintastica Private Limited	172.83	52.38	-	-
7. Reimbursement of VAT / CST liability paid to				
AGI Greenpac Limited	-	-	-	96.21
8. Management support services fees received from				
AGI Greenpac Limited	-	-	2,261.43	1,716.13
Hintastica Private Limited	559.15	391.86	-	-
9. Management support services fees paid to				
AGI Greenpac Limited	-	-	-	1.48
10. Rent paid to				
AGI Greenpac Limited	-	-	2,083.18	830.60
Textool Mercantile Private Limited	-	-	-	-
11. Rent received from				
Hintastica Private Limited	160.07	122.22	-	-
12. Royalty received from				
Hintastica Private Limited	41.79	41.18	-	-
13. Contribution made				
SHIL Employee gratuity fund	-	-	63.69	44.74
Brilloca Employee Gratuity Fund	-	-	313.86	124.69
14. Corporate Social Responsibility				
HSIL Corporate Social Responsibility Foundation	-	-	213.87	30.00
15. Consultancy fees paid to				
Khaitan & Co. LLP	-	-	-	0.34
16. Security Deposit refunded				
AGI Greenpac Limited	-	-	33.62	-
17. Corporate Guarantee provided to / (released)				
Hintastica Private Limited	(2,500.00)	4,450.00	-	-

Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

NOTE 42 - RELATED PARTY TRANSACTIONS (Contd.)

Particulars	(₹ in lakh)			
	Joint Venture		Entities where significant influence is exercised by KMP and/or their relatives having transactions with the Company	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
18. Investment made in				
Equity shares of Hintastica Private Limited	899.99	2,766.39	-	-
19. Purchase of investments from				
AGI Greenpac Limited	-	-	-	1.00
20. Purchase of BPD business under slump sale				
AGI Greenpac Limited	-	-	2,671.98	69,995.55
Balances outstanding at the end of the year				
AGI Greenpac Limited - Payable				
- Slump sale	-	-	1,215.52	59,095.55
- Others	-	-	333.46	4,306.88
Khaitan & Co. LLP - Payable	-	-	-	0.08
Hintastica Private Limited				
Corporate Guarantee outstanding	6,950.00	9,450.00	-	-
Other receivable	786.81	895.68	-	-

*Exclusive of GST, wherever applicable

KEY MANAGERIAL PERSONNEL

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

Particulars	(₹ in lakh)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Short-term employee benefits [#]	1,546.20	1,951.60
Post-employment benefits		
- Defined contribution plan [§]	158.34	111.73
Total	1,704.54	2,063.33

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

[§] Including provident fund, leave encashment paid and any other benefit.

Disclosure pursuant to Regulation 34(3) read with Schedule V, part A, Clause 2(2A) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015.

Promoter/promoter group companies holding more than 10% of equity share capital of the Company:

AGI Greenpac Limited

Particulars	(₹ in lakh)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Nature of transaction*		
1. Purchase of Sanitaryware, faucet, pipe and other products	7,067.95	93,038.71
2. Sale of goods	7.26	315.21
3. Sale of assets	-	1.17
4. Purchase of investments	-	1.00



Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

NOTE 42 - RELATED PARTY TRANSACTIONS (Contd.)

Particulars	(₹ in lakh)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
5. Purchase of property plant & equipment and CWIP	-	8.91
6. Purchase of BPD business under slump sale	2,671.98	69,995.55
7. Godown rent	2,083.18	830.60
8. Security deposit received back	33.62	-
9. Management support services received	-	1.48
10. Management support services provided	2,261.43	1,716.13
11. Reimbursement of expenses received	2.54	10.40
12. Reimbursement of expenses paid to	1,025.69	222.73
13. Reimbursement of VAT/CST liability paid to	-	96.21
Balances outstanding as at the end of the year		
Payable outstanding		
- Slump sale	1,215.52	59,095.55
- Others	333.46	4,306.88

*Exclusive of GST, wherever applicable

NOTE 43 - CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF:

Particulars	(₹ in lakh)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
a) Demands raised by the service-tax authorities against which appeals have been filed	77.77	77.77
b) Demands made by the sales tax authorities against which appeals have been filed	1,198.00	1,562.12
c) Demand raised by the goods and service tax authority	189.42	189.42
d) Claims against the Group not acknowledged as debts	350.94	356.55

NOTE 44 - CAPITAL AND OTHER COMMITMENTS

Particulars	(₹ in lakh)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Commitments relating to contracts remaining to be executed on capital account and other commitments not provided for	5,142.57	6,802.95

NOTE 45 - FINANCIAL INSTRUMENTS AND RISK REVIEW

Capital management

The Group 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 20 and 25; cash and cash equivalents as disclosed in note 14 and equity attributable to equity holders of the Group, 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 Group attributable to equity holders of the Company. The Group is not subject to externally imposed capital requirements. The Board of Directors of the respective company in the Group 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 Audit Committee and the Board of Directors of the respective company in the Group.

Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

NOTE 45 - FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

The following table summarises the capital of the Company

Particulars	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Equity	57,574.30	52,636.49
Liquid assets (cash and cash equivalent and current investments) (a)	919.90	5,356.83
Current borrowings (note 25)	29,804.44	13,043.53
Non-current borrowings (note 20)	32,805.23	1,050.00
Current maturities of non-current borrowings (refer note 25)	8,558.13	228.59
Total debt (b)	71,167.80	14,322.12
Net debt [c = (b) - (a)]	70,247.90	8,965.29
Total capital (equity+net debt)	1,27,822.20	61,601.78
Gearing ratio		
Debt to equity	124%	27%
Net debt to equity ratio	122%	17%

Categories of financial instruments

Categories of financial assets/(liabilities)

Particulars	Notes	(₹ in lakh)					
		As at 31 March 2023			As at 31 March 2022		
		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	37,761.01	-	-	30,589.60	-	-
Other financial assets	7, 16	2,328.88	-	-	2,700.69	-	-
Cash and bank balances	14, 15	926.90	-	-	2,654.38	-	-
Investments in Hintastica Private Limited	6	8,793.54	-	-	8,733.77		
Investments	6	1.01	-	-	1.01	-	-
Total		49,811.34	-	-	44,679.45	-	-
Financial assets at fair value through profit and loss							
Investments	12	-	-	-	2,709.06	0.37	-
Total		-	-	-	2,709.06	0.37	-
Total financial assets		49,811.34	-	-	47,388.51	0.37	-
Financial liabilities measured at amortised cost							
Current payables	25, 27, 28	97,779.22	-	-	1,23,139.21	-	-
Lease	21, 26	24,585.63	-	-	23,077.29		
Non-current payables	22	4,954.92	-	-	3,928.80	-	-
Non-current borrowings	20	32,805.23	-	-	1,050.00	-	-
Financial liabilities measured at amortised cost		1,60,125.00	-	-	1,51,195.30	-	-
Total financial assets/(liabilities)		(1,10,313.66)	-	-	(1,03,806.79)	0.37	-



Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

NOTE 45 - FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

Financial risk management objective

The Group is exposed to various risks in relation to financial instruments. The main types of risks are market risk, credit risk and liquidity risk. The Group 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 of the respective company in the Group, 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.

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 Group 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 Group 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 Group 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 Group extends credits to customer in normal course of the business. The Group 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 Group monitors the payment track record of each customer and outstanding customer receivables are regularly monitored. The Group 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 Group 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 90 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 Group 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 customers no represent more than 10 per cent of total net revenue from operations.

Expected credit loss:

The Group 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

Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

NOTE 45 - FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

Ageing of past due trade receivables

Period	(₹ in lakh)	
	As at 31 March 2023	As at 31 March 2022
Not due for payment	16,595.61	13,122.60
Up to 6 months	15,555.25	12,142.45
From 6 months to 1 year	2,292.83	1,962.39
From 1 year to 3 years	4,029.49	4,044.26
More than 3 years	4,327.51	3,091.37

Ageing of impaired trade receivables

Period	(₹ in lakh)	
	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	703.60	682.10
More than 3 years	4,327.51	3,091.37

* 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 Group objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group 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 Group 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.

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

Particulars	(₹ in lakh)				
	As at 31 March 2023				
	Notes	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	20,25	38,362.57	32,256.91	548.32	71,167.80
Current payables	26,27,28	64,275.06	-	-	64,275.06
Non-current payables	21,22	-	15,907.15	15,752.55	31,659.70
Total		1,02,637.63	48,164.06	16,300.87	1,67,102.56



Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

NOTE 45 - FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

(₹ in lakh)

Particulars	As at 31 March 2022				Total
	Notes	not later than one year	later than one year and not later than five years	later than five years	
Financial liabilities					
Borrowings - bank loans	20,25	13,272.12	1,050.00	-	14,322.12
Current payables	26,27,28	1,13,614.47	-	-	1,13,614.47
Non-current payables	21,22	-	13,821.25	17,305.47	31,126.72
Total		1,26,886.59	14,871.25	17,305.47	1,59,063.31

Market risk

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

Currency risk

The Group 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 Group transacts business primarily in Indian Rupee, USD and Euro. The Group has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk. Certain transactions of the Group 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:

Particulars		(in lakh)	
		As at 31 March 2023	As at 31 March 2022
Trade receivables	USD	3.59	2.68
Trade payables	USD	158.78	104.55
	EUR	2.43	0.18

Currency Rates	(₹ in lakh)	
	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:

Particulars		(₹ in lakh)	
		As at 31 March 2023	As at 31 March 2022
Trade receivables	USD	3.59	2.68
Trade payables	USD	158.78	104.55
	EUR	2.43	0.18

Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

NOTE 45 - FINANCIAL INSTRUMENTS AND RISK REVIEW (Contd.)

Sensitivity analysis

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

Currency	Change in currency exchange rate	Effect on profit before tax	
		31 March 2023	31 March 2022
USD	5%	(637.96)	(386.12)
	-5%	637.96	386.12
EUR	5%	(10.90)	(0.78)
	-5%	10.90	0.78

(₹ in lakh)

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

Interest rate risk

The Group'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 :

Particulars	Change in currency exchange rate	Effect on profit before tax	
		31 March 2023	31 March 2022
Long-term borrowings	0.50%	(206.82)	(6.39)
	-0.50%	206.82	6.39

(₹ in lakh)

Commodity risk

The Group 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.

Fair valuation techniques and inputs used

Financial assets	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value and sensitivity
	31 March 2023	31 March 2022				
Current investments	-	2,709.06	1	-	-	-
Corporate guarantee	60.48	13.00	3	Option pricing method of income approach	-	-

(₹ in lakh)

Other financial instruments

The carrying amount of the financial assets and liabilities carried at amortised cost is considered a reasonable approximation of fair value.



Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

NOTE 46 - SEGMENT REPORTING

Identification of segment:

The group's operating business are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The group has accordingly identified to primary business segments i.e. building products, consumer products, and retail business.

The activities of the group are primarily limited with in the Indian Territories having no variation in risk and returns. Consequently, information in respect of geographical segment in not given.

Unallocated items: The corporate and other segment includes general corporate income and expense items, which is not allocated to any business segment.

Particulars	Building products	Consumer products	Retail business	Others	Inter segment elimination	Unallocated	(₹ in lakh)
							Total
Segment revenue							
For the year ended 31 March 2023	2,31,612.48	50,085.45	5,638.39	-	(9.20)	-	2,87,327.12
For the year ended 31 March 2022	1,79,545.64	43,107.25	6,710.31	-	-	-	2,29,363.20
Other income							
For the year ended 31 March 2023	2,906.48	1,271.61	29.64	-	(756.82)	11.70	3,462.61
For the year ended 31 March 2022	1,988.97	764.23	163.75	-	-	13.01	2,929.96
Segment results							
For the year ended 31 March 2023	17,440.70	1,032.94	(163.70)	(14.12)	-	(286.87)	18,008.95
For the year ended 31 March 2022	15,798.98	570.48	417.47	(31.65)	-	(276.31)	16,478.97
Interest expenses							
For the year ended 31 March 2023							7,710.44
For the year ended 31 March 2022							2,041.92
Exceptional item							
For the year ended 31 March 2023	-	-	-	-	-	-	-
For the year ended 31 March 2022	-	-	-	-	-	10,086.09	10,086.09
Income tax (including deferred tax)							
For the year ended 31 March 2023							3,652.51
For the year ended 31 March 2022							4,174.00
Profit after tax							
For the year ended 31 March 2023							6,646.00
For the year ended 31 March 2022							20,349.15

Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

NOTE 46 - SEGMENT REPORTING (Contd.)

							(₹ in lakh)
Particulars	Building products	Consumer products	Retail business	Others	Inter segment elimination	Unallocated	Total
Share in profit/(loss) from joint venture							
For the year ended 31 March 2023							(890.79)
For the year ended 31 March 2022							(180.79)
Total profit/(loss)							
For the year ended 31 March 2023							5,755.21
For the year ended 31 March 2022							20,168.36
Other information							
Segment assets							
31 March 2023	1,78,143.32	39,653.82	4,153.43	47.62	-	8,267.11	2,30,265.30
31 March 2022	1,57,775.19	42,514.17	4,866.12	38.99	-	9,374.37	2,14,568.84
Segment liabilities							
31 March 2023	1,39,668.60	29,852.65	1,806.47	3.01	-	632.27	1,71,963.00
31 March 2022	1,24,456.20	33,349.28	3,989.54	1.14	-	136.20	1,61,932.36
Capital expenditure							
For the year ended 31 March 2023	16,218.19	1,430.16	36.89	-	-	-	17,685.24
For the year ended 31 March 2022	2,301.21	921.35	10.47	-	-	-	3,233.03
Assets acquired through Business acquisition							
For the year ended 31 March 2023	2,671.98	-	-	-	-	-	2,671.98
For the year ended 31 March 2022	46,223.69	-	-	-	-	-	46,223.69
Depreciation and amortisation							
For the year ended 31 March 2023	8,281.81	1,438.51	373.53	3.77	-	-	10,097.62
For the year ended 31 March 2022	2,508.36	1,175.21	245.97	3.96	-	-	3,933.50
Other non-cash expenses							
Provision for doubtful debts and advances							
For the year ended 31 March 2023	918.47	438.83	(7.64)	-	-	-	1,349.66
For the year ended 31 March 2022	1,459.38	300.62	(52.96)	-	-	-	1,707.04



Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

NOTE 47 - EMPLOYEE BENEFITS

A. Defined contribution plan

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

The Group contribution to Provident Fund and Superannuation Fund aggregating to ₹ 1,395.64 lakh (previous year ₹ 760.24 lakh) has been recognised in the Statement of Profit and Loss under the head Employee Benefits Expense.

B. Defined benefit plans

Gratuity

The Group 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 respective 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 Group makes annual contribution to the group gratuity scheme administered by the Birla Sun Life Insurance Group Limited.

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

Particulars	(₹ in lakh)	
	Gratuity (Funded plan)	
	31 March 2023	31 March 2022
Current service cost	363.30	214.52
Net interest expense/(income)	1.31	2.72
Plan Amendment	461.43	-
Components of defined benefit costs recognised in profit or loss	826.04	217.24
Net actuarial (gain)/loss	41.27	(83.83)
Expected return on plan assets excluding interest income	94.02	12.21
Components of defined benefit costs recognised in other comprehensive income	135.29	(71.62)
I. Net asset/(liability) recognised in the balance sheet as at 31 March		
1. Present value of defined benefit obligation	3,157.60	2,373.33
2. Fair value of plan assets	2,430.66	2,230.18
3. Deficit	726.94	143.15
4. Current portion of the above	726.94	143.15
5. Non-Current Portion of the above	-	-
II. Change in the obligation during the year ended 31 March		
1. Present value of defined benefit obligation at the beginning of the year	2,373.33	766.89
2. Expenses recognised in the statements of profit and loss		
- Current service cost	363.30	214.52
- Interest expense	162.57	52.18
- Plan Amendment	461.43	
3. Recognised in other comprehensive income		
- Actuarial (gain)/loss arising from experience adjustments	11.07	(62.97)
- Actuarial (gain)/loss arising from financial assumption	30.20	(20.86)
4. Benefit payments	(244.30)	(110.48)
5. Liability assumed on Business acquisition (refer note 51)		1,534.05
Present value of defined benefit obligation at the end of the year	3,157.60	2,373.33

Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

NOTE 47 - EMPLOYEE BENEFITS (Contd.)

Particulars	(₹ in lakh)	
	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	2,230.18	674.44
2. Recognised in the statement profit and loss		
- Expected return on plan assets	161.26	49.46
3. Recognised in other comprehensive income		
- Actual return on plan assets in excess of the expected return	(94.02)	(12.21)
4. Contributions by employer (including benefit payments recoverable)	377.54	149.30
5. Benefit payments	(244.30)	(110.45)
6. Assets transferred under Business acquisition (refer note 51)		1,479.64
7. Fair value of plan assets at the end of the year	2,430.66	2,230.18

Particulars	(₹ in lakh)	
	Gratuity (Unfunded plan)	
	31 March 2023	31 March 2022
Current service cost	0.13	0.07
Net interest expense/(income)	0.06	0.06
Components of defined benefit costs recognised in profit or loss	0.19	0.13
Net actuarial (gain)/loss	0.04	(0.62)
Expected return on plan assets excluding interest income	-	-
Components of defined benefit costs recognised in other comprehensive income	0.04	(0.62)
II. Change in the obligation during the year ended 31 March		
1. Present value of defined benefit obligation at the beginning of the year	0.76	11.85
2. Defined benefit obligation received on account of business acquisition	-	(10.16)
3. Expenses recognised in the statements of profit and loss		
- Current service cost	0.13	0.07
- Interest expense	0.06	0.06
4. Recognised in other comprehensive income		
- Actuarial (gain)/loss arising from experience adjustments	-	-
- Actuarial (gain)/loss arising from financial assumption	0.04	(0.62)
5. Benefit payments		(0.44)
6. Present value of defined benefit obligation at the end of the year	0.99	0.76

IV. The major categories of plan assets

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

V. Actuarial assumptions

Particulars	31 March 2023	31 March 2022
1. Discount rate	7.23%-7.24%	7.32%-7.37%
2. Expected rate of increase in compensation level	6.50%	6.50%
3. Expected rate of return on plan assets	7.23%-7.24%	7.32%-7.37%
4. Attrition rate	1.00%	1.00%
5. Mortality table	IALM 2012-14	IALM 2012-14
6. Superannuation age	58	58



Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

NOTE 47 - EMPLOYEE BENEFITS (Contd.)

VI. Sensitivity analysis

Particulars	As at 31 March 2023		As at 31 March 2022	
	Change in assumption	Effect on gratuity obligation	Change in assumption	Effect on gratuity obligation
	Discount rate	0.50%	(142.46)	0.50%
	-0.50%	154.65	-0.50%	53.72
Expected rate of increase in compensation level	0.50%	154.33	0.50%	51.09
	-0.50%	(143.40)	-0.50%	(47.09)

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:

Particulars	(₹ in lakh)				
	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
1. Defined benefit obligation	3,157.60	2,373.33	766.88	730.09	537.84
2. Fair value of plan assets	2,430.66	2,230.18	674.44	562.57	526.31
3. Surplus/(deficit)	(726.94)	(143.15)	(92.44)	(167.52)	(11.53)
4. Experience adjustment on plan liabilities gain/(loss)	(11.07)	62.97	14.66	46.61	79.00

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.

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

Particulars	(₹ in lakh)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Amounts recognised in the balance sheet		
Non-current (refer note 23)	853.88	731.43
Current (refer note 29)	311.86	283.71
	1,165.74	1,015.15
Amounts recognised in the statement of profit and loss		
Current service cost	241.80	191.27
Interest cost	72.88	36.45
Actuarial loss	147.42	226.88
Total included in employee benefits expense	462.10	454.60
Reconciliation of opening and closing balances of benefit obligations		
Change in benefit obligation		
Defined benefit obligation at the beginning of the year	1,015.15	547.47
Interest cost	72.88	36.45
Defined benefit obligation on account of business acquisition	-	-
Current service cost	241.80	191.27
Benefits paid	(311.51)	(232.81)
Actuarial loss	147.42	226.88
Defined benefit obligation derecognised on account of loss of control	-	(11.31)
Liability assumed on Business acquisition	-	257.20
Defined benefit obligation at the end of the year	1,165.74	1,015.15

Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

NOTE 48 - IND AS 116 LEASES

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 recognised on a straight line basis over the term of the relevant lease.

The following is the break-up of current and non-current lease liabilities as at March 31, 2023:

Particulars	(₹ in lakh)	
	31 March 2023	31 March 2022
Current lease liabilities	3,228.53	2,189.24
Non-current lease liabilities	21,357.10	20,888.05
Total	24,585.63	23,077.29

The following is the movement in lease liabilities during the year ended March 31, 2023:

Particulars	(₹ in lakh)	
	31 March 2023	31 March 2022
Balance at the beginning	23,077.29	5,304.50
Addition	5,713.55	20,198.39
Finance cost accrued during the period	1,826.86	840.31
Deletions/adjustment	(1,264.36)	(1,294.11)
Payment of lease liabilities	(4,767.71)	(1,891.60)
Saving in lease rent	-	(80.20)
Balance at the end	24,585.63	23,077.29

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2023 on an undiscounted basis:

Particulars	(₹ in lakh)	
	31 March 2023	31 March 2022
Less than one year	4,858.41	3,747.38
One to five years	15,907.15	13,821.25
More than five years	10,797.63	13,376.67
Total	31,563.19	30,945.30

Rental expense recorded for short-term leases was ₹ 786.22 lakh (Previous year ₹ 1,113.98 lakh) for the year ended March 31, 2023.



Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

NOTE 49 - FINANCIAL INSTRUMENT BY CATEGORY

(₹ in lakh)

Particulars	As at 31 March 2023			As at 31 March 2022		
	FVTOCI	FVTPL	Amortised cost	FVTOCI	FVTPL	Amortised cost
Non-current financial assets						
Investments [^]	-	-	8,794.55	-	-	8,734.78
Other financial assets	-	-	893.00	-	-	931.88
Current financial assets						
Investments	-	-	-	-	2,709.06	-
Trade receivable	-	-	37,761.01	-	-	30,589.60
Cash and cash equivalents	-	-	919.90	-	-	2,647.77
Bank balances other than cash and cash equivalents	-	-	7.00	-	-	6.61
Other financial assets	-	-	1,435.88	-	-	1,768.81
Total financial assets	-	-	49,811.34	-	2,709.06	44,679.44
Non-current financial liabilities						
Non-current borrowings	-	-	32,805.23	-	-	1,050.00
Non-current lease liabilities	-	-	21,357.10	-	-	20,888.05
Other financial liabilities	-	-	4,954.92	-	-	3,928.80
Current financial liabilities						
Current borrowings	-	-	38,362.57	-	-	13,272.12
Current lease liabilities	-	-	3,228.53	-	-	2,189.24
Trade payables	-	-	29,722.10	-	-	25,238.98
Other financial liabilities	-	-	29,694.55	-	-	84,628.11
Total financial liabilities	-	-	1,60,125.00	-	-	1,51,195.30

[^] Including deemed equity contribution

Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

NOTE 50 - ADDITIONAL INFORMATION TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH 2023 (PURSUANT TO SCHEDULE III TO THE COMPANIES ACT, 2013)

Name of the entity	Net assets i.e. total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit and loss	Amount	As a % of consolidated profit and loss	Amount	As a % of consolidated profit and loss
Parent								
Hindware Home Innovation Limited	12,654.48	21.70	1,060.40	18.42	(5.60)	5.69	1,054.80	18.65
Indian Subsidiaries								
Evok Homes Private Limited	(183.47)	(0.31)	(271.31)	(4.71)	(0.03)	0.03	(271.34)	(4.80)
Hindware Limited	40,947.11	70.24	8,800.41	152.92	(94.81)	96.36	8,705.60	153.90
Luxxis Heating Solutions Private Limited*	-	-	-	-	-	-	-	-
Trufflo Pipes Limited	18.80	0.03	(1.20)	(0.02)	-	-	(1.20)	(0.02)
Foreign Subsidiaries								
Halis International Limited	12.31	0.02	(7.33)	(0.13)	(0.97)	0.98	(8.30)	(0.15)
Queo Bathroom Innovations Limited	18.76	0.03	(5.58)	(0.10)	(0.10)	0.10	(5.68)	(0.10)
Less: Adjustment due to consolidation	4,106.31	7.04	(2,975.59)	(51.70)	2.40	(2.44)	(2,973.19)	(52.56)
Joint Venture:								
Hintastica Private Limited	-	-	(890.79)	(15.48)	3.09	(3.14)	(887.70)	(15.69)
Minority interest in all subsidiaries	728.00	1.25	46.20	0.80	(2.38)	2.42	43.82	0.77
Consolidated net assets / profit after tax	58,302.30	100.00	5,755.21	100.00	(98.40)	100.00	5,656.81	100.00

* Voluntarily struck off w.e.f. 28 April 2023

Additional information to consolidated financial statements as at 31 March 2022 (Pursuant to Schedule III to the Companies Act, 2013):

Name of the entity	Net assets i.e. total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit and loss	Amount	As a % of consolidated profit and loss	Amount	As a % of consolidated profit and loss
Parent								
Hindware Home Innovation Limited	11,599.68	22.04	11,354.94	56.30	7.58	14.52	11,362.52	56.19
Indian Subsidiaries								
Evok Homes Private Limited	87.87	0.17	21.43	0.11	(0.04)	(0.07)	21.39	0.11
Hindware Limited	35,172.51	66.82	11,652.31	57.78	44.88	85.99	11,697.19	57.85
Hintastica Private Limited	-	-	(224.60)	(1.11)	0.56	1.07	(224.04)	(1.11)
Luxxis Heating Solutions Private Limited	0.00	0.00	(18.24)	(0.09)	-	-	(18.24)	(0.09)
Foreign Subsidiaries								
Halis International Limited	18.67	0.04	(6.59)	(0.03)	(0.50)	(0.95)	(7.09)	(0.04)
Queo Bathroom Innovations Limited	24.44	0.05	(6.82)	(0.03)	0.02	0.03	(6.80)	(0.03)
Less: Adjustment due to consolidation	5,733.32	10.89	(2,423.27)	(12.02)	-	-	(2,423.27)	(11.98)
Joint Venture:								
Hintastica Private Limited	-	-	(180.79)	(0.90)	(0.31)	(0.59)	(181.10)	(0.90)
Total	52,636.49	100.00	20,168.36	100.00	52.19	100.00	20,220.55	100.00



Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

NOTE 51 - BUSINESS COMBINATION (ACQUISITION OF BPD MANUFACTURING OPERATIONS OF AGI GREENPAC LIMITED)

- a) The Board of Directors in their meeting held on 15 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 lakh, 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 lakh was recognised in FY 2021-22.
- b) The date of consummation of slump sale transaction was 31 March 2022, after close of business hours. After giving effect of the closing date adjustments as on 31 March 2022, the slump sale consideration was recorded at ₹ 69,995.55 lakh.
- 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 lakh been accounted for by capitalising as cost of the stated parcel of land.
- ii. Further as part of Slump sale transaction, certain assets amounting to ₹942.86 lakh been accounted for by capitalising leasehold improvement as a part of closing date adjustments.

NOTE 52 - RIGHTS ISSUE IN HINTASTICA PRIVATE LIMITED

During the year, the Company has exercised its right to subscribe 28,846 right shares of Hinstastica Private Limited (JV) of face value of ₹10 each at a premium of ₹3,110 amounting to ₹899.99 lakh.

NOTE 53 - SUBSIDIARY STRUCK-OFF

One of the non-operational subsidiary Company being Luxxis Heating Solutions Private Limited has been voluntarily struck off from Registrar of Companies w.e.f 28 April 2023

NOTE 54 - DIVIDEND

The Board of Directors have recommended a dividend of 25% i.e. ₹0.50 /- (previous year ₹0.50 /-) on equity share of ₹2/- each for the year ended 31 March 2023 subject to approval of shareholder's in the ensuing General Meeting

NOTE 55 - DISCLOSURE OF STRUCK-OFF COMPANIES

					(₹ in lakh)
Sr. No.	Name of Struck-off company (as per MCA)	Nature of transaction with struck-off company	Balance as on 31 March'2023	Balance as on 31 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
8	Phonographic Performance Limited	Purchase of Goods	1.06	-	Vendor
9	Indus Global Exim Private Limited	Purchase of Goods	(0.45)	-	Vendor
10	Excel Rasayan Private Limited	Purchase of Goods	(1.95)	-	Vendor

Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

NOTE 55 - DISCLOSURE OF STRUCK-OFF COMPANIES (Contd.)

Details of other struck off entities holding equity shares in the holding company is as below (Contd.):

Sr. No.	Name of Struck-off company	No. of shares held (In no.)	Paid-up as at 31 March 2023 (In ₹)	Paid-up as at 31 March 2022 (In ₹)
1	Rocket Investment Private Limited	7	14	14

NOTE 56

The impact of purchase on slump sale basis of Building Product Division (the "BPD") by one of the subsidiary company, Hindware Limited was accounted for on 31 March 2022. Hence, the financial statement for year ended 31 March 2023 are not comparable with the year ended 31 March 2022.

NOTE 57 - OTHER DISCLOSURES

- (a) No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- (b) The Group 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 Group 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 Group has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.
- (f) Utilisation of borrowed funds and share premium
 - (i) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
 - (b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
 - (ii) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- (g) 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.



Significant accounting policies and other explanatory information to the consolidated financial statements

for the year ended 31 March 2023

NOTE 58 - 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. Group 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 59 - Previous period figures have been regrouped /re-arranged wherever considered necessary to confirm to the current year's classification.

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
DIN: 00053597

Shyamal Kumar

Partner
M. No.: 509325
Place: Delhi
Date: 24 May 2023

Payal M Puri

Company Secretary
ACS No.: 16068

Naveen Malik

Chief Financial Officer

Place: Gurugram
Date: 24 May 2023

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**

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 share-holding (including stepped down subsidiary holding)
1	Evok Homes Private Limited (Subsidiary of Hindware Home Innovation Limited)		INR	64.00	(247.47)	671.55	855.02	-	522.64	(359.61)	(88.30)	(271.31)	(0.03)	(271.34)	-	100%
2	Hindware Limited (Subsidiary of Hindware Home Innovation Limited)		INR	989.00	39,958.11	1,80,719.85	1,39,772.74	1.01	2,31,612.48	11,731.66	2,931.25	8,800.41	(94.81)	8,705.60	2,967.00	98.2%
3	Halis International Ltd. (Subsidiary of Hindware Limited)		USD 1 = INR 82.2169	2,010.62	(1,998.32)	13.54	1.23	-	-	(7.33)	-	(7.33)	(0.97)	(8.30)	-	98.2%
4	Luxis Heating Solutions Ltd. ^ (Subsidiary of Hindware Limited)	Reporting period is same as holding company														
5	Queo Bathroom Innovations Ltd. (Subsidiary of Halis International)	Reporting period is same as holding company	GBP 1 = INR 101.8728	5.35	13.40	21.29	2.54	-	-	(5.58)	-	(5.58)	(0.10)	(5.68)	-	98.2%
6	Truflo Limited (Subsidiary of Hindware Limited)		INR	20.00	(1.20)	19.98	1.18	-	-	(1.20)	-	(1.20)	-	(1.20)	-	98.2%

^Struck off w.e.f. 28 April 2023

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



Form AOC-1 (Contd.)

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

Part "B" : Associates and Joint Ventures

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

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
1	Hinstastica Private Limited	Reporting period is same as Parent company	320146	3,746.86	50%	Through voting rights	Joint venture in terms of Ind AS 110	5,389.63	(890.79)	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

For and on behalf of the Board of Directors

G.L. Sultania
Director
DIN: 00060931

Sandip Somany
Chairman
DIN: 00053597

Payal M Puri
Company Secretary
ACS No.: 16068

Naveen Malik
Chief Financial Officer

Place: Gurugram
Date: 24 May 2023

HINDWARE HOME INNOVATION LIMITED

(Formerly known as Somany Home Innovation Limited)

CIN: L74999WB2017PLC222970

Registered Office: 2, Red Cross Place, Kolkata – 700 001, West Bengal, India

Phone: +91-33-2248 7404

E-mail: investors@shilgroup.com; **Website:** www.hindwarehomes.com

NOTICE

Notice is hereby given that the 6th (sixth) Annual General Meeting of the members of Hindware Home Innovation Limited (Formerly known as Somany Home Innovation Limited) will be held on Wednesday, 27 September 2023 at 1:00 P.M. (IST) 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 and the Audited Consolidated Financial Statements of the Company for the financial year ended 31 March 2023 and Auditors' Report thereon.

2. To declare Dividend on 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 the 6th 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 Annual General Meeting till conclusion of the 11th Annual General Meeting of the Company at such remuneration as set out in the explanatory statement annexed hereto.

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 to do such necessary acts, deeds, things and matters as may be considered necessary on behalf of the Company."

SPECIAL BUSINESS

5. **To consider and fix the fees for delivery of documents requested by a member through a particular mode.**

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

"RESOLVED THAT in accordance with the provisions of Section 20 of the Companies Act, 2013 read with Rule 35 of the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), consent of the members be and is hereby accorded to charge such fees from the members as an advance amount in lump sum or otherwise against any estimated or actual expenses to be incurred towards delivery of the documents, pursuant to any request made by the shareholder for delivery of such document to him, through a particular mode (including but not limited to by post or by registered post or by speed post or by courier or by electronic mode or by any other mode as may be prescribed) provided such request along with requisite fee shall be duly received by the Company at least 7 (Seven) days in advance of the dispatch of document by the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company or any Committee thereof 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."

By order of the Board

For Hindware Home Innovation Limited
(Formerly known as Somany Home Innovation Limited)

(Payal M Puri)

Company Secretary &

Sr. V. P. Group General Counsel

Membership No. A16068

Place : Gurugram

Date : 24 May 2023

**NOTES:**

1. Explanatory Statement setting out the material facts concerning to Item Nos. 4 and 5 to be transacted at the Annual General Meeting pursuant to Section 102 of the Companies Act, 2013, is annexed hereto and forms part of the Notice.
2. Ministry of Corporate Affairs vide its General Circular no. 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" and Securities and Exchange Board of India ("SEBI") vide its Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5 January 2023 read with Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79, SEBI/HO/CFD/CMD2/CIR/P/2021/11 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 12 May 2020, 15 January 2021 and 13 May 2022 respectively, hereinafter referred as SEBI 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 said MCA and SEBI Circulars, the 6th 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.
3. As the AGM is being conducted through VC/OAVM, in compliance with the said MCA Circulars, 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.
4. Pursuant to Section 113 of the Act, Institutional/Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the AGM, before e-voting/attending the AGM, to investors@shilgroup.com.
5. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. The Register of Members and the Share Transfer Books of the Company will remain closed from Thursday, 21 September 2023 to Wednesday, 27 September 2023 (both days inclusive) for the purpose of 6th Annual General Meeting of the Company. Dividend on Equity Shares, if declared at the meeting, will be paid to those shareholders whose names appear in the Company's Register of Members and List of Beneficial Owners as on close of business hours of Wednesday, 20 September 2023, furnished by NSDL/CDSL. The dividend, if declared, shall be paid by Thursday, 5 October 2023.
7. Dividend, if declared, at the AGM will be credited to the bank account of respective shareholders through National Electronic Clearing Service ("NECS")/ Electronic Clearing Service ("ECS") where such facility is available. Members holding shares in electronic mode are therefore requested to furnish their bank particulars in which they wish to receive dividend, through their Depository Participants ("DPs"). Members holding shares in physical form, if any, and desirous of availing the NECS/ECS facility, are requested to update their bank particulars by sending it to the Company's Registrar and Share Transfer Agent ("RTA"), M/s. Maheshwari Datamatics Private Limited, directly for instant credit of dividend and other cash entitlements.
8. SEBI vide its circular SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16 March 2023, has mandated furnishing of PAN, KYC details (i.e. address with Pin Code, email address, mobile number, bank account details and specimen signature) and nomination details by holders of securities. Effective from 1 October 2023, any service requests or complaints received from the Member, will not be processed by RTA till the aforesaid details/documents are provided to RTA. On or after 1 October 2023, in case any of the above cited documents/details are not available in the folio(s), RTA shall be constrained to freeze such folio(s). Relevant details and forms prescribed by SEBI in this regard are available on the website of the Company's RTA i.e. <https://mdpl.in/>.

Frozen folios shall be referred to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002, if they continue to remain frozen till 31 December 2025.
9. Members holding shares in physical form, and desirous of making a nomination or cancellation/variation in nomination already made in respect of their shareholding in the Company, as permitted under Section 72 of the Act, are requested to submit the prescribed Form No. SH 13 to the Registrar and Share Transfer Agent of the Company for nomination and Form No. SH 14 for cancellation/variation as the case may be. Members who are either not desiring to register for Nomination or would want to opt-out, are requested to fill out and submit Form No. ISR-3. Shareholders holding shares in demat form are also advised to avail nomination facility by submitting the prescribed form to their respective DPs.

10. As a part of 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Registrar and Share Transfer Agent ("RTA") in case the shares are held by them in physical form.
11. Electronic copy of the Notice of the AGM of the Company inter alia indicating the process and manner of remote e-voting is being sent to all Members whose email IDs are registered with the Company/Depository Participant(s) (DP) for communication purposes. For Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email address by writing to investor@shilgroup.com to receive Annual Report. Members holding shares in dematerialized mode and who have not registered their email address are requested to update their email address with the relevant DP to receive Annual Report.
12. In conformity with the MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report for the FY 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report for the FY 2022-23 are also available on the Company's website www.hindwarehomes.com, websites of National Stock Exchange of India Limited and BSE Limited i.e. www.nseindia.com and www.bseindia.com respectively and on the website of Central Depository Services (India) Limited ("CDSL") i.e. www.evotingindia.com/
13. SEBI has made it mandatory for all companies to use the bank account details furnished by the Depositories and the bank account details maintained by the Registrar and Share Transfer Agent of the Company for payment of dividend to members electronically. The Company is continuing to extend the facility of electronic credit of dividend directly to the respective bank accounts of the member(s) through ECS/NECS/Real Time Gross Settlement ("RTGS")/Direct Credit, etc.

As directed by SEBI, the Members holding shares in physical form, if any, are requested to submit particulars, in the prescribed form ISR-1, of their bank account alongwith the original cancelled cheque bearing the name of the Member to RTA/Company to update their bank account details for online payment of dividend as being declared by the Company.

Members holding shares in demat form are requested to update their bank account details with their respective Depository Participant. The Company or RTA cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participants of the Members. Further instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in the electronic mode or vice versa.

In accordance with the provisions of the Income Tax Act, 1961 as amended by the Finance Act, 2020, dividend income is taxable in the hands of shareholders w.e.f. 1 April 2020 and the Company is required to deduct tax at source ("TDS") from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/RTA (in case of shares held in physical mode) by clicking on <http://mdpl.in/form> and depositories (in case of shares held in demat mode) on or before 16 September 2023. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at higher rates as mentioned in the Finance Act, 2020.

The Resident Non-Individual Members i.e. Insurance companies, Mutual Funds and Alternative Investment Fund ("AIF") established in India and Non-Resident Non-Individual Members i.e. Foreign Institutional Investors and Foreign Portfolio Investors may alternatively submit the relevant forms/declarations/documents through their respective custodian who is registered on National Securities Depository Limited ("NSDL") platform, on or before the aforesaid timelines.

14. No request for effecting transfer of shares in physical form is being processed in terms of Press Release No. 49/2018 dated 3 December 2018 of SEBI except in case of transmission, transposition of shares subject to necessary compliances.
15. As required under Regulations 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India, the relevant information in respect of Director seeking re-appointment at the Annual General Meeting is provided herein below and forms a part of this Notice.



16. For shareholders holding shares in physical form, please send all correspondence including requests for change of address etc. to RTA of the Company.
17. The Company has designated an exclusive e-mail id "investors@shilgroup.com" for redressal of shareholders' complaints/grievances.
18. Since the AGM will be held through VC/OAVM facility, the Route Map is not annexed in this Notice.
19. Institutional Investors who are Members of the Company, are encouraged to attend and vote in the AGM through VC/OAVM facility.
20. The Board of Directors have appointed Mr. Pravin Kumar Drolia, Company Secretary in whole-time practice, Kolkata (Membership No. F2366, CP: 1362), as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
21. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting (votes cast during the AGM and votes cast through remote e-voting) and make, within two working days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same.
22. The result declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.hindwarehomes.com and on the website of CDSL www.evotingindia.com immediately. The Company shall simultaneously communicate the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.
23. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the meeting i.e. 27 September 2023.
24. 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. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 members on first come first served basis. This will not include large shareholders (shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
25. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of Listing Regulations (as amended) and MCA Circulars, the Company is providing facility of remote e-voting to its members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with CDSL for facilitating voting through electronic means, as the authorized e-voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING AND ATTENDING AGM THROUGH VC/OAVM ARE AS UNDER:

- (i) The e-voting period begins at 9.00 a.m. (IST) on Sunday, 24 September 2023 and ends at 5.00 p.m. (IST) on Tuesday, 26 September 2023. During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e. on 20 September 2023 may cast their votes electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The members who have cast their votes by remote e-voting prior to the AGM may also participate in the AGM through VC/OAVM Facility but shall not be entitled to cast their votes again.
- (iii) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9 December 2020 on e-voting facility provided by listed companies, individual shareholders holding shares in demat mode are allowed to vote through their respective demat accounts maintained with Depositories and DPs. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility.

(iv) **Login method for e-voting and attending AGM through VC/OAVM for individual shareholders holding shares in demat mode is given below:**

Type of shareholders	Login Method
Individual Shareholders holding shares in demat mode with CDSL	<p>A. Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi/Easiest are https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration or visit www.cdslindia.com and click on Login icon and select New System Myeasi.</p> <p>B. After successful login the Easi/Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-voting page of the e-voting service provider ("ESP") for casting his/her vote during the remote e-voting period or attending AGM through VC/OAVM and voting during the meeting. Additionally, there are also links provided to access the system of all ESPs i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the websites of ESPs directly.</p> <p>C. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration. Proceed to complete registration using your DP ID, Client ID etc. After successful registration, please follow steps given above to cast your vote.</p> <p>D. Alternatively, the users may directly access the e-Voting module of CDSL as per the following procedure: (i) Click on the link www.cdslindia.com or on https://evoting.cdslindia.com/Evoting/EvotingLogin (ii) Provide demat account number and PAN. (iii) The system will authenticate the user by sending an OTP on registered mobile number and e-mail id as recorded in the demat account.</p> <p>E. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also to directly access the system of all ESPs.</p>
Individual Shareholders holding shares in demat mode with NSDL	<p>1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a personal computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on "Access to e-Voting" under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or attending AGM through VC/OAVM and voting during the meeting.</p> <p>2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp.</p> <p>3. Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP, and a verification code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider name and you will be redirected to website of e-voting service provider for casting your vote during the remote e-voting period or attending AGM through VC/OAVM and voting during the meeting.</p>
Individual Shareholders (holding shares in demat mode) login through their Depository Participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. After successful login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider name and you will be redirected to the website of e-voting service provider for casting your vote during the remote e-voting period or attending AGM through VC/OAVM and voting during the meeting.</p>

Important note: Shareholders who are unable to retrieve User ID/Password are advised to use "Forgot User ID" and "Forgot Password" option available at abovementioned websites.

Dedicated helpdesk for individual shareholders holding shares in demat mode for any technical issues related to login/e-voting through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding shares in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33 or 022-23058738/8542/8543.
Individual Shareholders holding shares in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call on toll free no.: 1800 1020 990 and 1800 22 44 30.



(v) Login method for e-voting and attending AGM through VC/OAVM for physical shareholders and shareholders other than individual holding in demat form.

1. The shareholders should log on to the e-voting website www.evotingindia.com.
2. Click on "Shareholders" module.
3. Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in physical form, if any, should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any Company, then your existing password is to be used.
6. If you are a first time user follow the steps given below:

For physical shareholders and other than individual shareholders holding shares in demat form

PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders, if any) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or Company please enter the member id/ folio number in the Dividend Bank details field.

7. After entering these details appropriately, click on "SUBMIT" tab.
8. Shareholders holding shares in physical form, if any, will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts

for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (vi) For shareholders holding shares in physical form, if any, the details can be used only for e-voting on the resolutions contained in this Notice.
- (vii) Click on the EVSN for the relevant <Hindware Home Innovation Limited > on which you choose to vote.
- (viii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the resolution and option NO implies that you dissent to the resolution.
- (ix) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire resolution details.
- (x) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xii) You can also take a print of the votes cast by clicking on "Click here to print" option on the voting page.
- (xiii) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES AND MOBILE NUMBERS ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For physical shareholders - Please visit the link: <http://mdpl.in/form> and follow the process for updation of e-mail address and mobile no. as guided therein. The Members who update e-mail address post-dispatch of Notice of 6th AGM of the Company, may request for procedure for remote e-voting along with User ID and password to enable e-voting for this AGM. In case of any query, the Member may write to RTA of the Company at mdpldc@yahoo.com.
2. For demat shareholders - Shareholders shall update their e-mail addresses and mobile numbers in respect of electronic holdings with their concerned depository participants by following due procedure as advised by them.

INSTRUCTIONS FOR MEMBERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. The link for VC/OAVM will be available in shareholder/ members login where the EVSN of Company will be displayed.
2. Members are encouraged to join the AGM through Laptops/IPads for better experience.
3. Further members will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting.
4. Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at investors@shilgroup.com by Saturday, 16 September 2023. Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. The members are also requested to send their queries, if any, by Saturday, 16 September 2023 mentioning their name, demat account number/folio number, email id, mobile number at investors@shilgroup.com.

INSTRUCTIONS FOR MEMBERS FOR E-VOTING DURING THE AGM ARE AS UNDER:

1. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those members, who are present in the AGM through VC/OAVM facility and have not cast their votes on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.
3. If any votes are cast by the members through the e-voting available during the AGM and if the same members have not participated in the meeting through VC/OAVM facility, then the votes cast by such members shall be considered invalid as the facility of e-voting during the meeting is available only to the members attending the meeting.

4. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

Note for Non – Individual Members and Custodians

1. Non-Individual members (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
2. A scanned copy of the registration form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
3. After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
4. The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
5. A scanned copy of the Board Resolution and Power of Attorney ("POA") which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
6. Alternatively, Non-Individual members are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; investors@shilgroup.com, if they have voted from individual tab and not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM and e-voting from the CDSL e-voting system, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33 or 022-23058738/8542/8543.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on toll free no. 1800 22 55 33 or 022-23058738/8542/8543.



EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 4

This Explanatory Statement is in terms of Regulation 36(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), though statutorily not required in terms of Section 102 of the Act.

M/s. Lodha & Co., Chartered Accountants (M/s. Lodha & Co.), Firm Registration No. 301051E, were appointed as Statutory Auditors of the Company by the shareholders in the Annual General Meeting held on 6 September 2018 for a period of five consecutive years from conclusion of the 1st Annual General Meeting till conclusion of the 6th Annual General Meeting ("AGM") of the Company. Accordingly, the first term of M/s. Lodha & Co., will expire by efflux of time on conclusion of the 6th AGM of the Company.

M/s. Lodha & Co. have given their consent for their re-appointment as Statutory Auditors of the Company and have issued certificate confirming that their re-appointment, if made, will be within the limits prescribed under the provisions of Section 139 of the Companies Act, 2013 ("the Act") and the rules made thereunder. M/s. Lodha & Co. have confirmed that they are eligible for the proposed appointment under the Act, the Chartered Accountants Act, 1949 and the rules or regulations made thereunder and have also provided confirmation that they have subjected themselves to peer review process of the Institute of Chartered Accountants of India ("ICAI") and hold a valid certificate issued by the 'Peer Review Board of ICAI'.

Accordingly, based on the recommendations of the Audit Committee and the Board of Directors on their skillset, governance, independence, quality of audit and market standing, it is proposed to re-appoint M/s. Lodha & Co., Chartered Accountants as Statutory Auditors of the Company for the second term of 5 (five) consecutive years who shall hold office from the conclusion of 6th Annual General Meeting till the conclusion of 11th Annual General Meeting of the Company at an annual remuneration of ₹ 19.90 lakh plus applicable taxes and reimbursement of out of pocket expenses incurred for providing the Auditing Services for the FY 2023-2024. For the remaining tenure, the Board of Directors in consultation with the Audit Committee will determine the statutory audit fee as may be mutually agreed by the Statutory Auditors.

M/s. Lodha & Co. having its head office at 14, Government Place East, Kolkata - 700069 was founded in 1941. It has branches in Mumbai, Delhi, Hyderabad, Chennai

and Jaipur. The firm has 16 Partners. The firm provides Assurance, Taxation, Accounting and Advisory Services. It has an experience of working with several Multinational Companies, listed entities and companies with Multi-products and Services. It is empanelled with Comptroller and Auditor General of India and Reserve Bank of India and is currently eligible to carry out Statutory Audit of Maharatna and large Public Sector Banks. Further, the firm is registered with Public Company Accounting Oversight Board (PCAOB) and therefore, it is eligible to conduct the audit of Indian subsidiaries/associates of companies listed in the USA. The firm has more than 80 years of professional experience and presence in major Business Groups, Banks and various Non-Government and Government organisations in India.

The Board recommends the Resolution under item no. 4 of the accompanying notice for approval of the shareholders of the Company as an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives are interested or concerned, financially or otherwise, in the resolution.

Item No. 5

As per the provisions of Section 20 of the Companies Act, 2013, read with Rule 35 of the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), a shareholder may request for document through a particular mode, for which the shareholder shall pay such fees as an advance amount in lump sum or otherwise against any estimated or actual expenses to be incurred towards delivery of such documents as may be determined by the Company in its Annual General Meeting. Since the cost of providing documents may vary according to the mode of service, weight and its destination etc., therefore it is proposed that actual expense that may be borne by the Company for such dispatch will be paid in advance by the shareholder to the Company. Further, such request along with requisite fee shall be duly received by the Company at least 7 (Seven) days in advance of the dispatch of document by the Company.

The Board recommends passing of the Ordinary Resolution as set out under Item No. 5 of the accompanying notice for approval of the shareholders of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives are interested or concerned, financially or otherwise, in the resolution.

INFORMATION ON THE DIRECTOR SEEKING RE-APPOINTMENT PURSUANT TO THE PROVISIONS OF REGULATION 36(3) OF THE LISTING REGULATIONS AND SECRETARIAL STANDARD 2 ON GENERAL MEETINGS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA

Mr. Sandip Somany

Age	59 years
No. of shares held	60,39,731
Qualification	Commerce graduate and a diploma holder in Ceramic Manufacturing Technology from the US
Brief Resume and Nature of his Expertise in specific functional areas	<p>Mr. Sandip Somany is a Commerce Graduate and Diploma holder in Ceramic Manufacturing Technology from the US and possesses an extensive 38-years working experience in the ceramics and glass industry. He has been associated with the Company since 1985 and has been since then driving the Company to success.</p> <p>He is the Chairman of the Indian Council of Sanitaryware Manufactures (INCOSAMA). He has served as the President of the PHD Chamber of Commerce and Industry (PHDCCI) and the President of International Chamber of Commerce - (head quarter in Paris) India Chapter. He was also the President of Federation of Indian Chambers of Commerce and Industry (FICCI).</p> <p>He is the member of Audit Committee, Risk Management Committee, Nomination and Remuneration Committee and Corporate Affairs Committee of the Company.</p>
Name of listed entities in which the Directorship is held	<ol style="list-style-type: none"> AGI Greenpac Limited (Formerly known as HSIL Limited) JK Paper Limited
Chairman/Member of the Committees of Board of other listed companies	<p>Chairman Risk Management Committee</p> <ol style="list-style-type: none"> AGI Greenpac Limited (Formerly known as HSIL Limited) <p>Corporate Affairs Committee</p> <ol style="list-style-type: none"> AGI Greenpac Limited (Formerly known as HSIL Limited) <p>Member Audit Committee</p> <ol style="list-style-type: none"> JK Paper Limited <p>Nomination and Remuneration Committee</p> <ol style="list-style-type: none"> JK Paper Limited <p>Corporate Social Responsibility Committee</p> <ol style="list-style-type: none"> AGI Greenpac Limited (Formerly known as HSIL Limited)
Relationships between directors inter-se	Nil

Corporate Information

BOARD OF DIRECTORS

Mr. Sandip Somany

Chairman and
Non-Executive Director

Mr. Rakesh Kaul

Whole-time Director & CEO (Ceased
to be a Whole-time Director & CEO
w.e.f 6 April 2023)

Mr. Ashok Jaipuria

Independent Director

Mr. Nand Gopal Khaitan

Independent Director

Mr. Salil Kumar Bhandari

Independent Director

Ms. Anisha Motwani

Independent Director

Mr. Girdhari Lal Sultania

Non-Executive Non-Independent
Director

COMPANY SECRETARY

Ms. Payal M Puri

STATUTORY AUDITORS

M/s Lodha & Co.
Chartered Accountants

INTERNAL AUDITORS

M/s Protiviti India
Member Pvt. Ltd.

REGISTERED OFFICE

2, Red Cross Place,
Kolkata-700001, West Bengal
T: +91 33 22487404
E: investors@shilgroup.com

CORPORATE OFFICE

Plot No. 68, Echelon
Institutional area,
Sector -32, Gurugram,
Haryana-122001

BANKERS

Axis Bank Limited

Citibank N.A.

Federal Bank Limited

HDFC Bank Limited

Standard Chartered Bank

The Hongkong and Shanghai
Banking Corporation Limited

OWNED EVOK STORES

Delhi, Kirtinagar

Haryana, Faridabad

SOMANY IMPRESA
GROUP COMPANY

hindware
home innovation limited

REGISTERED OFFICE

2, Red Cross Place,
Kolkata - 700 001.
T: +91 33 2248 7404
E: investors@shilgroup.com

CORPORATE OFFICE

Plot No. 68, Echelon Institutional area,
Sector - 32, Gurugram,
Haryana - 122 001.
T: +91 0124 2889300