

**INDEPENDENT AUDITOR'S REPORT**

**To the Members of Hindware Limited**

**Report on Audit of the Standalone Financial Statements**

**Opinion**

We have audited the accompanying Standalone Financial Statements of Hindware Limited ("the Company"), which comprise the Standalone Balance Sheet as at 31<sup>st</sup> March 2026, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of the material accounting policies and other explanatory information (herein after referred to as " Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2026, its Profit and other 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 on the Standalone 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.

If, based on the work we have performed, we conclude that there is a material misstatement therein, we are required to report that fact.

We have nothing to report in this regard.

### **Responsibility of Management and Those Charged with Governance for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.



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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to Standalone Financial Statements 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 use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating



the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 2(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) ("the Rules").
  - c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including other comprehensive income, the Standalone Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Indian Accounting Standard) Rules, 2015 as amended.
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the maintenance of accounts and other matters connected herewith, reference is made to our remarks in paragraph 2(h)(vi) below on reporting under Rule 11(g) of the Rules.
  - g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations, on its financial position in its Standalone Financial Statements – Refer Note 49 to the Standalone Financial Statements.



- ii. The Company has made provision, as required under the applicable law or Indian Accounting Standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv.
- (i) The management has represented that, to the best of it's knowledge and belief, no funds (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 on behalf of the Ultimate Beneficiaries;
- (ii) The management has represented, that, to the best of it's 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 on behalf of the Ultimate Beneficiaries; and
- (iii) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) above as required by Rule 11(e) of Companies (Audit & Auditors) Rules, 2014, as amended, contains any material mis-statement.
- v.
- (a) The final dividend proposed in the previous financial year, declared and paid by the Company during the year, is in compliance with section 123 of the Companies Act, 2013
- (b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members in the ensuing General meeting. The amount of dividend proposed is in accordance with section 123 of the Companies Act, 2013.  
(Note No. 60).
- vi. Based on our examination, which included test checks, the Company has a widely used ERP as its accounting software for maintaining its books of account during the year ended 31 March 2026, which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year except (a) at database level the audit trail was not enabled, (b) at application level, audit trail was not enabled for relevant financial tables. Further the audit trail, to the extent maintained in the prior year has been preserved by the Company as per the Statutory requirements for record retention. Further, during the course of audit we did not come across any instance of audit trail feature being tempered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention. Also refer note no. 63 to the Financial Statements.



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

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



A handwritten signature in blue ink, appearing to be "SK" or similar initials.

**Shyamal Kumar**

Partner

Membership No: 509325

UDIN: 26509325HQMQPU3994

Place: Gurugram

Date: 11<sup>th</sup> May 2026

## Annexure – A to the Auditors’ Report

**(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the members of the Hindware Limited on the Standalone Financial Statements as of and for the year ended 31<sup>st</sup> March 2026)**

- (i) (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) As per the physical verification program, certain Property, Plant and Equipment were physically verified during the year by the Management, based on program designed to cover all the items over a period of three years in a phased manner. Accordingly, during the year, certain items have been physically verified which, in our opinion, provides for physical verification at reasonable intervals having regards to the size of the Company and the nature of its property plant and equipment. Based on information and records provided, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the property tax receipts and lease agreements and/ or registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties disclosed (except properties where the Company is the lessee and lease agreements are duly executed in the favour of the Company) in the Standalone Financial Statements and included in property, plant and equipment are held in the name of the Company as at the balance sheet date except title deed of certain immovable properties (freehold land) as indicated in the below mentioned case:

Description of Property	Gross Carrying Value (In Lakhs)	Held in Name	Whether Promoter, Director or their relative or employee	Period Held	Reason for not being held in name of Company
Land, CD-II, Bibinagar	109.42	Various parties	NA	01.04.2022	The land was acquired through a slump sale of the Building Products Division from AGI Greenpac Limited. Out of the total 59.5 acres of land acquired, 1 acre land is currently not registered in the Company's name. The formal process to mutate and transfer the title deeds into the Company's name remains pending, and the titles are currently registered in the names of various third parties.



					Although the physical possession of the said land rests with the Company, the Company has initiated legal proceedings against these respective third parties to establish and enforce its absolute legal ownership.
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- (d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.
- (e) According to the information and explanations given to us and records provided, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) As per the physical verification program, the inventories of the Company (except stock in transit) were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. Discrepancies noticed were not of 10% or more in the aggregate for each class of inventories on such physical verification of inventories when compared with books of account.
- (b) According to the information and explanations given to us and as per the records verified, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, 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:

Name of the Bank / Financial institution	Working capital/ Cash credit limit sanctioned	Nature of current assets offered as security	Quarter ended	Amount disclosed as per Stock Statement	Amount as per books of accounts	Differences	Remarks, if any
Standard Chartered Bank, The Hongkong and Shanghai Banking Corporation Limited, HDFC Bank Limited, Axis Bank Limited, Kotak Mahindra Bank Limited and The Federal Bank Limited.	75100	Stock, trade receivable, advance to suppliers	June 30, 2025	54,425	55,987	1,562	Difference inter-alia arises 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 and adjustments thereon iii. Regrouping, settlements of sales schemes items in
			September 30, 2025	59,246	60,789	1,543	
			December 31, 2025	58,619	59,383	764	
			March 31, 2026	52,402	53,813	1,411	





(b) According to the records and information & explanations given to us, details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31<sup>st</sup> March 2026 on account of disputes are given below:

Name of Statute	Nature of Due	Period	Amount Involved (in Lakhs)	Forum where Matter is Pending
Delhi Sales Tax Act, 1975	Sales Tax	2004-05 to 2010-11	41.69	Additional Commissioner
Delhi Sales Tax Act, 1975	Sales Tax	2010 to 2011 to 2014-15	73.05	Special Commissioner
CST Act	CST	2015-16	54.59	Special Commissioner, Delhi
Gujarat_CST	VAT	2016-17	40.41	Joint Commissioner Appeal, Gujrat
Gujarat_CST	VAT	2016-17	5.59	Deputy Commissioner Appeal, CCT, Ahmedabad, Gujarat
Jharkhand_VAT	VAT	2014-15	14.29	Deputy Commissioner of Commercial Taxes, South Circle, Ranchi.
Delhi Sales Tax Act, 1975	CST	2016-17	70.83	Department of Trade and Taxes, New Delhi
Delhi Sales Tax Act, 1975	VAT	2016-17	1.65	The Department of Trade and Taxes, Government of NCT of Delhi
Delhi Sales Tax Act, 1975	CST	2017-18	28.55	The Department of Trade and Taxes, Government of NCT of Delhi
Delhi Sales Tax Act, 1975	VAT	2017-18	1.84	Objecting Authority, Department of Trade and Taxes, New Delhi
Chandigarh_CST	CST	2014-15	41.14	Deputy Excise and Taxation Commissioner (Appeal), Chandigarh
Gujarat GST Act, 2017	GST	2020-21	0.83	Appellate Authority
Delhi GST Act, 2017	GST	2017-18	138.78	Joint Commissioner, Delhi
Delhi GST Act, 2017	GST	2018-19	63.71	Joint Commissioner, Delhi
Delhi GST Act, 2017	GST	2018-19	47.80	Joint Commissioner, Delhi
UP VAT Act, 2008	VAT	2016-17	349.19	Adjudicating Authority
Chandigarh_CST	CST	2012-13,13-14, 14-15,16-17	105.98	Punjab and Haryana High Court
Delhi GST Act, 2017	GST	2020-21	43.03	Sales Tax Officer, Delhi
Income Tax Act, 1961	Income Tax	2020-21	458.81	Commissioner of Income Tax (Appeals)



Delhi GST Act, 2017	GST	2021-22	1.72	Assistant Commissioner, Delhi
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- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix)(a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) To the best of our knowledge and belief and information and records provided, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
- (d) On an overall examination of the 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, associates or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its Subsidiaries or joint ventures or associate companies.
- (x)(a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (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 3(x)(b) of the Order is not applicable to the Company.
- (xi)(a) Based on the audit procedures performed and on the basis of information and explanations given by the management, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.



- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable to the Company.
- (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 procedure.
- (xv) On the basis of records made available to us and according to information and explanations given to us, the Company has not entered into non-cash transactions with the directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) As per the information and representation 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 to the Company. As per the information and representation provided by the management, the group does not have any Core Investment Company (CIC) within the group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the 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 the Company



is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company and/ or certificate with respect to meeting financial obligations by the Company as and when they fall due. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.
- (xxi) The Company has not prepared the Consolidated Financial Statements by availing the exemption mentioned in the Notification 742(E) dated 27<sup>th</sup> July 2016 issued by Ministry of Corporate Affairs and paragraph 4(a) of Ind AS 110 "Consolidated Financial Statements" and accordingly reporting under clause 3(xxi) of the Order is not applicable to the Company.

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



**Shyamal Kumar**  
Partner  
Membership No.: 509325  
Place: Gurugram  
Dated: 11<sup>th</sup> May 2026



## **ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

### **Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to Standalone Financial Statements of Hindware Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to Standalone Financial Statements 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 with reference to Standalone Financial Statements. 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 with reference to Standalone Financial Statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone



Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system with reference to Standalone Financial Statements of the Company.

### **Meaning of Internal Financial Controls with reference to Standalone Financial Statements**

A Company's internal financial control with reference to Standalone Financial Statements 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 with reference to Standalone Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

### **Limitations of Internal Financial Controls with reference to Standalone Financial Statements**

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, 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 with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



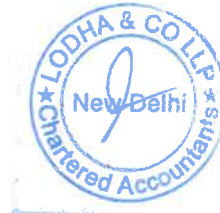
## Opinion

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 with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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



**Shyamal Kumar**  
Partner  
Membership No: 509325  
Place: Gurugram  
Dated: 11<sup>th</sup> May 2026



**Hindware Limited**  
Standalone Balance Sheet as at 31 March 2026

(₹ in lakh)

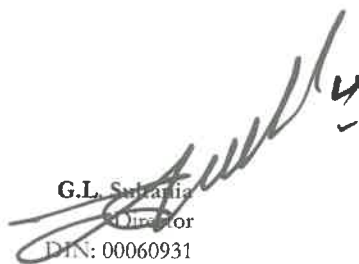
Particulars	Note	As at 31 March 2026	As at 31 March 2025
<b>ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	4	82,371.15	66,998.47
(b) Right-of-use Asset	4	12,546.57	13,778.15
(c) Capital work-in-progress	5	9,316.67	20,663.46
(d) Goodwill	6	191.00	191.00
(e) Other intangible assets	7	291.25	285.36
(f) Other intangible assets under development	8	4.48	22.63
(g) Financial assets			
(i) Investments	9	21.21	21.21
(ii) Other financial asset	10	1,082.38	959.84
(h) Income-tax assets (net)	11	42.03	-
(i) Deferred tax assets (net)	12	2,095.80	1,963.23
(j) Other non-current assets	13	596.65	1,615.25
<b>Total non-current assets</b>		<b>1,08,559.19</b>	<b>1,06,498.60</b>
<b>2 Current assets</b>			
(a) Inventories	14	53,954.07	51,016.14
(b) Financial assets			
(i) Trade receivables	15	37,193.40	41,725.44
(ii) Cash and cash equivalents	16	2,526.79	1,859.90
(iii) Bank balances other than (ii) above	17	-	23.34
(iv) Other financial assets	18	408.07	1,329.21
(c) Other current assets	19	10,913.10	9,735.07
<b>Total current assets</b>		<b>1,04,995.43</b>	<b>1,05,689.10</b>
<b>Total assets</b>		<b>2,13,554.62</b>	<b>2,12,187.70</b>
<b>EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity share capital	20	989.00	989.00
(b) Other equity	21	51,673.02	48,654.40
<b>Total equity</b>		<b>52,662.02</b>	<b>49,643.40</b>
<b>2 Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	22	35,110.43	45,282.60
(ii) Lease liabilities	23	9,994.05	10,922.10
(iii) Other financial liabilities	24	4,988.17	5,228.12
(b) Provisions	25	1,201.97	1,310.08
(c) Other non-current liabilities	26	370.39	347.54
<b>Total non-current liabilities</b>		<b>51,665.01</b>	<b>63,090.44</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	27	43,609.59	35,685.57
(ii) Lease liabilities	28	1,752.72	2,027.75
(iii) Acceptances	29	10,902.84	6,253.84
(iv) Trade payables	30		
- Due to micro and small enterprise		8,136.79	3,106.81
- Due to others		19,651.95	25,627.11
(v) Other financial liabilities	31	18,251.22	18,561.74
(b) Other current liabilities	32	6,827.02	7,632.48
(c) Provisions	33	95.46	191.55
(d) Current tax liabilities (net)	34	-	367.01
<b>Total current liabilities</b>		<b>1,09,227.59</b>	<b>99,453.86</b>
<b>Total liabilities</b>		<b>1,60,892.60</b>	<b>1,62,544.30</b>
<b>Total equity and liabilities</b>		<b>2,13,554.62</b>	<b>2,12,187.70</b>



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

For and on behalf of the Board of Directors


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

  
**G.L. Saharia**  
Director  
DIN: 00060931

  
**Sandip Somany**  
Chairman and Managing Director  
DIN: 00053597



**Shyamal Kumar**  
Partner  
M. No. 509325  
Place : Gurugram  
Date : 11 May 2026

  
**Payal M Puri**  
Company Secretary  
ACS No.: 16068

Place : Gurugram  
Date : 11 May 2026

  
**Naveen Malik**  
Chief Financial Officer



**Hindware Limited****Standalone statement of Profit and Loss for the year ended 31 March 2026**

(₹ in lakh)

Particulars	Note	For the year ended 31 March 2026	For the year ended 31 March 2025
<b>I Income</b>			
Revenue from operations	35	2,19,340.05	2,17,071.21
Other income	36	2,485.64	3,649.13
<b>Total income</b>		<b>2,21,825.69</b>	<b>2,20,720.34</b>
<b>II Expenses</b>			
Cost of materials consumed	37	71,553.15	70,445.10
Purchases of stock-in-trade	38	54,278.37	47,701.02
Changes in inventories of finished goods, stock-in-trade and work-in-progress	39	(7,198.36)	(152.63)
Employee benefits expense	40	35,678.00	36,936.87
Finance costs	41	7,335.70	8,070.31
Depreciation and amortisation expense	42	10,688.24	10,515.33
Other expenses	43	44,964.96	44,530.62
<b>Total expenses</b>		<b>2,17,300.06</b>	<b>2,18,046.62</b>
<b>III Profit before Exceptional items and tax (I-II)</b>		<b>4,525.63</b>	<b>2,673.72</b>
<b>IV Exceptional items</b>	58	(396.54)	-
<b>V Profit before tax (III - IV)</b>		<b>4,129.09</b>	<b>2,673.72</b>
<b>VI Tax expense</b>	44		
(a) Current tax		1,261.66	974.31
(b) Earlier year income tax		(112.15)	187.97
(c) Deferred tax		(121.48)	(276.52)
<b>Total tax expense</b>		<b>1,028.03</b>	<b>885.76</b>
<b>VII Profit for the year (V-VI)</b>		<b>3,101.06</b>	<b>1,787.96</b>
<b>VIII Other comprehensive income</b>			
(i) Items that will not be reclassified to profit or loss			
- Remeasurement of the defined benefit plan		(44.08)	112.05
(ii) Income-tax relating to these items		11.09	(28.20)
<b>Other comprehensive income, net of tax</b>		<b>(32.99)</b>	<b>83.85</b>
<b>IX Total comprehensive income for the year (VII + VIII)</b>		<b>3,068.07</b>	<b>1,871.81</b>
<b>X Earnings per equity share (of ₹ 2/- each)</b>			
Basic and diluted	48	6.27	3.62



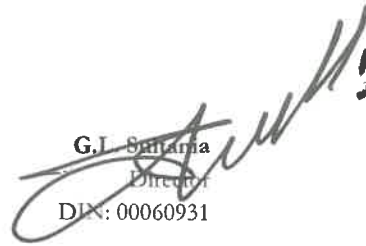
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As per our report of even date attached

For and on behalf of the Board of Directors

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




**Shyamal Kumar**  
Partner  
M. No. 509325  
Place : Gurugram  
Date : 11 May 2026




**G.I. Saraf**  
Director  
DIN: 00060931



**Payal M Puri**  
Company Secretary  
ACS No.: 16068



**Sandip Somany**  
Chairman and Managing Director  
DIN: 00053597



**Naveen Malik**  
Chief Financial Officer

Place : Gurugram  
Date : 11 May 2026



**Hindware Limited****Standalone cash flow statement for the year ended 31 March 2026**

(₹ in lakh)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
<b>Cash flows from operating activities:</b>		
Profit before tax	4,129.09	2,673.72
<b>Adjustments for:</b>		
Exceptional items (refer note 58)	396.54	-
Finance costs	7,335.70	8,070.31
Interest income	(62.94)	(437.76)
Gain on disposal of property, plant and equipment	(46.82)	(82.03)
Loss on disposal of property, plant and equipment	77.26	11.45
Net (gain) arising on current investments	-	(0.00)
Sundry balances and liabilities no longer required, written back	(1,918.35)	(1,005.16)
Provision for expected credit loss	771.08	774.46
Provision for doubtful advances	32.91	11.82
Bad debts written off	13.50	0.52
Provision for diminuation in investments	-	11.70
Depreciation and amortisation expenses	10,688.24	10,515.33
Lease concession / liability written back	(210.78)	(221.28)
Net foreign exchange Loss / (Gain)	211.39	(25.24)
<b>Operating profit before working capital changes</b>	<b>21,416.82</b>	<b>20,297.84</b>
<b>Working capital adjustments :</b>		
(Increase)/decrease in trade and other receivables	4,498.65	(8,044.05)
(Increase)/decrease in inventories	(1,728.50)	(3,408.04)
(Increase)/decrease in other assets	(1,102.29)	(410.54)
Increase/(decrease) in trade and other payables	(802.56)	10,096.03
Increase/(decrease) in acceptances	4,649.00	-
Increase/(decrease) in provisions	(289.22)	94.88
<b>Cash generated from / (used in) operations</b>	<b>26,641.90</b>	<b>18,626.12</b>
Income taxes paid	(1,559.15)	(645.25)
Income taxes refund	0.60	92.65
<b>Net cash generated from / (used in) operating activities</b>	<b>25,083.35</b>	<b>18,073.52</b>
<b>Cash flows from investing activities:</b>		
Payments to acquire financial assets	-	(0.90)
Proceeds on sale of financial assets	-	0.90
Interest income	54.98	445.31
Loan to holding company	-	(1,500.00)
Repayment of loan from holding company	-	6,000.00
Payments for property, plant and equipment	(12,308.69)	(19,622.95)
Proceeds from disposal of property, plant and equipment	179.71	339.59
Movement in other bank balances	23.34	-
<b>Net Cash generated from / (used in) investing activities</b>	<b>(12,050.66)</b>	<b>(14,338.05)</b>
<b>Cash flows from financing activities:</b>		
Proceeds from borrowings	4,718.16	16,422.94
Repayment of borrowings	(13,410.78)	(11,466.41)
Movement in short term borrowings (net)	6,444.47	(7,552.50)
Loan taken from holding company	-	9,800.00
Principal payment of lease liability	(2,015.67)	(1,964.66)
Interest payment of lease liability	(893.45)	(920.57)
Dividends paid to owners of the Company	(49.45)	(494.50)
Interest paid	(7,159.08)	(7,540.61)
<b>Net Cash generated from / (used in) financing activities</b>	<b>(12,365.80)</b>	<b>(3,716.31)</b>
<b>Net increase / (decrease) in cash and cash equivalents:</b>	<b>666.89</b>	<b>19.16</b>
Cash and cash equivalents at the beginning of the year	1,859.90	1,840.74
<b>Cash and cash equivalents at the end of the year</b>	<b>2,526.79</b>	<b>1,859.90</b>



**Hindware Limited**

Standalone cash flow statement for the year ended 31 March 2026

**The movement in liabilities from financing activities:**

Particulars	As at 31 March 2025	Cash flow	Non-cash flow changes - Other		As at 31 March 2026
			Foreign exchange	Other	
Long term borrowings	58,693.38	(8,692.62)	-	-	50,000.76
Short term borrowings	22,274.79	6,444.47	-	-	28,719.26
<b>Total liabilities from financing activities</b>	<b>80,968.17</b>	<b>(2,248.15)</b>	<b>-</b>	<b>-</b>	<b>78,720.02</b>

Particulars	As at 31 March 2024	Cash flow	Non-cash flow changes - Other		As at 31 March 2025
			Foreign exchange	Other	
Long term borrowings	43,936.85	14,756.53	-	-	58,693.38
Short term borrowings	29,827.29	(7,552.50)	-	-	22,274.79
<b>Total liabilities from financing activities</b>	<b>73,764.14</b>	<b>7,204.03</b>	<b>-</b>	<b>-</b>	<b>80,968.17</b>



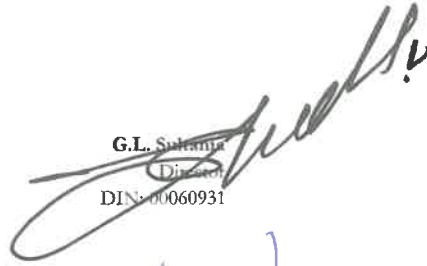
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As per our report of even date attached

For and on behalf of the Board of Directors

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



**Shyamal Kumar**  
Partner  
M. No. 509325  
Place : Gurugram  
Date : 11 May 2026



**G.L. Sultana**  
Director  
DIN: 00060931



**Payal M Puri**  
Company Secretary  
ACS No.: 16068



**Sandip Somany**  
Chairman and Managing Director  
DIN: 00053597



**Naveen Malik**  
Chief Financial Officer

Place : Gurugram  
Date : 11 May 2026



**Hindware Limited**  
**Statement of changes in equity for the year ended 31 March 2026**

Particulars	(₹ in lakh)	
	Number of shares	Amount
<b>a. Equity share capital</b>		
<b>Issued capital</b>		
Balance as at 1 April 2024	4,99,00,000	998.00
Changes in equity share capital during the year	-	-
<b>Balance as at 31 March 2025</b>	<b>4,99,00,000</b>	<b>998.00</b>
Changes in equity share capital during the year	-	-
<b>Balance as at 31 March 2026</b>	<b>4,99,00,000</b>	<b>998.00</b>
<b>Paid up capital</b>		
Balance as at 1 April 2024	4,99,00,000	989.00
Changes in equity share capital during the year	-	-
<b>Balance as at 31 March 2025</b>	<b>4,99,00,000</b>	<b>989.00</b>
Changes in equity share capital during the year	-	-
<b>Balance as at 31 March 2026</b>	<b>4,99,00,000</b>	<b>989.00</b>

Particulars	Reserves and surplus				Total
	Securities Premium Account	General Reserve	Retained Earnings	Actuarial gain / (loss)	
(₹ in lakh)					
<b>Balance as at 1 April 2024</b>	2,943.05	1,323.86	42,921.39	88.79	47,277.09
Profit for the year	-	-	1,787.96	-	1,787.96
Other comprehensive income for the year (net of income tax)	-	-	-	83.85	83.85
Total comprehensive income for the year	-	-	1,787.96	83.85	1,871.81
Payment of Dividend	-	-	(494.50)	-	(494.50)
<b>Balance as at 31 March 2025</b>	<b>2,943.05</b>	<b>1,323.86</b>	<b>44,214.85</b>	<b>172.64</b>	<b>48,654.40</b>
Profit for the year	-	-	3,101.06	-	3,101.06
Other comprehensive income for the year (net of income tax)	-	-	-	(32.99)	(32.99)
Total comprehensive income for the year	-	-	3,101.06	(32.99)	3,068.07
Payment of Dividend	-	-	(49.45)	-	(49.45)
<b>Balance as at 31 March 2026</b>	<b>2,943.05</b>	<b>1,323.86</b>	<b>47,266.46</b>	<b>139.65</b>	<b>51,673.02</b>

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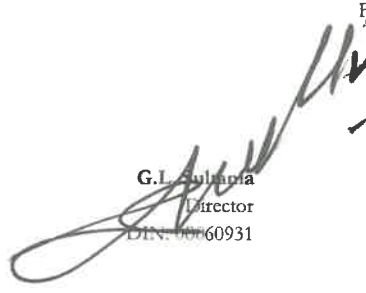


The accompanying notes form an integral part of the Standalone financial statements.  
As per our report of even date attached

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



**Shyamal Kumar**  
Partner  
M. No. 509325  
Place : Gurugram  
Date : 11 May 2026



**G.L. Gulania**  
Director  
DIN: 00060931



**Payal M Puri**  
Company Secretary  
ACS No.: 16068

For and on behalf of the Board of Directors



**Sandip Somany**  
Chairman and Managing Director  
DIN: 00053597



**Naveen Malik**  
Chief Financial Officer

Place : Gurugram  
Date : 11 May 2026



## Hindware Limited

### Material accounting policies and other explanatory information to the standalone financial statements for the year ended 31 March 2026

#### 1. Corporate information

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

These financial statements were approved and authorized for issue in accordance with the resolution of the Company's Board of Directors on 11 May 2026.

#### 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 standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. 1<sup>st</sup> April 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

In August 2025, MCA notified the following amendments to:

1. Ind AS 1, Presentation of Financial Statements, applicable w.e.f. 1<sup>st</sup> April 2025 – The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.
2. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. 1<sup>st</sup> April 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has provided additional disclosures about its supplier finance arrangement (refer note 29).
3. Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively. The Company has determined that this does not have any impact in its financial statements.



## **Hindware Limited**

### **Material accounting policies and other explanatory information to the standalone financial statements for the year ended 31 March 2026**

#### **3. Material accounting policies and other explanatory information**

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

The standalone financial statements of the Company have been prepared in accordance with Ind AS notified by the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. (as amended) and presentation requirement of division II of the schedule III of the companies act 2013. Accordingly, the standalone financial statements for the year ended 31 March 2026 are prepared complying applicable Ind AS.

##### **3.2 Historical cost convention**

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

##### **3.3 Business combinations**

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

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

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

##### **3.4 Goodwill**

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

##### **3.5 Revenue Recognition**

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



## Hindware Limited

### Material accounting policies and other explanatory information to the standalone financial statements for the year ended 31 March 2026

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

#### Sale of products:

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

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

#### Rendering of services:

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

#### Interest and dividends

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

### 3.6 Leases

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

- (i) The contract involves the use of an identified asset
- (ii) The Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) The Company has the right to direct the use of the asset.

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

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.



## **Hindware Limited**

### **Material accounting policies and other explanatory information to the standalone financial statements for the year ended 31 March 2026**

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

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

#### **3.7 Foreign currency transactions and translations**

##### **Initial recognition**

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

##### **Measurement at the balance sheet date**

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

##### **Treatment of exchange difference**

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

#### **3.8 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale.

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

#### **3.9 Employee benefits**

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

##### **Defined contribution plans**

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



## Hindware Limited

### Material accounting policies and other explanatory information to the standalone financial statements for the year ended 31 March 2026

#### Defined benefit plans

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

#### Short-term employee benefits

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

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

#### Long-term employee benefits

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

### 3.10 Taxation

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

#### Current tax

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

#### Deferred tax

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

Deferred tax liabilities are generally recognised in full, although Ind AS 12, Income Taxes, specifies limited exemptions. Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in the statement of profit or loss, except where they relate to items that are recognised in other comprehensive income or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.



## Hindware Limited

### Material accounting policies and other explanatory information to the standalone financial statements for the year ended 31 March 2026

#### 3.11 Operating cycle

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

#### 3.12 Operating expenses

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

#### 3.13(a) Property, plant and equipment

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

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

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

#### (b) Intangible assets

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

#### (c) Capital work-in-progress

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

#### 3.14 Depreciation and amortisation

Depreciation is charged on a pro-rata basis on the straight line method at rates prescribed in Schedule II to the Companies Act, 2013 and is charged to the statement of profit and loss. Freehold land is not depreciated.



## Hindware Limited

### Material accounting policies and other explanatory information to the standalone financial statements for the year ended 31 March 2026

The estimated useful life of the items of property, plant and equipment are as follows:

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

\* Vehicles are being depreciated using written down value method as per life of 8 years mentioned in Schedule II of the Act

\*\* Moulds, included in Plant and machinery, are depreciated over a lesser useful life than mentioned in above table depending on the actual use of the asset.

# Plant and machinery of the pipe division are depreciated over a life of 10 to 20 years which is different from life prescribed in Schedule II of the Act, based on independent chartered engineer certificate

^Temporary sheds, included in buildings are depreciated over a lesser useful life than mentioned in above table depending on the actual use of the asset

#### 3.15 Impairment of property, plant and equipment and intangible assets

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

#### 3.16 Investment in Associates, Joint Ventures and Subsidiaries

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

#### 3.17 Investment in Mutual Funds

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

#### 3.18 Cash and cash equivalents

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



## **Hindware Limited**

### **Material accounting policies and other explanatory information to the standalone financial statements for the year ended 31 March 2026**

#### **3.19 Cash flow statement**

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

#### **3.20 Inventories**

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

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

#### **3.21 Provisions and contingencies**

A provision is recognised in the standalone financial statements where there exists a present obligation as a result of a past event, the amount of which can be reliably estimated, and it is probable that an outflow of resources would be necessitated in order to settle the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised but are disclosed in the notes unless the outflow of resources is considered to be remote. Contingent assets are neither recognised nor disclosed in the standalone financial statements.

#### **3.22 Equity, reserves and dividend payments**

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

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

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

#### **3.23 Earnings per share**

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

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

#### **3.24 Fair value measurement**

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

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



## Hindware Limited

### Material accounting policies and other explanatory information to the standalone financial statements for the year ended 31 March 2026

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

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

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

#### 3.25 Financial instruments

##### I. Financial assets

###### a. Initial recognition and measurement

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

###### b. Subsequent measurement

###### (i) Financial assets carried at amortised cost

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

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

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

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

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

###### c. Impairment of financial assets

(i) The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its assets measured at amortised cost and assets measured at fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 45 details how the Company determines whether there has been a significant increase in credit risk.



## Hindware Limited

### Material accounting policies and other explanatory information to the standalone financial statements for the year ended 31 March 2026

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

#### **d. Derecognition of financial assets**

A financial asset is derecognised when:

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

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

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

## **II. Financial liabilities**

### **a. Initial recognition and subsequent measurement**

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

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.



## Hindware Limited

### Material accounting policies and other explanatory information to the standalone financial statements for the year ended 31 March 2026

#### 3.26 Derivative financial instruments

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

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

#### 3.27 Material accounting judgements, estimates and assumptions

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

#### Estimates and assumptions

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

##### (i) Estimation of defined benefit obligation

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

##### (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.



**Hindware Limited**

**Material accounting policies and other explanatory information to the standalone financial statements for the year ended 31 March 2026**

(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.



Hindware Limited  
Notes forming part of Standalone Financial Statements

Note 4 - Property, plant and equipment

Description of assets	(₹ in lakh)										Total
	Right of use - Land	Right of use - Building	Land- Freehold	Buildings	Lease hold improvement	Plant and equipment	Office equipment	Furniture and fixtures	Computers	Vehicles	
<b>I. Gross block</b>											
Balance as at 1 April 2024	2,576.84	20,387.06	8,910.02	11,288.70	1,020.92	45,001.93	956.70	14,550.91	1,657.08	2,293.47	1,08,643.63
Additions	-	614.12	-	438.87	613.08	3,565.38	328.12	2,949.76	301.17	427.93	9,238.43
Disposals/adjustment	-	(3,359.63)	-	-	-	(86.73)	(7.87)	(1.25)	(148.93)	(495.81)	(4,100.22)
Balance as at 31 March 2025	2,576.84	17,641.55	8,910.02	11,727.57	1,634.00	48,480.58	1,276.95	17,499.42	1,809.32	2,225.59	1,13,761.84
Additions	-	2,004.87	111.85	10,347.21	123.09	10,602.60	163.38	1,921.92	343.69	278.32	25,896.93
Disposals/adjustment	-	(2,070.41)	-	-	-	-	(20.14)	(303.39)	(153.49)	(326.66)	(2,874.09)
Balance as at 31 March 2026	2,576.84	17,576.01	9,021.87	22,074.78	1,757.09	59,083.18	1,420.19	19,117.95	1,999.52	2,177.25	1,36,804.68
<b>II. Accumulated depreciation and amortisation</b>											
Balance as at 1 April 2024	58.56	5,993.24	-	584.84	153.91	7,664.29	635.12	7,639.87	1,086.31	1,210.07	25,026.21
Depreciation and amortisation charge for the year	29.28	2,365.05	-	328.74	134.53	3,730.62	180.83	3,017.18	302.68	367.57	10,456.48
Disposals/adjustment	-	(2,005.89)	-	-	-	(33.08)	(5.53)	(1.09)	(122.61)	(309.27)	(2,477.47)
Balance as at 31 March 2025	87.84	6,352.40	-	913.58	288.44	11,361.83	810.42	10,655.96	1,266.38	1,268.37	33,005.22
Depreciation and amortisation charge for the year	29.28	2,279.99	-	410.41	207.28	4,092.96	182.58	2,791.32	297.73	326.95	10,618.50
Disposals/adjustment	-	(1,143.23)	-	-	-	-	(14.01)	(228.67)	(135.20)	(215.65)	(1,736.76)
Balance as at 31 March 2026	117.12	7,489.16	-	1,323.99	495.72	15,454.79	978.99	13,218.61	1,428.91	1,379.67	41,886.96
<b>Net block (I-II)</b>											
Balance as at 31 March 2026	2,459.72	10,086.85	9,021.87	20,750.79	1,261.37	43,628.39	441.20	5,899.34	570.61	797.58	94,917.72
Balance as at 31 March 2025	2,489.00	11,289.15	8,910.02	10,813.98	1,345.56	37,118.75	466.53	6,843.46	542.94	957.22	80,776.62

1. Refer note 22 for details of property, plant and equipment hypothecated as security by the Company.

2. Land having carrying value of ₹109.42 lakhs (previous year ₹109.42 lakhs), mutation is pending in the name of Company (refer note 65)

3. Borrowings cost have been capitalised during the year ₹653.88 lakhs (previous year ₹488.98 lakhs)



**Hindware Limited**  
Notes forming part of Standalone Financial Statements

**Note 5 - Capital work-in-progress**

Particulars	(₹ in lakh)	
	As at 31 March 2026	As at 31 March 2025
Capital work in progress*	9,316.67	20,663.46
	<b>9,316.67</b>	<b>20,663.46</b>

\*Details of pre-operative expenditure incurred during construction period :-

Particulars	(₹ in lakh)	
	As at 31 March 2026	As at 31 March 2025
<b>Opening Balance</b>	<b>831.04</b>	<b>124.31</b>
<b>Add:</b>		
Raw Material	2,764.78	49.15
Stores and spares consumed	38.71	0.36
Power and fuel	215.71	2.99
Travelling and Conveyance	35.44	23.41
Employee benefits expense	696.99	177.40
Finance costs	653.88	488.98
Rates and taxes	6.52	3.38
Repair and maintenance	6.01	0.80
Miscellaneous expenses	94.73	1.42
<b>Sub Total (A)</b>	<b>5,343.81</b>	<b>872.20</b>
<b>Less:</b>		
Sales	2,156.28	40.97
Other Income	1.59	0.19
Finished Goods	1,209.43	-
<b>Sub Total (B)</b>	<b>3,367.30</b>	<b>41.16</b>
<b>Total (A-B)</b>	<b>1,976.51</b>	<b>831.04</b>
Less: Allocated to property, plant and equipments capitalised during the year	<b>(1,976.51)</b>	<b>-</b>
<b>Total</b>	<b>-</b>	<b>831.04</b>

Details and Ageing of CWIP is as follows:-

Particulars	Amount in CWIP for a period of				Total
	(₹ in lakh)				
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Project in progress	1,478.97	7,837.70	-	-	9,316.67

Particulars	Amount in CWIP for a period of				Total
	(₹ in lakh)				
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Project in progress	16,774.30	3,815.84	73.32	-	20,663.46

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**Hindware Limited**  
Notes forming part of Standalone Financial Statements

**Note 5 - Capital work-in-progress (Continued)**

The expected completion of projects whose completion is over due is as follows: \*

Particulars	As at 31 March 2026				
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Pipes- Fire Sprinkler	1,481.85	-	-	-	1,481.85
CNC Machine	95.16	-	-	-	95.16
Fire Hydrant	277.00	-	-	-	277.00
Other Miscellaneous projects	37.20	-	-	-	37.20
<b>Total</b>	<b>1,891.21</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,891.21</b>

Particulars	As at 31 March 2025				
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Pipes- Roorkee Project	10,218.25	-	-	-	10,218.25
Pipes- PTMT Project	888.97	-	-	-	888.97
Pipes- Fire Sprinkler	1,891.50	-	-	-	1,891.50
Single Piece - Batteries	1,033.67	-	-	-	1,033.67
Solar Heating System	141.62	-	-	-	141.62
Storage Shed	83.73	-	-	-	83.73
Other Miscellaneous projects	211.19	-	-	-	211.19
<b>Total</b>	<b>14,468.93</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,468.93</b>

\* Projects are in final stage of completion

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**Hindware Limited**  
Notes forming part of Standalone Financial Statements

**Note 6 - Goodwill**

Particulars	(₹ in lakh)	
	As at 31 March 2026	As at 31 March 2025
Goodwill	191.00	191.00
	<b>191.00</b>	<b>191.00</b>

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

Particulars	(₹ in lakh)
	Amount
<b>Balance as at 1 April 2024</b>	<b>191.00</b>
Impairment for the year	-
<b>Balance as at 31 March 2025</b>	<b>191.00</b>
Impairment for the year	-
<b>Balance as at 31 March 2026</b>	<b>191.00</b>

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

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

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

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

Particulars	As at 31 March 2026	As at 31 March 2025
	Discount rate	15.68%
Terminal value of growth rate	4.00%	4.00%

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

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**Hindware Limited**  
**Notes forming part of Standalone Financial Statements**

**Note 7 - Other intangible assets**

Description of assets	(₹ in lakh)	
	Computer software	Total
<b>I. Gross block</b>		
<b>Balance as at 1 April 2024</b>	761.86	761.86
Additions	184.33	184.33
Disposals/adjustment	-	-
<b>Balance as at 31 March 2025</b>	<b>946.19</b>	<b>946.19</b>
Additions	75.63	75.63
Disposals/adjustment	-	-
<b>Balance as at 31 March 2026</b>	<b>1,021.82</b>	<b>1,021.82</b>
<b>II. Accumulated amortisation</b>		
<b>Balance as at 1 April 2024</b>	601.98	601.98
Amortisation charge for the year	58.85	58.85
Disposals/adjustment	-	-
<b>Balance as at 31 March 2025</b>	<b>660.83</b>	<b>660.83</b>
Amortisation charge for the year	69.74	69.74
Disposals/adjustment	-	-
<b>Balance as at 31 March 2026</b>	<b>730.57</b>	<b>730.57</b>
<b>Net block (I-II)</b>		
<b>Balance as at 31 March 2026</b>	291.25	291.25
<b>Balance as at 31 March 2025</b>	285.36	285.36

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**Hindware Limited**  
**Notes forming part of Standalone Financial Statements**

**Note 8 - Other Intangibles assets under development**

Particulars	(₹ in lakh)	
	As at 31 March 2026	As at 31 March 2025
Other intangible assets under development	4.48	22.63
	<b>4.48</b>	<b>22.63</b>

**Details and Ageing of other intangibles under development**

Particulars	Amount for a period of				Total
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in progress	4.48	-	-	-	4.48

Particulars	Amount for a period of				Total
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in progress	3.54	19.09	-	-	22.63

There are no projects which are overdue / over-run as at 31 March 2026 as well as 31 March 2025

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**Hindware Limited****Notes forming part of Standalone Financial Statements****Note 9 - Non current investments****(₹ in lakh)**

Particulars	As at 31 March 2026		As at 31 March 2025	
	Number	Amount	Number	Amount
<b>A) Investment in unquoted equity shares (fully paid up)</b>				
<b>Measured at Cost</b>				
<b>Investment in Others</b>				
Neycer India Limited (face value ₹10 each)	125	0.01	125	0.01
Water Management & Plumbing Skill Council (face value ₹10 each)	10,000	1.00	10,000	1.00
<b>Investment in Subsidiaries</b>				
Halis International Limited, Mauritius (face value USD 1 each)	17,05,000	782.50	17,05,000	782.50
Less : Provision for impairment of investments		<u>(782.50)</u>		<u>(782.50)</u>
Truflo Pipes Limited (face value of ₹10 each)	2,00,000	20.00	2,00,000	20.00
<b>B) Investment in unquoted preference shares (fully paid up)</b>				
<b>Measured at Cost</b>				
<b>Investment in Subsidiaries</b>				
Halis International Limited, Mauritius (face value USD 1 each)	21,06,000	1,228.15	21,06,000	1,228.15
Less : Provision for impairment of investments		<u>(1,228.15)</u>		<u>(1,228.15)</u>
<b>C) Investment in other unquoted instruments</b>				
<b>Measured at Cost</b>				
National Savings Certificates*		0.20		0.20
<b>Total investments</b>		<b>21.21</b>		<b>21.21</b>
<b>Other disclosures</b>				
Aggregate amount of unquoted investments		2,031.86		2,031.86
Aggregate amount of impairment in value of investments		2,010.65		2,010.65

\* Deposited with government authorities

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Hindware Limited  
Notes forming part of Standalone Financial Statements

Note 10 - Other non-current financial assets

Particulars	(₹ in lakh)	
	As at 31 March 2026	As at 31 March 2025
(unsecured and considered good)		
Other financial assets		
Security deposits	1,082.38	959.84
	<u>1,082.38</u>	<u>959.84</u>

Note 11 - Income Tax Assets

Particulars	(₹ in lakh)	
	As at 31 March 2026	As at 31 March 2025
Advance income tax assets	42.03	-
	<u>42.03</u>	<u>-</u>

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**Hindware Limited**  
Notes forming part of Standalone Financial Statements

**Note 12 - Deferred tax assets (net)**

Particulars	(₹ in lakh)	
	As at 31 March 2026	As at 31 March 2025
<b>Deferred tax liability arising on account of</b>		
Difference between book balance and tax balance of property, plant and equipment and Right-of-use asset (net of lease liability)	315.14	132.33
	<b>315.14</b>	<b>132.33</b>
<b>Deferred tax asset arising on account of</b>		
Provision for doubtful debts and loans and advances	1,665.31	1,462.95
Provision for employee benefits	180.61	222.11
Others	565.02	410.50
	<b>2,410.94</b>	<b>2,095.56</b>
<b>Deferred tax assets (net)</b>	<b>2,095.80</b>	<b>1,963.23</b>

Particulars	(₹ in lakh)			
	As at 1 April 2025	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at 31 March 2026
<b>Deferred tax liability arising on account of</b>				
Difference between book balance and tax balance of property, plant and equipment and Right-of-use asset (net of lease liability)	132.33	182.81	-	315.14
<b>Sub total</b>	<b>132.33</b>	<b>182.81</b>	<b>-</b>	<b>315.14</b>
<b>Deferred tax asset arising on account of</b>				
Provision for doubtful debts and loans and advances	1,462.95	202.36	-	1,665.31
Provision for employee benefits	222.11	(52.59)	11.09	180.61
Others	410.50	154.52	-	565.02
<b>Sub total</b>	<b>2,095.56</b>	<b>304.29</b>	<b>11.09</b>	<b>2,410.94</b>
<b>Net deferred tax assets</b>	<b>1,963.23</b>	<b>121.48</b>	<b>11.09</b>	<b>2,095.80</b>

Particulars	(₹ in lakh)			
	As at 1 April 2024	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at 31 March 2025
<b>Deferred tax liability arising on account of</b>				
Difference between book balance and tax balance of property, plant and equipment and Right-of-use asset (net of lease liability)	122.87	9.46	-	132.33
<b>Sub total</b>	<b>122.87</b>	<b>9.46</b>	<b>-</b>	<b>132.33</b>
<b>Deferred tax asset arising on account of</b>				
Provision for doubtful debts and loans and advances	1,281.81	181.14	-	1,462.95
Provision for employee benefits	228.19	22.12	(28.20)	222.11
Others	327.78	82.72	-	410.50
<b>Sub total</b>	<b>1,837.78</b>	<b>285.98</b>	<b>(28.20)</b>	<b>2,095.56</b>
<b>Net deferred tax assets</b>	<b>1,714.91</b>	<b>276.52</b>	<b>(28.20)</b>	<b>1,963.23</b>

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**Hindware Limited**  
**Notes forming part of Standalone Financial Statements**

**Note 13 - Other non-current assets**

<b>Particulars</b>	<b>(₹ in lakh)</b>	
	<b>As at 31 March 2026</b>	<b>As at 31 March 2025</b>
<b>(unsecured and considered good)</b>		
Capital advances	502.82	1,473.88
Considered doubtful	5.09	5.09
Less : Provision for doubtful advances	(5.09)	(5.09)
Prepaid expenses	26.54	48.45
Balances with government authorities*	64.82	92.08
Others	2.47	0.84
	<b>596.65</b>	<b>1,615.25</b>

\* Deposits against demand under dispute/legal case

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**Hindware Limited**  
Notes forming part of Standalone Financial Statements

**Note 14 - Inventories**

Particulars	(₹ in lakh)	
	As at 31 March 2026	As at 31 March 2025
<b>(valued at cost or net realisable value, whichever is lower)</b>		
Raw materials @	8,833.62	14,526.04
Work-in-progress	4,714.72	3,349.24
Finished goods	7,232.12	3,238.89
Stock in trade @	30,892.88	27,843.80
Stores and spares	1,369.23	1,203.44
Packing material	731.54	683.77
Oils, fuels, lubricants and others	179.96	170.96
	<b>53,954.07</b>	<b>51,016.14</b>
<b>@Included above, goods-in-transit:</b>		
Raw materials	19.99	306.28
Stock in trade	69.74	62.87
	<b>89.73</b>	<b>369.15</b>

Refer note 27 for information on inventory hypothecated as security by the Company

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**Hindware Limited**  
Notes forming part of Standalone Financial Statements

**Note 15 - Trade receivables**

Particulars	(₹ in lakh)	
	As at 31 March 2026	As at 31 March 2025
(i) Trade receivables considered good - Secured	932.16	1,075.78
(ii) Trade receivables considered good - Unsecured*	36,261.24	40,649.66
(iii) Trade receivables with credit impaired	5,796.98	5,025.90
	<b>42,990.38</b>	<b>46,751.34</b>
Less: Allowance for bad & doubtful debts	5,796.98	5,025.90
	<b>37,193.40</b>	<b>41,725.44</b>

\* Including of AGI Greenpac Limited of ₹0.64 lakh (previous year Nil)

**Ageing as at 31 March 2026**

Particulars	(₹ in lakh)						Total
	Not Due	Outstanding for following period from due date of payment					
		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	10,315.68	23,188.20	1,350.81	1,304.83	762.61	-	36,922.13
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	144.98	254.21	2,726.67	3,125.86
(iv) Disputed Trade Receivables– considered good	-	-	1.93	116.97	152.37	-	271.27
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	10.34	141.90	71.61	77.09	2,370.18	2,671.12
Total	10,315.68	23,198.54	1,494.64	1,638.39	1,246.28	5,096.85	42,990.38
Less: Allowance for bad & doubtful debts	-	10.34	141.90	216.59	331.30	5,096.85	5,796.98

**Ageing as at 31 March 2025**

Particulars	(₹ in lakh)						Total
	Not Due	Outstanding for following period from due date of payment					
		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	17,511.66	20,739.21	1,536.16	1,421.43	408.72	-	41,617.18
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	174.66	171.49	2,139.06	2,485.21
(iv) Disputed Trade Receivables– considered good	-	-	-	53.81	54.45	-	108.26
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	24.61	18.15	2,497.93	2,540.69
Total	17,511.66	20,739.21	1,536.16	1,674.51	652.81	4,636.99	46,751.34
Less: Allowance for bad & doubtful debts	-	-	-	199.27	189.64	4,636.99	5,025.90

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

Particulars	(₹ in lakh)	
	As at 31 March 2026	As at 31 March 2025
Opening balance	5,025.90	4,251.44
Expected credit losses provided for during the year (refer note 43)	771.08	774.46
<b>Closing Balance</b>	<b>5,796.98</b>	<b>5,025.90</b>

Trade receivables are hypothecated against the borrowings obtained by the Company as referred in note 27

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Hindware Limited  
Notes forming part of Standalone Financial Statements

Note 16 - Cash and cash equivalents

Particulars	(₹ in lakh)	
	As at 31 March 2026	As at 31 March 2025
Balances with banks	2,509.25	1,804.13
Cheques, drafts on hand	-	47.88
Cash in hand	4.54	3.78
Remittance in transit	13.00	4.11
	<u>2,526.79</u>	<u>1,859.90</u>

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

Note 17 - Other Bank Balances

Particulars	(₹ in lakh)	
	As at 31 March 2026	As at 31 March 2025
<b>Other bank balances</b>		
- Deposit with banks	-	23.34
	<u>-</u>	<u>23.34</u>

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**Hindware Limited**  
**Notes forming part of Standalone Financial Statements**

**Note 18 - Current financial assets - Other financial assets**

Particulars	(₹ in lakh)	
	As at 31 March 2026	As at 31 March 2025
<b>(unsecured and considered good)</b>		
Security deposits - Current*	40.56	111.44
Interest accrued on deposits, loans and advances	37.33	29.37
Other receivable ^	330.18	1,188.40
	<b>408.07</b>	<b>1,329.21</b>

\* Including of AGI Greenpac Limited of ₹40.56 lakh (previous year ₹40.56 lakh)

^ Including of AGI Greenpac Limited of ₹4.10 lakh (previous year ₹156.66 lakh), Hindware Home Innovation Limited of ₹117.72 lakh (previous year ₹143.35 lakh) and Hintastica Private Limited of ₹4.03 lakh (previous year ₹11.35 lakh)

**Note 19 - Other current assets**

Particulars	(₹ in lakh)	
	As at 31 March 2026	As at 31 March 2025
<b>(unsecured and considered good)</b>		
Prepaid expenses	437.14	688.51
Balances with government authorities	6,297.50	5,734.24
Others		
- Advance to suppliers	2,740.34	2,841.43
Considered doubtful	79.16	46.25
less : Provision against Advance to suppliers	(79.16)	(46.25)
- Employee advances	28.55	102.45
- Other current assets **	1,409.57	368.44
Considered doubtful	735.53	735.53
less : Provision against Advance to suppliers	(735.53)	(735.53)
	<b>10,913.10</b>	<b>9,735.07</b>

\*\* Including of Hindware Home Innovation Limited of Nil (previous year ₹ 0.05 lakh)

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Hindware Limited  
Notes forming part of Standalone Financial Statements

Note 20 - Equity share capital

Particulars	As at 31 March 2026		As at 31 March 2025	
	No. of shares	(₹ in lakh)	No. of shares	(₹ in lakh)
<b>Authorised:</b>				
Equity shares of ₹ 2 each	7,50,00,000	1,500.00	7,50,00,000	1,500.00
<b>Issued:</b>				
Equity shares of ₹ 2 each	4,99,00,000	998.00	4,99,00,000	998.00
<b>Subscribed and paid-up:</b>				
Equity shares of ₹ 2 each as fully paid-up	4,90,00,000	980.00	4,90,00,000	980.00
Equity shares of ₹ 2 each (partly paid-up ₹1 each)	9,00,000	9.00	9,00,000	9.00
	<b>4,99,00,000</b>	<b>989.00</b>	<b>4,99,00,000</b>	<b>989.00</b>

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

Particulars	As at 31 March 2026		As at 31 March 2025	
	Number	(₹ in lakh)	Number	(₹ in lakh)
Equity shares outstanding at the beginning of the year	4,99,00,000	989.00	4,99,00,000	989.00
Add: Bonus Shares issued during the year	-	-	-	-
Add: Shares issued during the year	-	-	-	-
<b>Equity shares outstanding at the end of the year</b>	<b>4,99,00,000</b>	<b>989.00</b>	<b>4,99,00,000</b>	<b>989.00</b>

(b) Statement of changes in promoters stake

Shares held by promoters^ at the end of the year

S.no	Promoter name	No of shares as on 31 March 2026	% of total holding	No of shares as on 31 March 2025	% of total holding	% change during the year
1	Hindware Home Innovation Limited #	4,91,99,509	98.5962%	4,91,99,509	98.5962%	0.00%
2	Sandip Somany *	98	0.0002%	98	0.0002%	0.00%
3	Niranjan Kumar Goenka*	98	0.0002%	98	0.0002%	0.00%
4	Girdhari Lal Sultania*	98	0.0002%	98	0.0002%	0.00%
5	Ajay Kumar Dokania*	98	0.0002%	98	0.0002%	0.00%
6	Ravi Kedia*	98	0.0002%	98	0.0002%	0.00%
7	Deepak Singh*	1	0.0000%	1	0.0000%	0.00%
	<b>Total</b>	<b>4,92,00,000</b>	<b>98.60%</b>	<b>4,92,00,000</b>	<b>98.60%</b>	<b>0.00%</b>

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

# Including 2,00,000 partly paid-up equity shares of the Company.

\* Nominee of Hindware Home Innovation Limited

(c) Terms and rights attached to equity shares

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

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**Hindware Limited**

**Notes forming part of Standalone Financial Statements**

**Note 20 - Equity share capital (contd.)**

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

Particulars	31 March 2026		31 March 2025	
	Number	% of holding	Number	% of holding
Hindware Home Innovation Limited** (including nominee)	4,92,00,000	98.60	4,92,00,000	98.60

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

\*\* Holding company

**(e) Aggregate value of Issued, Subscribed and Paid-up Share Capital as on the Balance Sheet date for the period of preceding five years includes:**

- Aggregate 2,40,00,000 Equity shares of ₹2 each allotted during the year ended March 2021, as fully paid-up bonus shares without payment being received in cash.

- Aggregate 2,45,00,000 Equity shares of ₹2 each allotted during the year ended March 2023, as fully paid-up bonus shares without payment being received in cash.

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

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Hindware Limited  
Notes forming part of Standalone Financial Statements

Note 21 - Other equity

Particulars	Reserves and surplus				Total
	Securities Premium Account	General Reserve	Retained Earnings	Actuarial gain / (loss)	
<b>Balance as on 1 April 2024</b>	2,943.05	1,323.86	42,921.39	88.79	47,277.09
Profit for the year	-	-	1,787.96	-	1,787.96
Other comprehensive income for the year (net of income tax)	-	-	-	83.85	83.85
Total comprehensive income for the year	-	-	1,787.96	83.85	1,871.81
Payment of dividend	-	-	(494.50)	-	(494.50)
<b>Balance as at 31 March 2025</b>	2,943.05	1,323.86	44,214.85	172.64	48,654.40
Profit for the year	-	-	3,101.06	-	3,101.06
Other comprehensive income for the year (net of income tax)	-	-	-	(32.99)	(32.99)
Total comprehensive income for the year	-	-	3,101.06	(32.99)	3,068.07
Payment of dividend	-	-	(49.45)	-	(49.45)
<b>Balance as at 31 March 2026</b>	2,943.05	1,323.86	47,266.46	139.65	51,673.02

**Nature and purpose of other reserve:**

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

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Hindware Limited  
Notes forming part of Standalone Financial Statements

Note 22 - Non current financial liabilities - Borrowings

Particulars	(₹ in lakh)	
	As at 31 March 2026	As at 31 March 2025
<b>Measured at amortised cost</b>		
<b>Secured:</b>		
Term loan from bank:		
Rupce loan <sup>^</sup>	40,200.76	48,893.38
<b>Unsecured:</b>		
Intercompany Loan <sup>^^</sup>	9,800.00	9,800.00
	<b>50,000.76</b>	<b>58,693.38</b>
Less: Current maturities of long term borrowing (refer note 27)	14,890.33	13,410.78
	<b>35,110.43</b>	<b>45,282.60</b>

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

- Term Loans aggregating to ₹ 1,250.00 lakh (previous financial year ₹ 2,250.00 lakh) are repayable in 5 equal quarterly instalments from April 2026 to April 2027.
- Term Loans aggregating to ₹ 3,333.33 lakh (previous financial year ₹ 4,166.67 lakh) are repayable in 16 equal quarterly instalments from May 2026 to February 2030.
- Term Loans aggregating to ₹ 1,120.00 lakh (previous financial year ₹ 3,720.00 lakh) are repayable in 1 instalment in May 2026.
- Term Loans aggregating to ₹ 4,312.50 lakh (previous financial year ₹ 4,875.00 lakh) are repayable in 19 instalments from May 2026 to November 2030.
- Term Loans aggregating to ₹ 8,308.46 lakh (previous financial year ₹ 14,690.48 lakh) are repayable in 3 instalments from April 2026 to October 2026.
- Term Loans aggregating to ₹ 5,000.00 lakh (previous financial year ₹ 5,000.00 lakh) are repayable in 24 instalments from June 2026 to March 2032.
- Term Loans aggregating to ₹ 6,500.00 lakh (previous financial year ₹ 4,629.84 lakh) are repayable in 24 instalments from March 2027 to December 2032.
- Term Loans aggregating to ₹ 2,500.00 lakh (previous financial year ₹ 4,166.67 lakh) are repayable in 6 equal quarterly instalments from June 2026 to September 2027.
- Term Loans aggregating to ₹ 4,214.00 lakh (previous financial year ₹ 1,366.00 lakh) are repayable in 24 instalments from April 2027 to January 2033.

Loan is secured by exclusive charge by way of mortgage on immovable fixed assets at World Trade Tower, New Delhi.

- Term Loans aggregating to ₹ 3,662.47 lakh (previous year ₹ 4,028.72 lakh) are repayable in 20 instalments from June 2026 to March 2031.

<sup>^</sup> Interest rate ranging from 3M T-bill + 180 bps to 3M MCLR

<sup>^^</sup> Inter corporate Loan of ₹ 9,800.00 lakh (previous financial year ₹ 9,800.00 lakh) has been received from Hindware Home Innovation Limited (Holding Company), repayable after 3 years from the date of first disbursement i.e. 6 December 2024 carrying interest rate @ HDFC 1 year MCLR +33 bps.

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**Hindware Limited**  
**Notes forming part of Standalone Financial Statements**

**Note 23 - Non-current financial liabilities - Lease liability**

<b>Particulars</b>	<b>(₹ in lakh)</b>	
	<b>As at 31 March 2026</b>	<b>As at 31 March 2025</b>
Lease liability (refer note 53)	9,994.05	10,922.10
	<b>9,994.05</b>	<b>10,922.10</b>

**Note 24 - Non-current financial liabilities - Other financial liabilities**

<b>Particulars</b>	<b>(₹ in lakh)</b>	
	<b>As at 31 March 2026</b>	<b>As at 31 March 2025</b>
Trade deposits	4,988.17	5,228.12
	<b>4,988.17</b>	<b>5,228.12</b>

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**Hindware Limited**  
**Notes forming part of Standalone Financial Statements**

**Note 25 - Non-current liabilities - Provisions**

Particulars	(₹ in lakh)	
	As at 31 March 2026	As at 31 March 2025
<b>Provision for employee benefit</b>		
Long-term employee benefits		
Provision for compensated absences	589.73	813.66
Provision for long service award	86.16	90.34
<b>Provision for warranty</b>	526.08	406.08
	<b>1,201.97</b>	<b>1,310.08</b>

(₹ in lakh)	
Particulars	Amount
<b>Details of movement in provision for warranty</b>	
<b>Balance as on 1 April 2024</b>	<b>401.08</b>
Additional provisions recognised (included in Other expenses)	5.00
Utilised during the year	-
<b>Balance as at 31 March 2025</b>	<b>406.08</b>
Additional provisions recognised (included in Other expenses)	120.00
Utilised during the year	-
<b>Balance as at 31 March 2026</b>	<b>526.08</b>

**Warranty claims:**

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

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**Hindware Limited**  
**Notes forming part of Standalone Financial Statements**

**Note 26 - Other non-current liabilities**

<b>Particulars</b>	<b>(₹ in lakh)</b>	
	<b>As at 31 March 2026</b>	<b>As at 31 March 2025</b>
Employee related payables	370.39	347.54
	<b>370.39</b>	<b>347.54</b>

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**Hindware Limited**  
Notes forming part of Standalone Financial Statements

**Note 27 - Current financial liabilities - Borrowings**

Particulars	(₹ in lakh)	
	As at 31 March 2026	As at 31 March 2025
<b>Secured borrowings</b>		
<b>From banks</b>		
Cash credit - loans repayable on demand	1,052.26	-
Working capital demand loan	25,250.00	20,800.00
	<b>26,302.26</b>	<b>20,800.00</b>
<b>Unsecured borrowings</b>		
<b>From banks</b>		
Corporate Credit Card	2,417.00	1,474.79
	<b>2,417.00</b>	<b>1,474.79</b>
Current maturities of long-term borrowings (refer note 22)	14,890.33	13,410.78
	<b>43,609.59</b>	<b>35,685.57</b>

**Details of security and term of repayment of each type of borrowings:**

- a) The interest rate for Short term borrowings ranges from REPO + 129 bps to 1 year MCLR.
- b) Working Capital and Cash credit facilities are secured by hypothecation of Inventories, finished / semi-finished goods / receivables of the Company. The working capital facilities and cash credit facilities are repayable on demand.
- c) The Company has been sanctioned a working capital limit in excess of ₹ 5 crore, in aggregate, at points of time during the year, from bank on the basis of security of current assets. The Company has filed quarterly returns or statements with the banks in lieu of the sanctioned working capital facilities, which are generally in agreement with the books of account and there has been no material discrepancy.

(₹ in lakh)							
Name of the Banks / financial institutions	Working capital/ Cash credit limit sanctioned	Nature of current assets offered as security	Quarter ended	Amount disclosed as per Stock Statement	Amount as per books of accounts	Differences	Remarks if any
Standard Chartered Bank, The Hongkong and Shanghai Banking Corporation Limited, HDFC Bank Limited, Axis Bank Limited, Kotak Mahindra Bank Limited and The Federal Bank Limited.	75100	Stock, trade receivables, advance to suppliers	June 30, 2025	54,425	55,987	(1,562)	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, 2025	59,246	60,789	(1,543)	
			December 31, 2025	58,619	59,383	(764)	
			March 31, 2026	52,402	53,813	(1,411)	

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**Hindware Limited**  
**Notes forming part of Standalone Financial Statements**

**Note 28 - Current financial liabilities - Lease liability**

Particulars	(₹ in lakh)	
	As at 31 March 2026	As at 31 March 2025
Lease liability (refer note 53)	1,752.72	2,027.75
	<u>1,752.72</u>	<u>2,027.75</u>

**Note 29 - Acceptances**

Particulars	(₹ in lakh)	
	As at 31 March 2026	As at 31 March 2025
Acceptances	10,902.84	6,253.84
	<u>10,902.84</u>	<u>6,253.84</u>

**Notes:**

- a) Acceptances are carried at interest rate ranging from 6.74% p.a. to 6.80% p.a. (previous year: 7.40% p.a. to 7.85% p.a.)  
b) The tenure of these acceptances ranges from 91 to 118 days from the date of draw down (previous year: 85 to 105 days)

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**Hindware Limited**  
Notes forming part of Standalone Financial Statements

**Note 30 - Trade payables**

Particulars	(₹ in lakh)	
	As at 31 March 2026	As at 31 March 2025
Due to Micro and Small Enterprises	8,136.79	3,106.81
Other than due to Micro and Small Enterprises *	19,651.95	25,627.11
	<b>27,788.74</b>	<b>28,733.92</b>

\* Including of AGI Greenpac Limited of ₹ 432.05 lakh (previous year ₹ 406.75 lakh), Hindware Home Innovation Limited Nil (previous year ₹ 2.86 lakh)

**Ageing as at 31 March 2026**

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 **	43.84	6,657.27	1,429.69	3.24	2.75	-	8,136.79
ii Others	336.89	9,247.26	9,959.19	49.84	33.45	25.32	19,651.95
iii Disputed-MSME	-	-	-	-	-	-	-
iv Disputed-Others	-	-	-	-	-	-	-
<b>Total</b>	<b>380.73</b>	<b>15,904.53</b>	<b>11,388.88</b>	<b>53.08</b>	<b>36.20</b>	<b>25.32</b>	<b>27,788.74</b>

**Ageing as at 31 March 2025**

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 **	16.78	2,676.34	410.83	2.86	-	-	3,106.81
ii Others	514.66	9,189.66	15,851.16	39.58	6.64	25.41	25,627.11
iii Disputed-MSME	-	-	-	-	-	-	-
iv Disputed-Others	-	-	-	-	-	-	-
<b>Total</b>	<b>531.44</b>	<b>11,866.00</b>	<b>16,261.99</b>	<b>42.44</b>	<b>6.64</b>	<b>25.41</b>	<b>28,733.92</b>

\*\* As per supply terms

**Disclosure under MSME Act, 2006 (as certified by the management)**

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, are mentioned below:

Particulars	(₹ in lakh)	
	As at 31 March 2026	As at 31 March 2025
Principal amount overdue remaining unpaid to any supplier *	775.79	83.82
Interest due thereon remaining unpaid to any supplier	14.21	3.24
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	10.39	11.04
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	149.65	130.02
Interest accrued and remaining unpaid	301.61	148.14

\* Includes dues of micro and small enterprises included within other financial liabilities.

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**Hindware Limited****Notes forming part of Standalone Financial Statements****Note 31 - Current financial liabilities - Other financial liabilities**

Particulars	(₹ in lakh)	
	As at 31 March 2026	As at 31 March 2025
Interest accrued but not due on borrowings	186.89	188.72
Earnest money deposits	8.95	13.80
Security deposits/retention money	398.76	296.93
Others		
Towards capital creditors	495.70	617.16
Employee related payables	4,988.24	5,125.55
Towards expenses payable *	3,329.14	3,252.09
Commission payable to directors	49.90	39.91
Gratuity payable (net of obligation)	630.27	709.68
Other payables ^	8,163.37	8,317.90
	<b>18,251.22</b>	<b>18,561.74</b>

\* Including payable to AGI Greenpac Limited ₹ 20.91 lakh (previous year ₹ 0.27 lakh)

^ Including payable to Hindware Home Innovation Limited ₹ 20.15 lakh (previous year ₹ 1.43 lakh) and Hintastica Private Limited ₹ 2.80 lakh (previous year ₹ 0.07 lakh)

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**Hindware Limited**  
**Notes forming part of Standalone Financial Statements**

**Note 32 - Other current liabilities**

(₹ in lakh)

Particulars	As at 31 March 2026	As at 31 March 2025
Advances received from customers	1,383.50	765.65
Payable towards statutory dues	5,443.52	6,866.83
	<b>6,827.02</b>	<b>7,632.48</b>

**Note 33 - Current liabilities - Provisions**

(₹ in lakh)

Particulars	As at 31 March 2026	As at 31 March 2025
<b>Provision for employee benefits</b>		
Provision for compensated absences	83.80	180.89
Provision for long service award	11.66	10.66
	<b>95.46</b>	<b>191.55</b>

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Hindware Limited  
Notes forming part of Standalone Financial Statements

Note 34 - Current tax liabilities (net)

Particulars	(₹ in lakh)	
	As at 31 March 2026	As at 31 March 2025
Current tax payable	-	367.01
	-	367.01

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**Hindware Limited**  
**Notes forming part of Standalone Financial Statements**

**Note 35 - Revenue from operations**

Particulars	(₹ in lakh)	
	For the year ended 31 March 2026	For the year ended 31 March 2025
Sale of goods	2,14,441.17	2,13,915.94
Revenue from rendering of services	35.24	16.52
Other operating revenue @	4,863.64	3,138.75
	<b>2,19,340.05</b>	<b>2,17,071.21</b>

**(i) Segment wise revenue information**

a) Building Products	2,19,340.05	2,17,071.21
<b>Total income from operations</b>	<b>2,19,340.05</b>	<b>2,17,071.21</b>

**(ii) Unsatisfied Performance Obligation**

Aggregated amount of Transaction Price allocated to the contracts that are fully or partially unsatisfied at the end of the reporting period

i) Sale of Goods	1,383.50	765.65
------------------	----------	--------

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

**Contract Price**

a) Sale of goods & services	3,98,140.84	4,09,117.12
b) Revenue from rendering of services	35.24	16.52
c) Other operating revenue	4,863.64	3,138.75

**Adjustment:-**

Discount/Rebate	1,83,699.67	1,95,201.18
<b>Revenue recognised in the statement of profit and loss account</b>	<b>2,19,340.05</b>	<b>2,17,071.21</b>

@ Other operating revenues comprise of:

Sundry balances and liabilities no longer required, written back	1,918.35	1,005.16
Insurance claims received	13.04	6.46
Scrap sales	1,091.52	774.69
Miscellaneous receipts	1,840.73	1,352.44
	<b>4,863.64</b>	<b>3,138.75</b>

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**Hindware Limited**  
**Notes forming part of Standalone Financial Statements**

**Note 36 - Other income**

Particulars	(₹ in lakh)	
	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest income on financial assets	62.94	437.76
Rental income	123.70	18.52
Profit on current investments (net)	-	0.00
Profit on sale of property, plant and equipment	46.82	82.03
Gain on foreign exchange fluctuations	1.26	-
Management fee	666.72	2,773.27
Government grant (refer note 59)	1,367.96	-
Miscellaneous income	216.24	337.55
	<b>2,485.64</b>	<b>3,649.13</b>

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**Hindware Limited****Notes forming part of Standalone Financial Statements****Note 37 - Cost of materials consumed**

Particulars	(₹ in lakh)	
	For the year ended 31 March 2026	For the year ended 31 March 2025
Opening stock	14,526.04	11,237.92
Add: Purchases	65,860.73	73,733.22
Less: Closing stock	8,833.62	14,526.04
	<b>71,553.15</b>	<b>70,445.10</b>

**Note 38 - Purchases of traded goods**

Particulars	(₹ in lakh)	
	For the year ended 31 March 2026	For the year ended 31 March 2025
Sanitaryware and other products (net)	54,278.37	47,701.02
	<b>54,278.37</b>	<b>47,701.02</b>

**Note 39 - Changes in inventories of finished goods, stock-in-trade and work-in-progress**

Particulars	(₹ in lakh)	
	For the year ended 31 March 2026	For the year ended 31 March 2025
<b>Inventories at the end of the year:</b>		
Finished goods	7,232.12	3,238.89
Work-in-progress	4,714.72	3,349.24
Stock-in-trade	30,892.88	27,843.80
<b>Sub-total (A)</b>	<b>42,839.72</b>	<b>34,431.93</b>
<b>Inventories at the beginning of the year:</b>		
Finished goods	3,238.89	6,094.07
Work-in-progress	3,349.24	3,264.70
Stock-in-trade	27,843.80	24,920.53
<b>Sub-total (B)</b>	<b>34,431.93</b>	<b>34,279.30</b>
<b>Changes in stock (C=B-A)</b>	<b>(8,407.79)</b>	<b>(152.63)</b>
Finished goods stock transferred from capital work in progress	1,209.43	-
<b>Total</b>	<b>(7,198.36)</b>	<b>(152.63)</b>

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**Hindware Limited****Notes forming part of Standalone Financial Statements****Note 40 - Employee benefits expense**

Particulars	(₹ in lakh)	
	For the year ended 31 March 2026	For the year ended 31 March 2025
Salaries, wages and bonus	33,188.76	33,875.45
Contribution to provident funds and other funds	1,315.73	1,749.80
Staff welfare expenses	1,173.51	1,311.62
	<b>35,678.00</b>	<b>36,936.87</b>

**Note 41 - Finance cost**

Particulars	(₹ in lakh)	
	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest expense on financial liabilities	6,401.84	7,126.80
Interest on lease liability (refer note 53)	893.45	920.57
Other finance cost	40.41	22.94
	<b>7,335.70</b>	<b>8,070.31</b>

**Note 42 - Depreciation and amortisation**

Particulars	(₹ in lakh)	
	For the year ended 31 March 2026	For the year ended 31 March 2025
Depreciation and amortisation of Property, plant and equipment (refer note 4)	8,309.23	8,062.15
Amortisation of other intangible assets (refer note 7)	69.74	58.85
Depreciation on right of use - Land and Building	2,309.27	2,394.33
	<b>10,688.24</b>	<b>10,515.33</b>

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**Hindware Limited****Notes forming part of Standalone Financial Statements****Note 43 - Other expenses**

Particulars	(₹ in lakh)	
	For the year ended 31 March 2026	For the year ended 31 March 2025
Power and fuel	9,411.01	8,496.89
Consumption of stores and spares	2,190.32	1,842.75
Consumption of packing material	4,188.86	3,529.72
Consumption of oil, fuel and lubricants	129.69	111.35
Repairs and maintenance:		
Buildings	131.98	150.75
Plant and machinery	219.74	214.76
Others	1,174.63	1,172.08
Rent (including lease rental)	767.32	654.69
Rates and taxes	123.67	94.22
Directors sitting fees	8.50	13.40
Independent directors commission	49.90	39.91
Expenditure on ceramic and applied research centre	125.31	164.77
Insurance	1,058.39	1,247.15
Travelling and conveyance	4,291.19	4,721.91
Commission on sales	-	13.23
Freight and forwarding charges	25.98	9.09
Advertisement and publicity	5,821.59	6,267.39
Transportation and forwarding	8,863.29	9,085.98
Sales promotion expenses *	1,601.35	2,259.05
Other selling expenses	755.01	781.23
Provision for expected credit loss (refer note 15)	771.08	774.46
Provision for doubtful advances/debts	32.91	11.82
Bad debts written off	13.50	0.52
Corporate social responsibility expenditure (refer note 54)	200.19	282.12
Loss on foreign exchange fluctuation	538.11	141.68
Loss on sale of property, plant and equipment	77.26	11.45
Legal & professional service	1,004.09	890.83
Provision for diminution in investments	-	11.70
Management fees	122.40	-
Miscellaneous expenses	1,267.69	1,535.72
	<b>44,964.96</b>	<b>44,530.62</b>

\* Including of warranty expenses

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**Hindware Limited****Notes forming part of Standalone Financial Statements****Note 44 - Current tax and deferred tax****(a) Income tax expense through profit and loss**

Particulars	(₹ in lakh)	
	For the year ended 31 March 2026	For the year ended 31 March 2025
<b>Current tax:</b>		
Current income tax charge	1,261.66	974.31
Earlier year income tax	(112.15)	187.97
	<b>1,149.51</b>	<b>1,162.28</b>
<b>Deferred tax:</b>		
In respect of origination and reversal of temporary differences	(121.48)	(276.52)
<b>Total tax expense recognised in profit and loss account</b>	<b>1,028.03</b>	<b>885.76</b>

**(b) Income tax on other comprehensive income**

Particulars	(₹ in lakh)	
	For the year ended 31 March 2026	For the year ended 31 March 2025
<b>Current tax</b>		
Re-measurement of defined benefit obligations	11.09	(28.20)
	<b>11.09</b>	<b>(28.20)</b>

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

The major components of tax expense and the reconciliation of the expected tax expense based on the domestic effective tax rate of the Company at 25.168% (31 March 2025: 25.168%) and the reported tax expense in the statement of profit and loss are as follows:

Particulars	(₹ in lakh)	
	For the year ended 31 March 2026	For the year ended 31 March 2025
<b>Profit/(loss) before tax</b>	<b>4,129.09</b>	<b>2,673.72</b>
Domestic tax rate for the Company	25.168%	25.168%
Income tax of the Company at given tax rate	1,039.21	672.92
<b>Tax effect of :</b>		
- Non deductible expenses	91.64	109.28
- Earlier year income tax	(112.15)	187.97
- Others	9.33	(84.41)
<b>Income-tax recognised in statement of profit and loss</b>	<b>1,028.03</b>	<b>885.76</b>

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

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**Hindware Limited**

**Notes forming part of Standalone Financial Statements**

**Note 45 - 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 22 and 27; cash and cash equivalents as disclosed in note 16 and equity attributable to equity holders of the Company, comprising issued share capital, reserves and retained earnings as disclosed in the Statement of changes in equity. For the purpose of calculating gearing ratio, debt is defined as non current and current borrowings (excluding derivatives). Equity includes all capital and reserves of the Company attributable to equity holders of the Company. The Company is not subject to externally imposed capital requirements. The Board reviews the capital structure and cost of capital on an annual basis but has not set specific targets for gearing ratios. The risks associated with each class of capital are also considered as part of the risk reviews presented to the Board of Directors.

The following table summarises the capital of the Company

Particulars	Note	₹ in lakh	
		As at 31 March 2026	As at 31 March 2025
<b>Equity</b>		<b>52,662.02</b>	<b>49,643.40</b>
<b>Liquid assets (cash and cash equivalents) (a)</b>		<b>2,526.79</b>	<b>1,859.90</b>
Current borrowings	27	28,719.26	22,274.79
Non-current borrowings	22	35,110.43	45,282.60
Current maturities of non current borrowings	27	14,890.33	13,410.78
<b>Total debt (b)</b>		<b>78,720.02</b>	<b>80,968.17</b>
<b>Net debt [c = (b) - (a)]</b>		<b>76,193.23</b>	<b>79,108.27</b>
<b>Total capital (equity + net debt)</b>		<b>1,28,855.25</b>	<b>1,28,751.67</b>
<b>Gearing ratio</b>			
Debt to equity		149%	163%
Net debt to equity ratio		145%	159%

**Categories of financial instruments**

**Categories of financial assets/ (liabilities)**

Particulars	Notes	₹ in lakh					
		31 March 2026		31 March 2025			
		Carrying value	Gain/(loss) to income	Gain/(loss) to equity	Carrying value	Gain/(loss) to income	Gain/(loss) to equity
<b>Financial assets measured at amortised costs</b>							
Trade receivable	15	37,193.40	-	-	41,725.44	-	-
Other financial assets	18, 10	1,490.45	-	-	2,289.05	-	-
Cash and cash equivalents	16	2,526.79	-	-	1,859.90	-	-
Bank Balance other than Cash and cash equivalents	17	-	-	-	23.34	-	-
Investments	9	21.21	-	-	21.21	-	-
<b>Financial assets measured at amortised costs</b>		<b>41,231.85</b>	<b>-</b>	<b>-</b>	<b>45,918.94</b>	<b>-</b>	<b>-</b>
<b>Total financial assets</b>		<b>41,231.85</b>	<b>-</b>	<b>-</b>	<b>45,918.94</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities measured at amortised cost</b>							
Current payables	27, 29, 30, 31	1,00,552.39	-	-	89,235.07	-	-
Lease liabilities	23, 28	11,746.77	-	-	12,949.85	-	-
Non-current payables	24	4,988.17	-	-	5,228.12	-	-
Non-current borrowings	22	35,110.43	-	-	45,282.60	-	-
<b>Financial liabilities measured at amortised cost</b>		<b>1,52,397.76</b>	<b>-</b>	<b>-</b>	<b>1,52,695.64</b>	<b>-</b>	<b>-</b>
<b>Total financial liabilities</b>		<b>1,52,397.76</b>	<b>-</b>	<b>-</b>	<b>1,52,695.64</b>	<b>-</b>	<b>-</b>

**Financial risk management objective**

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

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

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**Note 45 - Financial instruments and risk review (contd.)**

**Credit risk:**

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to financial loss. The Company is exposed to credit risk for receivables, cash and cash equivalents, short term investments, financial guarantee and derivative financial instruments.

**Cash and cash equivalents and short term investments**

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

**Trade receivables**

The Company extends credits to customer in normal course of the business. The Company considers the factors such as credit track record in the market of each customer and past dealings for extension of credit to the customer. The Company monitors the payment track record of each customer and outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located at several jurisdiction and industries and operate in large independent markets. The Company also takes advances and security deposits from customers which mitigate the credit risk to an extent.

The average credit period taken on sales of goods is 30 to 60 days. Generally, no interest has been charged on the receivables. Allowances against doubtful debts are recognised against trade receivables based on estimated irrecoverable amounts determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position.

Before accepting any new customer, the Company uses an internal credit system to assess the potential customer's credit quality and defines credit limits by customer. Limits attributed to customers are reviewed periodically. There are no customers who represent more than 10 per cent of total net revenue from operations.

The Company does not hold any collateral or other credit enhancements over any of its trade receivables nor does it have a legal right of offset against any amounts owed by the Company to the counterparty.

**Expected credit loss:**

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

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

Ageing of trade receivables	(₹ in lakh)	
Period	As at 31 March 2026	As at 31 March 2025
Not due for payment	10,315.68	17,511.66
Up to 6 months	23,198.54	20,739.21
From 6 months to 1 year	1,494.64	1,536.16
From 1 year to 3 years	2,884.67	2,327.32
More than 3 years	5,096.85	4,636.99

Ageing of impaired trade receivables	As at 31 March 2026	As at 31 March 2025
Up to 6 months *	10.34	-
From 6 months to 1 year *	141.90	-
From 1 year to 3 years	547.89	388.91
More than 3 years	5,096.85	4,636.99

\* Based upon lifetime expected credit loss

**Liquidity risk:**

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

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

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**Note 45 - Financial instruments and risk review (contd.)**

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

Particulars	As at 31 March 2026				Total
	Notes	not later than one year	later than one year and not later than five years	later than five years	
<b>Financial liabilities</b>					
Borrowings - loans	22, 27	43,609.59	30,149.83	4,960.60	78,720.02
Current payables	28, 29, 30, 31	59,415.03	-	-	59,415.03
Non-current payables	23, 24	-	8,856.94	8,042.44	16,899.38
<b>Total</b>		<b>1,03,024.62</b>	<b>39,006.77</b>	<b>13,003.04</b>	<b>1,55,034.43</b>

Particulars	As at 31 March 2025				Total
	Notes	not later than one year	later than one year and not later than five years	later than five years	
<b>Financial liabilities</b>					
Borrowings - loans	22, 27	35,685.57	38,067.85	7,214.75	80,968.17
Current payables	28, 29, 30, 31	56,353.50	-	-	56,353.50
Non-current payables	23, 24	-	8,995.21	9,236.33	18,231.54
<b>Total</b>		<b>92,039.07</b>	<b>47,063.06</b>	<b>16,451.08</b>	<b>1,55,553.21</b>

**Market risk:**

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

**Currency risk:**

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

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

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

Particulars	Currency	(in lakh)	
		As at 31 March 2026	As at 31 March 2025
Receivables	USD	0.15	0.33
Payables	USD	60.99	138.88
	EUR	0.21	0.20
	CNY	0.50	2.02

Currency rate	(in lakh)	
	As at 31 March 2026	As at 31 March 2025
USD	94.6543	85.5814
EUR	109.0064	92.3246
CNY	13.6616	11.7676

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

Particulars	Currency	(in lakh)	
		As at 31 March 2026	As at 31 March 2025
Receivables	USD	0.15	0.33
Payables	USD	60.99	138.88
	EUR	0.21	0.20
	CNY	0.50	2.02

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**Hindware Limited**  
Notes forming part of Standalone Financial Statements

**Note 45 - Financial instruments and risk review (contd.)**

**Sensitivity analysis:**

The following table demonstrates the sensitivity of profit and equity in USD , CNY and EUR 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 2026	31 March 2025
USD	5%	(287.96)	(592.86)
	-5%	287.96	592.86
EUR	5%	(1.15)	(0.90)
	-5%	1.15	0.90
CNY	5%	(0.34)	(1.19)
	-5%	0.34	1.19

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 2026	31 March 2025
Long term borrowings	0.50%	(250.00)	(293.47)
	-0.50%	250.00	293.47

**Commodity risk:**

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

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**Hindware Limited****Notes forming part of Standalone Financial Statements****Note 46 - Employee benefits****A. Defined contribution plan**

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

The Company's contribution to Provident Fund and Superannuation Fund aggregating to ₹1,171.45 lakh (previous year ₹1,288.91 lakh ) net of amount capitalized 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 Code on Social Security, 2020 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 2026	31 March 2025
Current service cost	478.79	356.38
Past service cost (refer note 58)	314.02	-
Loss/(Gain) on settlement	(449.62)	-
Net interest expense/(income)	42.56	37.79
Components of defined benefit costs recognised in profit and loss	385.75	394.17
Net actuarial (gain)/loss	(104.97)	(74.73)
Expected return on plan assets excluding interest income	149.05	(37.32)
Components of defined benefit costs recognised in other comprehensive income	44.08	(112.05)
<b>I. Net asset/(liability) recognised in the balance sheet as at 31 March</b>		
1. Present value of defined benefit obligation	3,577.12	3,583.02
2. Fair value of plan assets	2,946.85	2,873.34
3. Deficit	630.27	709.68
4. Current portion of the above	630.27	709.68
<b>II. Change in the obligation during the year ended 31 March</b>		
1. Present value of defined benefit obligation at the beginning of the year	3,583.02	3,331.52
2. Expenses recognised in the statements of profit and loss		
- Current service cost	478.79	356.38
- Past service cost (refer note 58)	314.02	-
- Loss/(Gain) on settlement	(449.62)	-
- Interest expense	266.11	219.65
3. Recognised in other comprehensive income		
- Actuarial (gain)/loss arising from experience adjustments	254.61	(112.88)
- Actuarial (gain)/loss arising from financial assumption	(359.58)	38.15
4. Benefit payments	(325.17)	(249.80)
5. Obligation transferred	(185.06)	-
<b>6. Present value of defined benefit obligation at the end of the year</b>	<b>3,577.12</b>	<b>3,583.02</b>

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Note 46 - Employee benefits (contd.)

Particulars	(₹ in lakh)	
	Gratuity (Funded plan)	
	31 March 2026	31 March 2025
<b>III. Change in fair value of assets</b>		
1. Fair value of plan assets at the beginning of the year	2,873.34	2,654.91
2. Recognised in the statement of profit and loss		
- Expected return on plan assets	223.55	181.86
3. Recognised in other comprehensive income		
- Actual return on plan assets in excess of the expected return	(149.05)	37.32
4. Contributions by employer (including benefit payments recoverable)	324.18	249.05
5. Benefit payments	(325.17)	(249.80)
<b>6. Fair value of plan assets at the end of the year</b>	<b>2,946.85</b>	<b>2,873.34</b>

IV. The major categories of plan assets

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

V. Actuarial assumptions

	31 March 2026	31 March 2025
1. Discount rate	7.78%	6.85%
2. Expected rate of increase in compensation level	6.50%	6.50%
3. Expected rate of return on plan assets	7.78%	6.85%
4. Attrition rate	1.00%	1.00%
5. Mortality table	IIAM 2012-15 Ultimate	IALM 2012-15
6. Superannuation age	58	58

VI. Sensitivity analysis

Particulars	(₹ in lakh)			
	31 March 2026		31 March 2025	
	Change in assumption	Effect on gratuity obligation	Change in assumption	Effect on gratuity obligation
Discount rate	0.50%	(174.64)	0.50%	(154.19)
Expected rate of increase in compensation level	-0.50%	189.51	-0.50%	167.28
	0.50%	189.19	0.50%	166.49
	-0.50%	(175.89)	-0.50%	(154.87)

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)				
	Year ended				
	31 March 2026	31 March 2025	31 March 2024	31 March 2023	31 March 2022
1. Defined benefit obligation	3,577.12	3,583.02	3,331.52	2,876.93	2,170.41
2. Fair value of plan assets	2,946.85	2,873.34	2,654.91	2,231.64	2,065.95
3. Surplus/(deficit) unfunded asset	(630.27)	(709.68)	(676.61)	(645.29)	(104.46)
4. Experience adjustment on plan liabilities gain/(loss)	(254.61)	112.88	(95.87)	(12.54)	53.53

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

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

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**Hindware Limited**  
Notes forming part of Standalone Financial Statements

**Note 46 - Employee benefits (contd.)**

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

Particulars	(₹ in lakh)	
	For the year ended 31 March 2026	For the year ended 31 March 2025
<b>Amounts recognised in the balance sheet</b>		
Non current (refer note 25)	589.73	813.66
Current (refer note 33)	83.80	180.89
	<b>673.53</b>	<b>994.55</b>
<b>Amounts recognised in the statement of profit and loss</b>		
Current service cost	184.40	213.91
Past service cost (refer note 58)	85.02	-
Interest cost	69.52	65.46
Actuarial (gain) /loss	(151.40)	109.66
<b>Total included in employee benefits expense</b>	<b>187.54</b>	<b>389.03</b>
<b>Reconciliation of opening and closing balances of benefit obligations</b>		
<b>Change in benefit obligation</b>		
Defined benefit obligation at the beginning of the year	994.55	906.68
Interest cost	69.52	65.46
Current service cost	184.40	213.91
Past service cost (refer note 58)	85.02	-
Benefits paid	(410.07)	(301.16)
Actuarial gain/(loss)	(151.40)	109.66
Obligation transferred	(98.49)	-
<b>Defined benefit obligation at the end of the year</b>	<b>673.53</b>	<b>994.55</b>

The average duration of remaining working life at the end of the reporting period is 14.98 years (previous year 14.84 years).

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**Hindware Limited****Notes forming part of Standalone Financial Statements****Note 47 - Segment Information**

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

**Note 48 - Earnings per share**

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Profit / (loss) for the year attributable to owners of the Company (₹ in lakh)	3,101.06	1,787.96
Weighted average number of equity shares (nos.)	4,94,50,000	4,94,50,000
Nominal value per share (₹)	2.00	2.00
Earnings per share - basic and diluted (₹)	6.27	3.62

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 49 - Contingent liabilities not provided for in respect of:**

Particulars	(₹ in lakh)	
	As at 31 March 2026	As at 31 March 2025
a) Demands made by the excise/service-tax/income-tax/sales tax authorities against which appeals have been filed	1,313.85	1,277.39
b) Demands raised by the goods and service tax authorities against which appeal have been filed	311.63	319.12
c) Claims against the Company not acknowledged as debts	302.92	264.07

**Note 50 - Capital and other commitments**

Particulars	(₹ in lakh)	
	As at 31 March 2026	As at 31 March 2025
Commitments relating to contracts remaining to be executed on capital account and other commitments not provided for	2,598.33	5,623.16

The Company has issued letter in favour of Halis International Limited, Mauritius (Wholly owned subsidiary) for future funding and operational support to keep afloat as going concern in foreseeable future.

**Note 51 - Payment to statutory auditors**

Particulars	(₹ in lakh)	
	For the year ended 31 March 2026	For the year ended 31 March 2025
As auditors *	18.37	18.37
For taxation matters *	3.21	2.57
Other services *	14.12	9.15
For reimbursement of expenses *	4.21	5.68
	<b>39.91</b>	<b>35.77</b>

\* Excluding goods and service tax

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**Hindware Limited**

**Notes forming part of Standalone Financial Statements**

**Note 52 - 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**

Key management personnel (KMP)

**Name of related party (as identified by the management)**

**Executive directors**

Mr. Sandip Somany (Chairman & Managing Director)

**Executives / Key Managerial Personnel**

Mr. Sandeep Sikka (Chief Financial Officer upto 31 March 2025)

Mr. Naveen Malik (Chief Financial Officer w.e.f. 1 April 2025)

Ms. Payal M Puri (Company Secretary)

**Non-executive directors**

Mr. Shashvat Somany (w.e.f. 20 May 2024)

Mr. G.L. Sultania (cease to be w.e.f. 12 May 2026)

Mr. Ram Babu Kabra (w.e.f. 11 May 2026)

Mr. Ashok Jaipuria

Mr. Salil Bhandari

Dr. Rainer Siegfried Simon

Ms. Alpana Parida

Relative of Key management personnel

Ms. Sumita Somany (Wife of Mr. Sandip Somany)

Holding company

Hindware Home Innovation Limited

Subsidiaries

Halis International Limited, Mauritius

Queo Bathroom Innovations Limited, UK (Subsidiary of Halis International Limited)

Trufo Pipes Limited

Fellow Subsidiaries

Evok Homes Private Limited (Subsidiary of Hindware Home Innovation Limited)

HHIL Limited (Subsidiary of Hindware Home Innovation Limited w.e.f 4 March 2025)

Others

AGI Greenpac Limited (Subsidiary of Somany Impresa Limited)

AGI Retail Private Limited (Subsidiary of AGI Greenpac Limited w.e.f 27 August 2024)

Sun Reach Pack (FZE) (Subsidiary of AGI Greenpac Limited w.e.f 28 October 2024)

Hintastica Private Limited (Joint venture of holding company)

Corporate Social Responsibility

HSIL Corporate Social Responsibility Foundation

Post employment benefit plan

Brilloca Employee Gratuity Fund

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

(₹ in lakh)

Particulars	Holding/Subsidiary/Fellow Subsidiaries		Entities where significant influence is exercised by KMP/KMP of holding company/ and/or their relatives and other related parties	
	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25
<b>Transactions during the year</b>				
<b>Management fees received from</b>				
Hindware Home Innovation Limited	666.72	749.46	-	-
Hintastica Private Limited	-	-	-	58.97
AGI Greenpac Limited	-	-	-	1,964.84
<b>Management fees paid to</b>				
Hindware Home Innovation Limited	-	-	-	-
Hintastica Private Limited	-	-	-	-
AGI Greenpac Limited	-	-	122.40	-
<b>Rent paid to</b>				
AGI Greenpac Limited	-	-	2,160.39	2,000.63
<b>Loan given to</b>				
Hindware Home Innovation Limited	-	1,500.00	-	-
<b>Interest on loan received from</b>				
Hindware Home Innovation Limited	-	378.21	-	-



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Hindware Limited  
Notes forming part of Standalone Financial Statements

Note 52 - Related party transactions (contd.)

(₹ in lakh)

Particulars	Holding/Subsidiary/Fellow Subsidiaries		Entities where significant influence is exercised by KMP and/or their relatives and other related parties	
	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25
<b>Rent received from</b>				
Hindware Home Innovation Limited	100.99	13.58	-	-
Hintastica Private Limited	-	-	22.04	4.47
<b>Purchase of fixed assets from</b>				
Hindware Home Innovation Limited	1.09	2.78	-	-
Hintastica Private Limited	-	-	-	0.44
<b>Purchase (net) of goods from</b>				
Hindware Home Innovation Limited	14.26	7.11	-	-
Hintastica Private Limited	-	-	2.31	-
AGI Greenpac Limited	-	-	2,342.63	2,680.03
<b>Sale (net) of goods and services to</b>				
Hindware Home Innovation Limited	-	0.05	-	-
AGI Greenpac Limited	-	-	1.12	4.77
<b>Repayment of Loan by</b>				
Hindware Home Innovation Limited	-	6,000.00	-	-
<b>Loan taken from</b>				
Hindware Home Innovation Limited	-	9,800.00	-	-
<b>Interest on Loan paid to</b>				
Hindware Home Innovation Limited	885.46	303.47	-	-
<b>Reimbursement of expenses paid to</b>				
Hindware Home Innovation Limited	-	-	-	-
Hintastica Private Limited	-	-	-	-
AGI Greenpac Limited	-	-	1.23	14.47
<b>Reimbursement of expenses received from</b>				
Hindware Home Innovation Limited	132.86	-	-	-
AGI Greenpac Limited	-	-	29.32	108.25
<b>Contribution made</b>				
Brilloca Employee Gratuity Fund	-	-	324.18	249.05
<b>Corporate Social Responsibility</b>				
HSIL Corporate Social Responsibility Foundation	-	-	200.19	282.12
<b>Balances outstanding as at the end of the year - Receivable</b>				
Hindware Home Innovation Limited	97.57	139.11	-	-
Hintastica Private Limited	-	-	1.23	11.28
<b>Balances outstanding as at the end of the year - Payable</b>				
AGI Greenpac Limited	-	-	407.66	209.80
Hindware Home Innovation Limited				
Loan payable	9,800.00	9,800.00	-	-

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**Hindware Limited**  
**Notes forming part of Standalone Financial Statements**

**Note 52 - Related party transactions (Contd.)**

**Key Managerial Personnel (KMP)**

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

Particulars	(₹ in lakh)	
	Year ended 31 March 2026	Year ended 31 March 2025
Short-term employee benefits #	911.14	1,825.98
Post-employment benefits		
- Defined contribution plan \$	83.45	168.11
- Defined benefit plan *	-	-
Sale of Goods	-	1.54
<b>Total</b>	<b>994.59</b>	<b>1,995.63</b>

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

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

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

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**Hindware Limited**  
**Notes forming part of Standalone Financial Statements**

**Note 53 - Leases**

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

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

Particulars	(₹ in lakh)	
	As at 31 March 2026	As at 31 March 2025
Current lease liabilities	1,752.72	2,027.75
Non current lease liabilities	9,994.05	10,922.10
<b>Total</b>	<b>11,746.77</b>	<b>12,949.85</b>

Movement in lease liabilities during the year ended:

Particulars	(₹ in lakh)	
	As at 31 March 2026	As at 31 March 2025
Balance at the beginning	12,949.85	15,850.38
Addition	1,940.46	606.83
Finance cost accrued during the period	893.45	920.57
Deletions /adjustment	(1,127.87)	(1,542.70)
Payment of lease liabilities	(2,909.12)	(2,885.23)
<b>Balance at the end</b>	<b>11,746.77</b>	<b>12,949.85</b>

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

Particulars	(₹ in lakh)	
	As at 31 March 2026	As at 31 March 2025
Less than one year	2,472.23	2,804.00
One to five years	8,856.94	8,995.21
More than five years	3,054.27	4,008.21
<b>Total</b>	<b>14,383.44</b>	<b>15,807.42</b>

Rental expense recorded for short-term leases was ₹ 767.32 lakh (previous year ₹ 654.69 lakh) for the year ended 31 March 2026

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**Hindware Limited****Notes forming part of Standalone Financial Statements****Note 54 - Corporate social responsibility**

In accordance with the provisions of section 135 of the Act, the Board of Directors of the Company had constituted a Corporate Social Responsibility (CSR) Committee. In terms, with the provisions of the said Act, the Company was to spend a sum of ₹ 199.56 lakh (previous year ₹ 281.84 lakh) towards CSR activities during the year ended 31 March 2026. The CSR Committee has been examining and evaluating suitable proposals for deployment of funds towards CSR initiatives, however, the committee expects finalization of such proposals in due course. During the year ended 31 March 2026, the Company has contributed the following sums towards CSR initiatives. (refer note 43)

Particulars	(₹ in lakh)	
	For the year ended 31 March 2026	For the year ended 31 March 2025
(i) Amount required to be spent on CSR activities during the year	199.56	281.84
(ii) Amount of expenditure incurred on:		
(a) On construction/acquisition of any asset	-	-
(b) On purposes other than (a) above	200.19	282.12
(iii) Shortfall at the end of the year	-	-

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**Hindware Limited**  
**Notes forming part of Standalone Financial Statements**

**Note 55 - Financial instrument by category**

Particulars	31 March 2026			31 March 2025		
	FVTOCI	FVTPL	Amortised cost	FVTOCI	FVTPL	Amortised cost
<b>(₹ in lakh)</b>						
<b>Non current financial assets</b>						
Investments	-	-	21.21	-	-	21.21
Other financial assets	-	-	1,082.38	-	-	959.84
<b>Current financial assets</b>						
Trade receivable	-	-	37,193.40	-	-	41,725.44
Cash and cash equivalents	-	-	2,526.79	-	-	1,859.90
Bank balances other than cash and cash equivalents	-	-	-	-	-	23.34
Other financial assets	-	-	408.07	-	-	1,329.21
<b>Total financial assets</b>	<b>-</b>	<b>-</b>	<b>41,231.85</b>	<b>-</b>	<b>-</b>	<b>45,918.94</b>
<b>Non Current financial liabilities</b>						
Non-current borrowings	-	-	35,110.43	-	-	45,282.60
Lease liabilities	-	-	9,994.05	-	-	10,922.10
Other financial liabilities	-	-	4,988.17	-	-	5,228.12
<b>Current financial liabilities</b>						
Current borrowings	-	-	43,609.59	-	-	35,685.57
Lease liabilities	-	-	1,752.72	-	-	2,027.75
Acceptances	-	-	10,902.84	-	-	6,253.84
Trade payables	-	-	27,788.74	-	-	28,733.92
Other financial liabilities	-	-	18,251.22	-	-	18,561.74
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>1,52,397.76</b>	<b>-</b>	<b>-</b>	<b>1,52,695.64</b>

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**Hindware Limited**  
**Notes forming part of Standalone Financial Statements**

Note 56 - Disclosure under section 186(4) of the Companies Act, 2013

Particulars	As at 31 March 2026			As at 31 March 2025		
	Trufluo Pipes Limited (Wholly owned subsidiary)	Hindware Home Innovation Limited (Holding Company)	Halis International Limited, Mauritius (Wholly owned subsidiary)	Trufluo Pipes Limited (Wholly owned subsidiary)	Hindware Home Innovation Limited (Holding Company)	Halis International Limited, Mauritius (Wholly owned subsidiary)
<b>Guarantee</b>						
Guarantees given as at the beginning of the financial year	-	-	-	-	-	-
Guarantees given during the financial year	-	-	-	-	-	-
Guarantee closed during the year	-	-	-	-	-	-
Guarantees given as at the end of the financial year	-	-	-	-	-	-
<b>Investments</b>						
Investments at the beginning of the financial year	20.00	-	-	20.00	-	11.70
Additions during the financial year	-	-	-	-	-	-
Provision for diminution in the value of investments during the year	-	-	-	-	-	(11.70)
Investment at the end of the financial year	20.00	-	-	20.00	-	-
<b>Loans and advances</b>						
Loans at the beginning of the financial year	-	-	-	-	4,500.00	-
Additions during the financial year	-	-	-	-	1,500.00	-
Return back during the year	-	-	-	-	(6,000.00)	-
Loans at the end of the financial year	-	-	-	-	-	-

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**Hindware Limited****Notes forming part of Standalone Financial Statements****Note 57 - Transactions with Struck-off companies**

(₹ in lakhs)					
S. No.	Name of Struck-off company (as per MCA)	Nature of transaction with struck-off company	Balance as on 31 March 2026	Balance as on 31 March 2025	Relationship with the struck- off company
1	Keld Ellentoft India Private Limited	Purchase of goods/services	-	-	Vendor
2	Red Pearl Ventures Private Limited	Sale of goods	0.13	0.13	Customer
3	Build Bath Private Limited	Sale of goods	1.20	1.20	Customer
4	R.L. Dalal & Company Private Limited	Sale of goods	0.03	0.03	Customer

**Note 58 - Exceptional Item**

Following the notification of the four Labour Codes by the Government of India on 21st November 2025, the Company has evaluated the financial impact based on draft Central Rules, and guidance issued by the ICAI. Given the regulatory-driven and non-recurring nature of these changes, the resulting incremental impact on employee benefit obligations comprising gratuity and compensated absences amounting to ₹396.54 lakhs (net of amount capitalised during the year ₹2.50 lakhs) on standalone basis, has been recognized as an "Exceptional Item" for the year ended 31 March 2026. The Company continues to monitor the finalization of the relevant Central and State Rules and will evaluate the impact, if any, and record necessary accounting adjustments once the rules are notified and clarifications are issued by the Government.

**Note 59 - Government Grant**

Other income includes ₹1,367.96 lakhs for the year ended 31 March 2026 (Previous Year: Nil), representing investment-linked incentives under the Telangana State Investment Promotion Policy for mega projects.

**Note 60 - Dividend**

The Board of Directors have recommended a dividend of 5% i.e. ₹0.10 (previous year ₹0.10) per fully paid up equity share of face value ₹2 each and ₹0.05 (previous year ₹0.05) per partly paid up equity share of face value ₹2 each (paid up value ₹1 per equity share) for the year ended 31 March 2026. The dividend is in proportion to the amount paid-up on each equity share of face value of ₹2 each and is subject to the approval of shareholders in the ensuing Annual General Meeting.

**Note 61 - Commercial Production**

On 30 January 2026, the Company had successfully commenced the commercial production at its greenfield pipes and fitting plant situated at Roorkee, Uttarakhand.

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**Hindware Limited**

**Notes forming part of Standalone Financial Statements**

**Note 62 - Ratios disclosure**

Particulars		As at 31 March 2026	As at 31 March 2025	Variance	Remarks
(i)	<b>Current Ratio (times)</b>	0.96	1.06	-9.55%	-
	Total current assets / Total current liabilities				
(ii)	<b>Total Debt to Equity Ratio (times)</b>	1.59	1.74	-8.45%	-
	((Non-current borrowings + Current Borrowings + Trade Deposits) / Net worth*)				
	* Net worth = Equity Share Capital + Securities premium account + General reserve + Retained earnings + Actuarial gain / (loss)				
(iii)	<b>Debt Service Coverage Ratio (times)</b>	0.90	0.92	-2.16%	-
	(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)				
(iv)	<b>Return on Equity (%)</b>	6.06%	3.65%	65.99%	Due to increase in profit earned during the current year.
	(Profit for the year / Average Net worth*)				
	* Net worth = Equity Share Capital + Securities premium account + General reserve + Retained earnings + Actuarial gain / (loss)				
(v)	<b>Inventory Turnover (times)</b>	2.38	2.50	-4.78%	-
	(Cost of Goods Sold / Average Inventories)				
(vi)	<b>Trade Receivables Turnover (times)</b>	5.46	5.60	-2.41%	-
	(Net sales / Average trade receivables)				
(vii)	<b>Trade Payables Turnover (times)</b>	3.69	4.59	-19.48%	-
	(Total Purchases / Average Trade payables)				
(viii)	<b>Net Capital Turnover (times)</b>	215.24	69.61	209.21%	Due to reduction in average working capital during the current year.
	(Net Sales / Average Working Capital)				
	(Working Capital = Current assets - Current liabilities)				
(ix)	<b>Net Profit Ratio (%)</b>	1.44%	0.83%	72.75%	Due to increase in profit earned during the current year.
	(Profit for the year / Net Sales)				
(x)	<b>Return on Capital Employed (%)</b>	8.44%	7.94%	6.30%	-
	(Earnings before interest and tax / Capital employed*)				
	* Capital employed = Tangible Net worth + Borrowings + Deferred tax liability + Trade deposits - Intangible assets				
(xi)	<b>Return on Investments (%)</b>	-	6.85%	-100.00%	Due to no investments during the current year.
	(Income during the year / Time weighted average of investments)				

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**Hindware Limited****Notes forming part of Standalone Financial Statements****Note 63 - Audit Trail**

The Company has a widely used ERP as its accounting software for maintaining its books of account during the year ended 31 March 2026, which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year except (a) at database level the audit trail was not been enabled, (b) at application level, audit trail was not enabled for relevant financial tables. Further the audit trail, to the extent maintained in the prior year has been preserved by the Company as per the statutory requirements for record retention. Further, audit trail feature hasn't been tempered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

The Company has enabled the audit trail (edit logs) functionality in its accounting software. However, the audit trail at application level is not enabled for all relevant financial transactions and direct changes made at the underlying database level, due to the direct impact of increase space utilization and the associated costs.

**Note 64 - GST**

The annual return of GST for FY 2025-26 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 for FY 2025-26 are 31 December 2026.

**Note 65 - Details of title deeds of immovable properties not held in the name of the Company**

Particulars	Description of item of property	Gross carrying value (₹ in lakhs)	Title deeds held in the name of	Whether title holder is a director, promoter or the relative of the same	Property held since which date	Reason for not being held in the name of Company
Property, plant and equipments	Land, CD-II, Bibinagar	109.42	Various parties	NA	01.04.2022	The land was acquired through a slump sale of the Building Products Division from AGI Greenpac Limited. Out of the total 59.5 acres of land acquired, 1 acre land is currently not registered in the Company's name. The formal process to mutate and transfer the title deeds into the Company's name remains pending, and the titles are currently registered in the names of various third parties. Although the physical possession of the said land rests with the Company, the Company has initiated legal proceedings against these respective third parties to establish and enforce its absolute legal ownership.

**Note 66 - Scheme of Arrangement**

On 27th March 2025, the Board approved a Composite Scheme of Arrangement (the "Scheme") involving the Company ("Transferee Company"), Hindware Home Innovation Limited ("Demerged Company/Remaining Transferor Company") and HHIL Limited ("Resulting Company"). The Scheme provides for the demerger of the Consumer Products Business of the Demerged Company and the amalgamation of the Remaining Transferor Company with and into Transferee Company with an Appointed Date of 01st April 2025. Hindware Home Innovation Limited ("the Holding Company") has received approval from BSE Limited and the National Stock Exchange of India Limited (together, "the stock exchanges"). The Scheme received requisite approval from the unsecured creditors of the Company, as well as the unsecured creditors and equity shareholders of the Holding Company, during their respective NCLT convened meetings held on 7th March 2026. The Scheme is subject to such other necessary approvals as may be required and sanction thereof by the NCLT.

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**Hindware Limited**

**Notes forming part of Standalone Financial Statements**

**Note 67 - Other Disclosures**

- (a) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period
- (b) The Company have not traded or invested in crypto currency or virtual currency during the financial year
- (c) There are no loans or advances in the nature of loans granted to Promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are: (a) repayable on demand; or (b) without specifying any terms or period of repayment
- (d) The Company has complied with the requirements of the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017
- (e) The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 to 1988) and Rules made thereunder
- (f) The Company has not been declared as wilful defaulter by any bank or financial institution or other lender or government or any government authority
- (g) Utilisation of borrowed funds and share premium
- I. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- (ii) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
- II. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the 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.

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As per our report of even date attached

For and on behalf of the Board of Directors

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




**Shyamal Kumar**  
Partner  
M. No. 509325  
Place : Gurugram  
Date : 11 May 2026

**G.L. Sultania**  
Director  
DIN: 0076931



**Payal M Puri**  
Company Secretary  
ACS No.: 16068



Place : Gurugram  
Date : 11 May 2026

**Sandip Somany**  
Chairman and Managing Director  
DIN: 00053597



**Navveen Malik**  
Chief Financial Officer



**Hindware Limited**

Form MCA-1

Pursuant to first proviso to sub-section (3) of Section 129 and with rule 5 of Companies (Accounts) Rules, 2014

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

Part "V" - Subsidiaries

Sl. No.	Name of Subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Share capital	Reserves & surplus	Total assets	Total liabilities	Investments (other than subsidiary)	Turnover (including other operating income)	Profit before taxation	Provision for taxation	Profit after taxation	Other comprehensive income	Total comprehensive income for the year	Proposed dividend	% of shareholding (including separate subsidiary holding)
1	Hales International Ltd. (Subsidiary of Hindware Ltd.)	✓	USD 1 = INR 94.6543	2,01,062	(2,021,90)	8.22	19,59			(7.68)	(1.35)	(7.68)	(1.35)	(9.03)		100%
2	Queo Bathroom Innovations Ltd. (Subsidiary of Hales International Ltd.)	✓	GBP 1 = INR 125.6347	5.35	(7.63)	7.88	10.15			(7.02)	(1.05)	(7.02)	(1.05)	(8.07)		100%
3	Trullo Pipes Limited (Subsidiary of Hindware Ltd.)		N/A	20.00	(3.77)	19.65	2.82			(0.26)		(0.26)		(0.26)		100%

Name of subsidiaries which are yet to commence operations : Trullo Pipes Limited

Name of subsidiaries which have been liquidated or sold during the year : Nil

Note 1:  
Note 2:

Part "B" : Associates and Joint Ventures		Statement pursuant to section 129 (3) of the Companies Act, 2013 related to associate companies/joint ventures					
Sl. 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
			Amount of investment in Associates/Joint Venture	Extend of Holding %			1. Considered in Consolidation 2. Not considered in Consolidation

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

*[Signature]*  
Sandeep Somany  
Director  
DIN: 00009931

*[Signature]*  
Sandeep Somany  
Chairman and Managing Director  
DIN: 00053597



*[Signature]*  
Payal M Puri  
Company Secretary  
MCS No: 14668

*[Signature]*  
Naveen Malik  
Chief Financial Officer

Place : Gurgaon  
Date : 11 May, 2020