hindware

home innovation limited

TRANSCRIPT OF THE 8TH ANNUAL GENERAL MEETING OF HINDWARE HOME INNOVATION LIMITED HELD ON WEDNESDAY, 24TH SEPTEMBER, 2025 AT 12:00 NOON (IST) THROUGH VIDEO CONFERENCING ("VC")/OTHER AUDIO VIDEO MODE ("OAVM")

PANELISTS:

Mr. Salil Kumar Bhandari
Independent Director

Mr. Girdhari Lal Sultania
Non-Executive Non- Independent Director

Dr. Nand Gopal Khaitan
Independent Director

Ms. Sonali Dutta
Independent Director

Mr. Naveen Malik
Chief Financial Officer and Chief Executive Officer

Mr. Sandeep Sikka
Group CFO

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

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

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

Mr. Deepak Bansal
Group Head-Internal Audit

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

ATTENDEES:

Shareholders

Ms. Payal M Puri:

Good Afternoon to the Directors, Auditors and Shareholders, who have joined us today, for the 8th Annual General Meeting of Hindware Home Innovation Limited through Video Conferencing and Other Audio Video Mode.

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

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

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

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

Since the Chairman of the Board Mr. Sandip Somany is on its way and is not able to join us at this time, I would request Mr. Salil Kumar Bhandari, the Independent Director of the Company to chair this meeting and address the Directors, Auditors, and Shareholders who have joined us today. Over to you Bhandari Sir.

Mr. Salil Kumar Bhandari:

Good Afternoon Everyone!

I am Salil Kumar Bandari, Independent Director and Chairman of Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee of Hindware Home Innovation Limited joining from my home office in Udaipur and chairing this meeting.

It is my privilege to welcome you all to the 8th Annual General Meeting of your Company. Thank you very much for joining us today.

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

We have with us the following:

Ms. Payal M Puri, the Company Secretary and Group General Counsel, Mr. Naveen Malik, Chief Financial Officer and Chief Executive Officer of the Company and next to him is Mr. Sandeep Sikka, Group CFO.

In the Panel Display we have with us:

1. Myself, I am the Chairman of the Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee joining from Udaipur
2. Mr. Girdhari Lal Sultania, Non-Executive Non-Independent Director, joining from Kolkata
3. Dr. Nand Gopal Khaitan, Independent Director, joining from Kolkata
4. Ms. Sonali Dutta, Independent Director, joining from Goa
5. Mr. Shyamal Kumar, representative of M/s. Lodha & Co LLP, Statutory Auditor, joining from New Delhi
6. Ms. Monika Kohli, representative of M/s. DMK Associates, Secretarial Auditor, joining from New Delhi
7. Mr. Deepak Bansal, Group Head, Internal Audit, joining from Gurugram
8. Mr. Pravin Kumar Drolia, Scrutinizer, joining from Kolkata

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

The financial year 2024–25 gone by was a tough one. The market environment during the year remained challenging, with subdued consumption and intense competition. Like many consumer businesses, we also felt the pressure on demand and growth. Even so, we closed the year with consolidated revenues of ₹2,523 crore and an EBITDA margin of 7.3%, reflecting resilience in the face of headwinds.

While it was not without its difficulties, the year became a turning point for us. It reminded us of the need to be more agile, to execute with discipline, and to sharpen our strategic focus. We used this opportunity to recalibrate our priorities, staying true to our core strengths of product quality, innovation, and keeping the customer at the centre of everything we do.

Despite headwinds, our Bathware business delivered revenues of ₹1,384 crore and an EBITDA margin of 10.6%. Growth here is being driven by premiumization, with brands like Hindware Italian Collection and Queo leading the way. We are also enhancing manufacturing efficiencies, strengthening our dealer and retail presence, and deepening

engagement with architects and designers to build long-term brand preference.

Our Plastic Pipes and Fittings Business under brand Truflo by Hindware brand has continued its growth momentum and business achieved revenues of ₹786 crore, with an 7.7% EBITDA margin. Volumes grew by 12%, despite a decline in selling prices led by reduced input resin costs.

To support this momentum, our new manufacturing plant in North India has already commenced trial production. This will significantly expand capacity and help us serve the growing demand in the region more effectively.

Our Consumer Appliances business segment recorded revenues of ₹356 crore. Over the past year, we streamlined our portfolio for Consumer appliances business to focus on categories with higher returns, such as kitchen chimneys, hobs, and cooktops.

In line with this, the Board had recently approved a realignment of the business wherein we have exited categories such as fans, air coolers (except on e-commerce), air purifiers, water purifiers, and furniture fittings. This sharper focus on kitchen appliances will allow us to channel our efforts and resources into building a more profitable and scalable business.

Further, in March 2025, the Board approved a Composite Scheme of Arrangement. Under this composite scheme, our Consumer Appliances business will be demerged from Hindware Home Innovation Limited into its wholly owned subsidiary by name of HHIL Limited, while the remaining company will amalgamate into Hindware Limited. Once implemented, both HHIL Limited and Hindware Limited will be independently listed on BSE and NSE. This scheme has already been approved by BSE & NSE and the next step of filing the same with NCLT, Kolkata is underway. The appointed date for the scheme is 1st April, 2025, subject to necessary approvals.

This move will give each business sharper focus, greater agility, and the opportunity to unlock long-term value for you, our shareholders.

Now I would like Mr. Naveen Malik, CFO & CEO of the Company to apprise you about the financial performance of the Company for the Financial Year 2024-25:

Mr. Naveen Malik:

Good Afternoon Mr. Chairman, Board Members, Shareholders and everyone in attendance. The results for the year ended 31st March 2025 have been prepared in compliance with the applicable Indian Accounting Standards (Ind AS) notified by the MCA.

In FY25, Hindware Home Innovation Limited consolidated revenue was ₹2,523 crore and EBITDA stood at ₹184 crore with margins at 7.3%. Now, moving on to the segmental results:

1. Our Building Products Business, consisting of Bathware and Plastic Pipes & Fittings, reported revenue of ₹2171 crore, with EBITDA at ₹207 crore and an EBITDA margin of 9.6%.

   - Our bathware business, reported Revenue of ₹1,384 crore, with EBITDA at ₹147 crore and an EBITDA margin of 10.6%.

   - Our plastic pipes and fitting business reported Revenue of ₹786 crore, with EBITDA at ₹61 crore and an EBITDA margin of 7.7%.

2. Hindware Home Innovation Limited consisting of Consumer Appliances business generated revenue of ₹352 crore in FY 2024-25 but incurred a negative EBITDA of ₹17 crore.

Thank you for joining us today. I would like to now invite Mr. Salil Kumar Bhandari, Chairman to continue with the proceeding of this meeting.

Mr. Salil Kumar Bhandari:

Now, with your concurrence, I shall take the Notice of the 8th Annual General Meeting together with the Financial statements as on 31st March, 2025 and Directors' Report to be taken as read.

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

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

The Company had provided remote e-voting facility through CDSL System. The remote e-voting period commenced at 9.00 A.M. on Sunday,

21st September, 2025 and ended on Tuesday, 23rd September, 2025 at 5.00 P.M. Mr. Pravin Kumar Drolia, Practicing Company Secretary, Kolkata has been appointed as the Scrutinizer.

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

Now, I will announce the names of the Shareholders who have been registered as speakers for this meeting. The speaker shareholder, if present, will then be unmuted by the host. If the Shareholder is not able to join through video mode for any reason, then the shareholder can join through audio mode. The Shareholders are advised to use headphones for clear audio and switch off other background applications.
If there is any connectivity issue from speaker shareholders' end, we would request the next speaker shareholder to join the meeting. The speaker shareholder who could not join, can thus join later. We would like to request the speaker shareholder to limit their queries to 3 minutes. Please note that the queries which have been received in advance will only be replied to.

Now I would like the host to unmute:

1) Ms. Lily Pradhan
2) Mr. Manjit Singh
3) Mr. Badri Vishal Bajaj
4) Mr. Prabhjot Singh Sahni
5) Mr. Mahesh Kumar Bubna

Meeting Host:

Ms. Lily Pradhan is not available in the meeting.

Mr. Salil Kumar Bhandari:

Mr. Manjeet Singh.

Meeting Host:

Mr. Manjeet Singh is not available in the meeting

Mr. Salil Kumar Bhandari:

Mr. Badri Vishal Bajaj

Mr. Badri Vishal Bajaj:

Thankyou Chairman sir. Good afternoon

Mr. Salil Kumar Bhandari:

Good Afternoon.

Mr. Badri Vishal Bajaj:

Sir, I have three questions which are very particular. Given the intensely competitive nature of the home solutions segment, in which we operate as an innovator and solution provider, we are facing significant challenges. As noted in the Chairman's speech, our consolidated results have moved into a loss-making position, a trend that is projected to continue through FY25 and Q1 of FY26 so how do you assess our current standing within this highly competitive market, and what specific strategies are in place to improve our stake.

My second question is that currently our product presence in the home solutions segment is primarily concentrated in Tier-1, Tier-2 and Tier-3 cities largely driven by our e-commerce platforms and existing B2B/B2C channels. To effectively increase sales particularly in Tier-2 and Tier-3 markets, have we considered expanding our reach by establishing a robust dealership network?

My third and final question addresses the cash flow. The cash flow statement shows that the cash flow from operating activities has also declined. Specifically, our operating profitability has dropped from ₹241 crore to ₹192 crore, this directly impacts our future margins and productivity.

I am Badri Vishal Bajaj from Hyderabad, and I will always be in support of the Somany Group. Thank you madam for responding to our request. Thank you.

Mr. Bhandari asked Mr. Sandeep Sikka, Group CFO to address the queries as raised by the Shareholder.

Mr. Sandeep Sikka:

Thanks for asking the question. As I understand you have three questions which are in fact interlinked to each other.

We the parent Company which is Hindware Home Innovation Limited had over the years set up various businesses, but one key business which we have set up is related to kitchen, chimneys and hobs wherein we have a leading market position, there were other businesses which has already been spoken up as a part of representation.

In the last Board meeting, if you recall Board had taken a decision to discontinue certain product lines which are relating to other businesses like you know other than the e-commerce or water purifiers or few other businesses. As a result of which we have been able to cut down a substantial cost and the total focus now is on the growth of kitchen chimneys, hobs and wherein we feel that very soon in a span of around 12 to 18 months based on all the initiatives and based on the current market

scenario, we should be able to unlock the value and show, demonstrable turnaround in the business.

As we have your question on Tier-2 and Tier-3 cities, the Company has already taken initiatives and if you see today our market share on various e-commerce platform like flipkart and Amazon, there are a number of products which the Company is already offering on these platforms and going forward we strongly believe e-commerce will play a very vital role in growth of any organization and the energies are already being spent over the last four or five years in order to build a stronger base for the e-commerce businesses.

On the cash flow statement since the Company was incurring losses, that is why there was a pressure on the cash flow statement and we strongly believe once we have we are able to demonstrate the turnaround even the cash flows over the next 12 to 18 months should reflect the improvement in the operations.

I hope I have answered your questions. Thank you.

Mr. Salil Kumar Bhandari:

Can we have Mr. Prabhjot Singh Sahni?

Meeting Host:

Sir, Mr. Prabhjot Singh Sahni is also not available in the meeting.

Mr. Salil Kumar Bhandari:

Next one is Mahesh Kumar Bubna

Meeting Host:

Sir, Mr. Mahesh Kumar Bubna is also not available in the meeting.

Mr. Salil Kumar Bhandari:

Now I would like to quickly summarize the businesses as stated in the Notice of 8th AGM.

Businesses as stated in the Notice of 8th AGM are as under:

AS ORDINARY BUSINESS

1. To consider and adopt the audited standalone financial statements of the Company for the financial year ended 31st March 2025, the reports of the Board of Directors and Auditors thereon and the audited consolidated financial statements of the Company for the financial year ended 31st March 2025 and Auditors' Report thereon. (**As Ordinary Resolution**)

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

AS SPECIAL BUSINESS

3. To appoint M/s. DMK Associates (DMK), Practising Company Secretaries as Secretarial Auditor of the Company for a term of five (5) consecutive years and fixation of remuneration thereof **(As Ordinary Resolution)**

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

Before I conclude, I want to sincerely thank our shareholders, employees, customers, and partners. The past year has tested us, but it has also made us stronger. With a sharper portfolio, a stronger operating framework, and the upcoming demerger, Hindware is ready to capture growth and build a future-ready company.

Thank you.