

Hardwyn India Limited

**Hardwyn**

SEVENTH ANNUAL REPORT

2023 -2024

Since 1965

Perfection Redefined

**HARDWYN INDIA LIMITED**  
**CIN: L74990DL2017PLC324826**

**DETAILS OF COMPANY**

<b>Name of Company</b>	Hardwyn India Limited
<b>CIN</b>	L74990DL2017PLC324826
<b>Registered Office</b>	B-101, Phase-1, Mayapuri, South West Delhi, New Delhi – 110 064
<b>Shares Listed With</b>	BSE & NSE
<b>Website</b>	<a href="http://www.hardwyn.com">www.hardwyn.com</a>
<b>Email</b>	<a href="mailto:rubal.sayal@hardwyn.com">rubal.sayal@hardwyn.com</a>
<b>Contact No</b>	011-23629277

**BOARD OF DIRECTORS & KMP**

<b>NAME</b>	<b>DIN</b>	<b>DESIGNATION</b>
Mr. Swaran Jeet Singh Sayal	00280576	Chairperson & Executive Director
Mr. Rubaljeet Singh Sayal	00280624	Managing Director & CFO
Ms. Tanya Sayal	02821564	Non-Executive – Non - Independent Director
Ms. Shikha Chawla	09523645	Non-Executive - Independent Director
Mr. Kulmeet Singh Lamba	09592108	Non-Executive - Independent Director
Ms. Nidhi Sethi	09617207	Non-Executive - Independent Director
Ms. Ankita Jain	-	Company Secretary & Compliance Officer

**AUDITORS**

<b>STATUTORY AUDITORS</b>	<b>SECRETARIAL AUDITOR</b>
<b>M/s S. S. Periwal &amp; Co</b> , Chartered Accountants (Firm Regn no. 001021N) J-45 Basement, Outer Ring Road, Pillar No.9, Vikaspuri – 110 018	<b>M/s Amit Saxena &amp; Associates</b> Company Secretaries 701, Prakashdeep Building, 7, Tolstoy Marg Barakhamba Road, New Delhi-110001 .

<b>REGISTRAR &amp; SHARE TRANSFER AGENT</b>	<b>BANKERS TO THE COMPANY</b>
<b>Skyline Financial Services Pvt. Ltd</b> D-153A, 1st Floor, Okhla Industrial Area Phase- I, New Delhi – 110 020 Telephone No: 11 - 6473 2681-88 Fax: 11 - 2681 2682 Email: <a href="mailto:info@skylinerta.com">info@skylinerta.com</a> Website: <a href="http://www.skylinerta.com">www.skylinerta.com</a>	<b>HDFC BANK LIMITED</b>

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**NOTICE IS HEREBY GIVEN THAT THE 07<sup>TH</sup> ANNUAL GENERAL MEETING OF HARDWYN INDIA LIMITED WILL BE HELD ON WEDNESDAY, 18<sup>TH</sup> DECEMBER, 2024 AT 03:00 P.M. THROUGH VIDEO CONFERENCING (VC)/ OTHER AUDIO-VISUAL MEANS (OAVM) TO TRANSACT THE FOLLOWING BUSINESS:**

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**ORDINARY BUSINESS:**

**ITEM NO. 1**

**TO RECEIVE, CONSIDER AND ADOPT THE AUDITED FINANCIAL STATEMENTS (BOTH STANDALONE AND CONSOLIDATED FINANCIAL STATEMENTS) OF THE COMPANY FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024 TOGETHER WITH DIRECTOR'S REPORT AND THE AUDITORS REPORT THEREON;**

**ITEM NO. 2**

**TO RE-APPOINT MR. SWARAN JEET SINGH SAYAL (DIN- 00280576), WHO IS LIABLE TO RETIRE BY ROTATION BEING ELIGIBLE OFFERS HIMSELF FOR REAPPOINTMENT.**

**SPECIAL BUSINESS:**

**ITEM NO.3**

**TO CONSIDER AND APPROVE THE REVISION IN REMUNERATION PAYABLE TO MR. RUBALJEET SINGH SAYAL, (DIN: 00280624) MANAGING DIRECTOR OF THE COMPANY**

To Consider, and if thought fit, to pass the following resolution, with or without modification, as a **SPECIAL RESOLUTION**

“**RESOLVED THAT** in supersession of all the earlier resolutions passed for payment of remuneration and pursuant to the provisions of Section 197, 198 and other applicable provisions, if any, of the Companies Act, 2013, (the ‘Act’) read with Schedule V of the Act and the Rules made thereunder, including any amendment(s), modification(s) or re-enactment(s) thereof for the time being in force, and such other approvals, permissions and sanctions of such authorities, as may be required in this regard and subject to the provisions of the Articles of Association, and based on the recommendation of Nomination and Remuneration Committee and Board of Directors, the consent of the members, be and is hereby accorded for revision in the remuneration of Mr. Rubal Jeet Singh Sayal, (DIN: 00280624), Managing Director of the Company increased amounting to INR. 5,00,000/- P.M. from 01.04.2024 and the said remuneration be paid in such amount, proportion and manner as may be decided by the Board of Directors of the Company from time to time.

**FURTHER RESOLVED THAT** the total overall managerial remuneration payable to all the Directors of the Company in any financial year shall be subject to Section 197, 198, Schedule V of the Companies Act, 2013, and any subsequent increase in remuneration beyond the limits as stated herein shall be done by way of passing a special resolution in a general meeting of the members of the Company;

**FURTHER RESOLVED THAT** any Director or the Key Managerial Personnel of the Company be and is hereby authorized to do all such acts, deeds, matters and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**ITEM NO.4****INCREASE IN AUTHORIZED SHARE CAPITAL OF THE COMPANY AND CONSEQUENTIAL ALTERATION OF MEMORANDUM OF ASSOCIATION OF THE COMPANY:**

To consider and if thought fit, to pass with or without modification(s), the following resolutions as **ORDINARY RESOLUTION:**

“**RESOLVED THAT**, pursuant to the provisions of Sections 13, 61, 64 and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), and the rules made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the relevant provisions of the Articles of Association of the Company or any other applicable laws for the time being in force and subject to all other necessary approvals, permissions, consents and sanctions, if any, the approval of the Members of the Company be and is hereby accorded to increase the existing Authorized Share Capital of the Company from 35,10,00,000/- (Rupees Thirty-Five Crore and Ten Lakh only ) divided into 35,10,00,000 (Thirty-Five Crore and Ten Lakh only) equity shares of Rs. 1/- (Rupees One Only) each to Rs. 50,00,00,000/- (Rupees Fifty Crores only) divided into 50,00,00,000 (Fifty Crores only) Equity shares of Rs. 1/- (Rupees One only) ranking pari - passu in all respect with the existing Equity Shares of the Company.”

“**RESOLVED FURTHER THAT** the existing Clause V of the Memorandum of Association of the Company be and is hereby substituted by following new Clause V as under:

*V. The Authorised Share Capital of the Company is 50,00,00,000/- (Indian Rupees Fifty Crore only) divided into 50,00,00,000 (Fifty Crore) Equity Shares of Rs. 1/- (Indian Rupees One only) each.*

“**RESOLVED FURTHER THAT** any director of the Company be and are hereby authorized to sign, execute and file necessary application, forms, deeds, documents and writings as may be necessary for and on behalf of the Company and to settle and finalize all issues that may arise in this regard and to do all such acts, deeds, matters and things as may be deemed necessary, proper, expedient or incidental for giving effect to this resolution and to delegate all or any of the powers conferred herein as they may deem fit.

**ITEM NO. 5****TO APPROVE ISSUANCE OF BONUS SHARES.**

To consider and if thought fit, to pass with or without modification(s), the following resolutions as **ORDINARY RESOLUTION:**

“**RESOLVED THAT** in accordance with Section 63 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Share Capital & Debentures) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force), the relevant provisions of the Memorandum and Articles of Association of the Company and subject to the regulations and guidelines issued by the Securities and Exchange Board of India (SEBI) including the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended from time to time) and further subject to such permissions, sanctions and approvals as may be required in this regard, the consent of the shareholders of the Company be and is hereby accorded to capitalize a sum of Rs. 13,95,52,587 /- only (Rupee Thirteen Crore Ninety-Five Lakh Fifty Two Thousand Five Hundred and Eighty-Seven Only) standing to the credit of the Free Reserve and Security Premium, for the purpose of issuance of bonus shares of Rs. 1/- (Rupees One Only) each, credited as fully paid-up equity shares to the holders of existing equity share(s) of the Company whose names appear in the Register of Members maintained by the Company and the List of Beneficial Owners as received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) on the Record Date as fixed by the Board for the purpose (which expression shall also include a Committee thereof/CMD), in the proportion of 2 (Two) Bonus

equity share of Rs. 1/- each for every 5 (five) existing equity share(s) of Rs. 1/- each held by the Members/Beneficial Owners and that the Bonus Shares so distributed shall, for all purposes, rank pari-passu with the existing equity shares and shall be treated as increase in the paid-up share capital of the Company”.

**“RESOLVED FURTHER THAT** the issue and allotment of the Bonus Shares to Non-Resident Members, Foreign Institutional Investors (FIIs) & other Foreign Investors and/or distribution of net sale proceeds in respect of fractions to such members may be entitled, be subject to the compliance requirements of RBI or any other regulatory authority, if any”.

**“RESOLVED FURTHER THAT** no letter of allotment shall be issued to the allottees of the new equity bonus shares and the share certificate(s) in respect of the new equity bonus shares shall be issued to shareholders holding shares in physical mode and dispatched to the allottees thereof within the period prescribed or that may be prescribed in this behalf, from time to time; except that the new equity bonus shares will be credited to the demat account of the allottees, who hold the existing equity shares in electronic form”.

**“RESOLVED FURTHER THAT** the new equity bonus shares of Rs. 1/- each to be allotted and issued as bonus shares shall be subject to the terms of Memorandum & Articles of Association of the Company and shall rank pari passu in all respects and carry the same rights as the existing fully paid equity shares of the Company and shall be entitled to participate in full in any dividend(s) to be declared after the bonus shares are allotted”.

**“RESOLVED FURTHER THAT** the Board/Committee shall not issue any certificate or coupon in respect of fractional shares, if any, but the total number of such new equity shares representing such fractions shall be allotted by the Board (which expression shall also include Committee thereof) to the nominee(s) to be selected by the Board/Committee, who would hold them as trustee for the members entitled thereto, and sell such equity shares allotted to him at the prevailing market rate and the net sale proceeds of such shares after adjusting the cost and expenses in respect thereof be distributed to the members in proportion to their fractional entitlements.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to take necessary steps for listing of such shares on the Stock Exchanges where the securities of the Company are listed as per the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 and other applicable guidelines, rules and regulations”.

**“RESOLVED FURTHER THAT** for the purpose of giving effect to the aforesaid resolutions, the Board / Committee of the Board, be and are hereby authorized to do all such acts, deeds, matters and things whatsoever, including settling any questions, doubts or difficulties that may arise with regard to or in relation to the issue or allotment of the bonus shares and to accept on behalf of the Company, any conditions, modifications, alterations, changes, variations in this regard as prescribed by the statutory authority(ies) and which the Board / Committee of the Board in its discretion thinks fit and proper”.

**For & on behalf of  
Hardwyn India Limited**

**Date: 25.11.2024  
Place: New Delhi**

**Sd/-  
Rubaljeet Singh Sayal  
Managing Director  
DIN:00280624**

**Notes:**

Pursuant to General Circulars No.14/2020 dated April 8, 2020, No.17/2020 dated April 13, 2020, No.20/2020 dated May 5, 2020, No. 02/2021 dated January 13, 2021, No. 21/2021 dated December 14, 2021, No. 2/2022 dated May 5, 2022, No. 10/2022 dated December 28, 2022 and No.09/2023 dated September 25, 2023 issued by the Ministry of Corporate Affairs (collectively 'MCA Circulars'), the Company is convening the 07<sup>th</sup> Annual General Meeting ('AGM') through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM'), without the physical presence of the Members at a common venue. Further, Securities and Exchange Board of India ('SEBI'), vide its Circulars dated May 12, 2020, January 15, 2021, May 13, 2022, January 5, 2023, October 7, 2023 and other applicable circulars issued in this regard (collectively 'SEBI Circulars'), have provided relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

In compliance with the applicable provisions of the Companies Act, 2013 ('the Act'), the Listing Regulations and MCA Circulars, the 07<sup>th</sup> AGM of the Company is being held through VC/OAVM on Wednesday, December 18, 2024 at 03:00 p.m. (IST). The proceedings of the AGM will be conducted at the Registered Office of the Company B-101, Phase-1, Mayapuri, South West Delhi, New Delhi, India, 110064, which shall be the deemed venue of the AGM. The detailed procedure for participating in the Meeting through VC/OAVM is given herein below.

1. The Company has appointed CDSL to provide the VC/ OAVM facility for conducting the AGM and for voting through remote e-voting or through e-voting at the AGM. The procedure for participating in the meeting through VC/ OAVM is explained in the notes and is also available on the website of the Company at [www.hardwyn.com](http://www.hardwyn.com).
2. Since the AGM is being held through VC/ OAVM, physical attendance of the Members has been dispensed with. Accordingly, the facility for appointment of proxies by Members is not available, as provided in the MCA Circulars and hence the Proxy Form and Attendance Slip are not annexed to this Notice. The attachment of the route map for the AGM venue is also dispensed with.
3. Pursuant to the provisions of Sections 112 and 113 of the Act, representatives of the Corporate Members may be appointed for the purpose of voting through remote e -voting or for participation and voting at the AGM through e-voting facility. Body corporates are entitled to appoint authorized representative(s) to attend the AGM through VC/ OAVM and to cast their votes through remote e-voting/ e-voting at the AGM. In this regard, the body corporates are required to send a latest certified copy of the Board Resolution/ Authorization Letter/ Power of Attorney authorizing their representative(s) to attend the meeting and vote on their behalf through e-voting. The said resolution/ letter/ power of attorney shall be sent by the body corporate through its registered e-mail ID [cs@hardwyn.com](mailto:cs@hardwyn.com) to the Scrutinizer.
4. Pursuant to Section 100 and Section 136 of the Companies Act, 2013 read with relevant rules made there under, Companies can serve Annual report and other communications through electronic mode to those Members who have registered their email address either with the Company or Depository Participant(s). Members of the Company who have registered their email address are entitled to receive such communication in physical form, upon request.
5. The facility for joining the meeting shall be kept open for 15 minutes before the time scheduled to start the meeting and shall not be closed till the expiry of 15 minutes after such scheduled time.
6. Attendance of members through VC or OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013

7. A statement pursuant to Section 102(1) of the Act, relating to the Special Business to be transacted at the AGM is annexed hereto.
8. Members may note that the Notice of the 7<sup>th</sup> AGM and the Annual Report 2023-24 will also be available on the Company's website i.e. [www.hardwyn.com](http://www.hardwyn.com) For any communication or assistance, the Members may also send requests to the Company's investor E-mail ID: [cs@hardwyn.com](mailto:cs@hardwyn.com).
9. In compliance with the MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the 07<sup>th</sup> AGM along with the Annual Report 2023-24, inter alia, indicating the process and manner of attending the meeting through VC/OVAM and Remote e-Voting is being sent only through electronic mode to those Members whose E-mail IDs are registered with the Company/ RTA/ Depository Participant(s) for communication purposes.
10. All members are requested to make their correspondence in relation to the shares in physical and Demat to our Registrar and Share Transfer Agent i.e. Skyline Financial Services Pvt. Ltd. at its office at D153A, 1st Floor, Okhla Industrial Area, Phase-1, New Delhi-110 020 as and when required. Members holding shares in physical form are requested to dematerialize their shares. Members holding shares in physical mode are requested to intimate change in their address (if any), to Skyline Financial Services Pvt. Ltd., Registrar and Share Transfer Agent of the Company, located at D153A, 1st Floor, Okhla Industrial Area, Phase-1, New Delhi-110 020, at the earliest quoting their registered folio number. Members holding shares in Electronic mode are requested to send the intimation of Change of their address, if any, in respect of shares held by them to the concerned Depository Participant. Any such changes effected by the Depository Participants will automatically reflect in the Company's subsequent records.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to Registrar and Share Transfer Agents.
12. Pursuant to the amendment of Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR), transfer of securities held in physical form shall not be processed and any transfer of securities will be possible only in Demat mode. Hence investors are encouraged to demat their physical holding for any further transfer. Further with reference to the Securities and Exchange Board of India circular (Ref. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018) about their direction in updating the details of PAN and bank account of security holders holding securities in physical form, wish to inform that the security holders whose folio(s) have not been updated with PAN and Bank Account details, or where there is any change in the bank account details provided earlier, are required to furnish the details to RTA/ Company for registration / updation.
13. As per Rule 3 of Companies (Management and Administration) Rules, 2014, Register of Members of the Company should have additional details pertaining to e-mail, PAN / CIN, UID, Occupation, Status, Nationality. We request all the Members of the Company to update their details with their respective Depository Participants in case of shares held in electronic form and with the Company's RTA in the case of physical holding, immediately.
14. Brief details of the directors, who are seeking appointment/re-appointment, are annexed hereto as per requirements of regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements)

Regulations 2015 and Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.

15. To receive shareholders' communications through electronic means, including annual reports and notices, members are requested to kindly register/update their email address with their respective depository participant, where shares are held in electronic form. If, however, shares are held in physical form, members are advised to register their e-mail address with Skyline Financial Services Pvt. Ltd. on [www.skylinerta.com](http://www.skylinerta.com).
16. In Compliance with the MCA Circulars and SEBI Circular, Notice of AGM along with the Annual Report is being sent only through electronic mode to those members whose email addresses are registered with the Company or the Depository. Members may note that the Notice and Annual Report will also be available on the Company's website [www.hardwyn.com](http://www.hardwyn.com) and website of the stock exchange i.e. Bombay Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com), National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com), and on the website of Company's & Registrar and Transfer Agent.
17. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
18. Members desiring any further information on the business to be transacted at the meeting should write to the company at least 15 days before the date of the meeting so as to enable the management to keep the information, as far as possible, ready at the meeting.
19. Members may kindly note that no 'Gifts' will be distributed at the Annual General Meeting.
20. Members desiring any information/clarification on the Accounts are requested to write to the Company in advance at least seven (7) days before the meeting so as to keep the information ready at the time of Annual General Meeting.
21. To receive communications through electronic means, including Annual Reports and Notices, members are requested to kindly register/update their email address with their respective depository participant. Alternatively, member may send signed copy of the request letter providing the email address, mobile number and self-attested PAN copy along with client master copy (in case of electronic folio)/copy of share certificate (in case of physical folio) via email to [cs@hardwyn.com](mailto:cs@hardwyn.com) for obtaining the Annual Report and Notice of e-AGM.
22. In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Amendment, Rules 2015, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided a facility to the members to exercise their vote electronically through the electronic voting service facility arranged by Central Depository Services Limited (CDSL). Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their vote again. Instructions and other information relating to e-voting are given in this Notice under Note No. 25.
23. The Register of Members and Share Transfer Books of the Company will remain closed from **Thursday, 12<sup>th</sup> December, 2024 to Wednesday, 18<sup>th</sup> December, 2024 (both day inclusive)**.
24. M/s Vikas Kumar Verma & Associates, Practicing Company Secretaries, has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.

**25. Voting Through Electronic Means:**

- a) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
- b) The Board of Directors of the Company has appointed M/s Vikas Verma & Associates, Company Secretaries, New Delhi as Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
- c) **The cut-off date for the purpose of voting (including remote e-voting) is Wednesday, 11<sup>th</sup> December, 2024.**
- d) Remote e-voting facility will be available during the following period:

Commencement of remote e-voting	15.12.2024 at 09:00 A.M. (Sunday)
Conclusion of remote e-voting	17.12.2024 at 05:00 P.M. (Tuesday)

**CDSL e-Voting System – For e-voting and Joining Virtual meetings.**

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM/EGM will thus be held through video conferencing (VC) or other audio-visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.
3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available to at-least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.hardwyn.com](http://www.hardwyn.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM/EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. In continuation of this Ministry's General Circular No. 20/2020, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No.20/2020 as per MCA circular no. 02/2021 dated January,13,2021.

**THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

**Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat modes

- (i) The voting period begins on 13.12.2024 at 09:00 A.M and ends on 15.12.2024 at 05:00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 09.12.2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where</li> </ol>

	<p>the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e- Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e- Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e- Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e- Voting service provider name and you will be redirected to e- Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p>
<p>Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b></p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e- Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider</p>

website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**
- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - 2) Click on “Shareholders” module.
  - 3) Now enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
  - 4) Next enter the Image Verification as displayed and Click on Login.
  - 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
  - 6) If you are a first-time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)  Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Hardwyn India Limited > on which you choose to vote.

On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution. (xi)

Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [service@vvanda.com](mailto:service@vvanda.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / I-Pads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **15 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 1800 22 55 33.

**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 (ACT)****ITEM NO 3:**

Looking to the competitive business environment, stringent accounting standards, corporate governance norms and consequent increase in the responsibilities of the Managing Director (“Executive Director”), it is considered prudent and appropriate to remunerate the Managing Director of the Company.

In order to address this situation, Ministry of Corporate Affairs vide notification dated March 18, 2021 made necessary amendments in the Act and Schedule V of the Act, which now enables the companies to pay remuneration in case of loss or inadequate profits, within the limits of Schedule V of the Act. However, the same is subject to approval of shareholders by way of an Ordinary Resolution.

The Company believes in the philosophy to remunerate adequately the Managing Director for giving their time to the Company and their inputs in the strategic decisions of the Company. As the Company is in the growth trajectory, the Company may or may not have adequate profits or may incur loss. As an enabling action, it is proposed to take approval of shareholders by way of a **Special Resolution** in terms of section 197 and Schedule V of the Act read with Rules made thereunder, for payment of remuneration to the Managing Director, The Board of Directors will determine each year, the specific amount to be paid as remuneration to the NEDs, in case of loss or inadequate profits or loss.

Consent of the members is sought for passing a **Special Resolution** as set out at Item No. 3 of the Notice for payment of remuneration to the Managing Director of the Company. Mr. Rubaljeet Singh Sayal, Mr. Swaran Jeet Singh Sayal and Ms. Tanya Sayal is concerned or interested in the resolution.

None of the Key Managerial Personnel and their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed resolution. Your Directors recommend the passing of resolution as set out at Item No. 3 of the Notice for approval by the Members.

**ITEM NO 4:****INCREASE IN AUTHORIZED SHARE CAPITAL OF THE COMPANY AND CONSEQUENTIAL ALTERATION OF MEMORANDUM OF ASSOCIATION OF THE COMPANY:**

Presently, the Authorized Share Capital of the Company Rs. 35,10,00,000/- (Rupees Thirty-Five Crore and Ten Lakh Only) divided into 35,10,00,000/- (Thirty-Five Crore and Ten Lakhs) equity shares of 1/- (Rupees One Only) each.

In order to facilitate the future requirements, if any, of the Company, it is proposed to increase the existing Authorized Share Capital of the Company from Rs. 35,10,00,000/- (Rupees Thirty-Five Crore and Ten Lakh Only) divided into 35,10,00,000 Thirty-Five Crore and Ten Lakh Only) equity shares of Rs. 10/- (Rupees Ten Only) each to Rs. 50,00,00,000/- (Rupees Fifty Crores Only) divided into 50,00,00,000/- (Fifty Crores Only) Equity shares of Rs. 1/- (Rupees One Only) each ranking pari - passu in all respect with the existing Equity Shares of the Company. The increase in the Authorized Share Capital as aforesaid would entail consequential alteration of the existing Clause V of the Memorandum of Association of the Company.

The increase in the Authorized Share Capital and consequential alteration to Clause V of the Memorandum of Association of the Company require Members’ approvals in terms of Sections 13, 61 and 64 of the Companies Act, 2013 and any other applicable statutory and regulatory requirements. The set of Memorandum of Association is available for inspection at the Registered Office of the Company during business hours between 11.00 A.M. to 2.00 P.M. on all working days of the Company (Except Saturday, Sundays and Public holidays).

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of this Notice except to the extent of their shareholding in the Company.

Accordingly, approval of the Members of the Company is hereby sought by way of ordinary resolution as set out in Item No. 4 of this Notice

**ITEM NO. 5:****TO APPROVE ISSUANCE OF BONUS SHARES**

The Authorized Share Capital of the Company is Rs. 35,10,00,000 and the Paid-up Share Capital is Rs. 34,88,81,467 (comprising 34,88,81,467 equity shares of Rs.1 each). The Free Reserve and Security Premium as per the audited financial statement as on 31st March 2024 is Rs. 352,50,36,379 (INR Three Hundred Fifty-Two Crore Fifty Lakh Thirty-Six Thousand Three Hundred Seventy-Nine only). The Board of Directors at their meeting held on 14th November, 2024 have recommended the issuance of bonus shares in the proportion of 2:5 i.e. 2 (Two) new equity share of Rs. 1 each for every 5 (Five) existing equity share of Rs. 1/- each fully paid up held by the shareholders as on Record Date to be hereafter fixed by the Board / Committee of the Board, by capitalization of a sum of Rs. 13,95,52,587 (Rupees Thirteen Crore Ninety-Five Lakh Fifty-Two Thousand Five Hundred and Eighty-Seven only) from the Reserves and Security Premium. The same is proposed to be applied in full by issuing at par 13,95,52,586.80 (Thirteen Crore Ninety-Five Lakh Fifty-Two Thousand Five Hundred and Eighty-Six and Point Eighty Only) new equity shares of Rs. 1/- each as bonus shares. Consequently, the paid-up equity share capital of the Company would increase from Rs. 34,88,81,467 (INR Thirty-Four Crore Eighty-Eight Lakh Eighty-One Thousand and Four Hundred and Sixty-Seven Only) to Rs. 48,84,34,054 (INR Forty-Eight Crore Eighty-Four Lakh Thirty-Four Thousand and Fifty-Four Only) crore consisting of 48,84,34,054 (Forty-Eight Crore Eighty-Four Lakh Thirty-Four Thousand and Fifty-Four) equity shares of Rs. 1/-each any fraction in No. of Bonus Equity share shall be rounded off to Higher no. of Equity share.

The proposed issue of bonus shares will be made in line with the provisions of Section 63 of the Companies Act 2013, guidelines issued by Securities & Exchange Board of India (SEBI) and subject to such approvals, if required, from the statutory authorities. As per Article 39 of the Articles of Association of the Company, it is necessary to obtain the approval of the members for issue of bonus shares by capitalization of reserves.

Further, it is proposed to authorize the Board of Directors/ Committee of the Board of the Company to complete all the regulatory formalities as prescribed by SEBI, RBI and Stock Exchanges on which the Company's shares are listed and/ or any other regulatory or statutory authority in connection with the issue of bonus shares.

The Directors of the Company and their relatives may be deemed to be concerned or interested in the proposed resolution to the extent of their shareholding in the Company.

The Board of Directors of your Company recommends passing of the resolution as set out at Item No. 5 as an Ordinary Resolution.

The Directors of the Company and their relatives may be deemed to be concerned or interested in the proposed resolution to the extent of their shareholding in the Company. The Board of Directors of your Company recommends passing of the resolution as set out at Item No. 5 as an Ordinary Resolution.

**For & on behalf of  
Hardwyn India Limited**

**Date:25/11/2024  
Place: New Delhi**

**Sd/-  
Rubaljeet Singh Sayal  
Managing Director  
DIN:00280624**

**ANNEXURE TO THE NOTICE****DETAILS OF DIRECTOR RETIRING BY ROTATION/SEEKING APPOINTMENT/  
RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING**

<b>Name</b>	Mr. Swaran Jeet Singh Sayal
<b>Director Identification Number (DIN)</b>	00280576
<b>Designation/category of the Director</b>	Executive Director
<b>Age</b>	76
<b>Qualifications</b>	Graduate
<b>Experience (including expertise in specific functional area)</b>	Having Experience of more than 20 years in the business
<b>Terms and Conditions of Appointment /Reappointment</b>	As mutually agreed
<b>Remuneration last drawn (including sitting fees, if any)</b>	NIL
<b>Date of first appointment on the Board</b>	29.08.2019
<b>Shareholding in the Company as on date of notice</b>	20.06%
<b>Number of meetings of the Board attended during the year</b>	18
<b>Directorships of other Boards as on March 31, 2024</b>	International Sikh Heritage Centre
<b>The Justification for choosing the appointees for appointment as Independent Directors</b>	NA
<b>Membership / Chairmanship of Committees of other Boards as on March31, 2024</b>	NA

<b>Relationship with Other Directors</b>	Mr. Swaran Jeet Sayal is father of Mr. Rubal jeet Singh Sayal and Ms. Tanya Sayal
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**For & on behalf of  
Hardwyn India Limited**

**Date: 25-11-2024  
Place: New Delhi**

**Sd/-  
Rubaljeet Singh Sayal  
Managing Director  
DIN:00280624**

**DIRECTOR'S REPORT**

Dear Members,  
**Hardwyn India Limited**

Your Directors have pleasure in presenting the Seventh Annual Report on the business and operations of the Company along with Audited Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2024.

**1. CORPORATE OVERVIEW**

The Company operates in diversified business segments viz. trading and manufacturing of Architectural hardware and glass fittings

**2. FINANCIAL RESULTS:****STANDALONE:***(Rs. in Lakhs)*

<b>Particular</b>	<b>As on 31<sup>st</sup> March, 2024</b>	<b>As on 31<sup>st</sup> March, 2023</b>
Turnover	13,550.49	12,506.56
Other Income	49.89	70.95
<b>Total Income</b>	<b>13,600.38</b>	<b>12,577.51</b>
Total Expenses	12,208.62	11,300.02
<b>Profit Before Tax</b>	<b>1,391.76</b>	<b>1,277.49</b>
Less: Income Tax –Current Year	419.82	375.43
Less: Deferred Tax	(3.27)	(1.36)
<b>Profit/(Loss) after tax</b>	<b>975.21</b>	<b>903.41</b>
<b>EPS</b>	<b>0.28</b>	<b>0.27</b>

**CONSOLIDATED:***(Rs. in Lakhs)*

<b>Particular</b>	<b>As on 31<sup>st</sup> March, 2024</b>	<b>As on 31<sup>st</sup> March, 2023</b>
Turnover	15,284.54	16,465.77
Other Income	49.89	70.95
<b>Total Income</b>	<b>15,334.43</b>	<b>16,536.72</b>
Total Expenses	13,874.76	14997.03
<b>Profit Before Tax</b>	<b>1,459.68</b>	<b>1539.68</b>
Less: Income Tax –Current Year	439.16	384.32
Less: Deferred Tax	(3.09)	(1.27)
<b>Profit/(Loss) after tax</b>	<b>1,023.61</b>	<b>928.06</b>
<b>EPS</b>	<b>0.29</b>	<b>0.27</b>

### **3. FINANCIAL PERFORMANCE AND REVIEW**

The Company recorded a standalone turnover of Rs. 13,550.49 Lakhs during the year as against Rs. 12,506.56 Lakhs in the previous year and the Company has earned a profit after tax of Rs. 975.21 Lakhs as compared to the profit after tax of Rs. 903.41 Lakhs in the previous financial year. The management of the Company is putting their best efforts to improve the performance of the Company. Further the company has recorded turnover of Rs. 15,284.54 Lakhs on consolidated basis.

The Company expects to increase its revenue and the profitability during the year as the business has started showing growth and future of the Company looks very bright. There is no dearth of demand and the Company is well shaped to cope up itself with the market expectations.

### **4. CHANGE IN THE NATURE OF BUSINESS**

Presently Company is into the business of manufacturing and trading of Glass-Kitchen & furniture fittings.

### **5. SHARE CAPITAL & DEBT STRUCTURE**

The Authorized Share Capital of the Company is Rs. 35,10,00,000/- divided into 35,10,00,000 Equity Shares of Rs. 1/- each.

#### **a) Bonus Issue & Split of Shares:**

During the year, Company made a bonus allotment of 87217897 bonus shares of face value of Rs.1/- each in ratio of 01:03 (i.e. One shares for every Three equity share held) to the Members on June 06, 2023. With this allotment, the total issued and paid-up capital of the Company has increased to Rs. 34,88,81,467 /- comprising of 34,88,81,467 equity shares of face value of Rs.1/- each.

#### **b) Issue of equity shares with differential rights**

As per rule 4 (4) of Companies (Share Capital and Debentures) Rules, 2014, during the period under review, your Company has not issued equity shares with differential rights.

#### **c) Issue of sweat equity shares**

As per rule 8 (13) of Companies (Share Capital and Debentures) Rules, 2014, during the period under review, your Company has not issued Sweat equity shares.

#### **d) Issue of employee stock options**

As per rule 12 (9) of Companies (Share Capital and Debentures) Rules, 2014, during the period under review, your Company has not issued equity shares under the scheme of employee stock option.

#### **e) Provision of money by Company for purchase of its own shares by employees or by trustees for the benefit of employees**

As per rule 16 (4) of Companies (Share Capital and Debentures) Rules, 2014 there are no voting rights exercised directly or indirectly by the employees in respect of shares held by them.

**6. DIVIDEND**

The Board of Directors has not recommended any dividend for the financial year ended on March 31, 2024. Since the Board have considered it financially prudent in the long-terms interest of the company to re-invest the profits into the business of the company to build a strong reserve base and grow the business of the Company.

**7. TRANSFER TO RESERVES**

During the period, this item is explained under the head other equity forming part of Balance sheet Note No. 13 of Notes to Financial Statements.

**8. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

**9. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT**

There is no Material Changes and commitments affecting financial position between the end of the financial year and date of report.

**10. DEPOSIT**

During the year under review, your Company has neither accepted any fixed deposits nor any amount was outstanding as principal or interest as on balance sheet date and disclosures prescribed in this regard under Companies (Acceptance of Deposit) Rules, 2014 are not applicable.

**11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE U/S 186 OF THE COMPANIES ACT, 2013**

The particulars of Loans, Guarantees, and Investments have been disclosed in the Financial Statements read together with Notes annexed to and forming an integral part of the Financial Statements.

**12. CORPORATE SOCIAL RESPONSIBILITY**

The CSR Policy sets out our commitment to ensuring that our activities extend beyond business and include initiatives and endeavors for the benefit and development of the community and society. The Company has put in place CSR Policy which is in sync with the broader areas of Schedule VII of the Companies Act, 2013 and will always be aligned to the changes that get incorporated in the schedule.

The annual report on our CSR activities is appended as Annexure to the Board's report.

**13. LISTING**

The Company is listed on Main Board of BSE and NSE w.e.f 12<sup>th</sup> April 2022.

#### 14. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

(A) Conservation of energy: N.A.

- I. the steps taken or impact on conservation of energy;
- II. the steps taken by the Company for utilising alternate sources of energy;
- III. the capital investment on energy conservation equipment's;

(B) Technology absorption: N.A.

- (i) the efforts made towards technology absorption;
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution;
- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year:-
  - (a) the details of technology imported; (b) the year of import;
  - (c) whether the technology been fully absorbed;
  - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
- (iv) the expenditure incurred on Research and Development.

(C) Foreign exchange earnings and Outgo

(In Lakhs)

Particular	Current Year	Previous Year
Earning in Foreign Exchange	-	-
Expenses in Foreign Exchange	1,707.10	1,379.11

(Company has made foreign expenditure related to import of Goods)

Information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134 (3)(m) of the Act read with the Rule 8 (3) of the Companies (Accounts) Rules, 2014, is furnished as **Annexure – E** and forms an integral part of this report.

**15. MANAGEMENT DETAILS / INFORMATION****a) DIRECTORS & KEY MANAGERIAL PERSONNAL**

The Company has following Directors and KMP along with changes made as on 31<sup>st</sup> March 2024:

S. No	NAME OF THE DIRECTOR	DIN	DESIGNATION
1	Mr. SwaranJeet Singh Sayal	00280576	Chairperson & Executive Director
2	Mr. Rubaljeet Singh Sayal	00280624	Managing Director & CFO
3	Ms. Tanya Sayal	02821564	Non-Executive Director
4	Ms. Shikha Chawla	09523645	Non-Executive - Independent Director
5	Mr. Kulmeet Singh Lamba	09592108	Non-Executive - Independent Director
6	Mr. Manjeet Singh*	08206912	Non-Executive - Independent Director
7.	Ms. Nidhi Sethi**	09617207	Non-Executive - Independent Director
8.	Mr. Sandeep Singh Solanki***	HUZPS8078C	Company Secretary & Compliance Officer
9.	Ms. Sakshi Tyagi****	AYNPT5117C	Company Secretary & Compliance Officer
10.	Ms. Kanchan Sharma*****	ILSPS4210P	Company Secretary & Compliance Officer
11.	Ms. Ankita Jain*****	AXGPJ8187J	Company Secretary & Compliance Officer

\* Mr. Manjeet Singh resigned from post of No- Executive Independent Director w.e.f 02.08.2023

\*\* Ms. Nidhi Sethi Appointed as Non-Executive Independent Director w.e.f 10.10.2023

\*\*\*Mr. Sandeep Singh Solanki resigned from post of Company Secretary and Compliance officer w.e.f 17.04.2023

\*\*\*\* Ms. Sakshi Tyagi appointed as Company Secretary and Compliance officer w.e.f 16.05.2023

\*\*\*\*Ms. Sakshi Tyagi resigned from post of Company Secretary and Compliance officer w.e.f 13.07.2023

\*\*\*\*\* Ms, Kanchan Sharma appointed as Company Secretary and Compliance officer w.e.f 13.07.2023

\*\*\*\*\* Ms. Ankita Jain appointed as Company Secretary and Compliance officer w.e.f 01.06.2024

**During the Financial year, the Board of Directors has made the following changes in the composition of Board of Director: -**

Appointment of Ms. Nidhi Sethi as an Additional Director designated as Additional Non-Executive Independent Director with effect from 10.10.2023 and regularize on 26.12.2023 Ms. Nidhi Sethi as a Director through Postal Ballot.

Mr. Manjeet Singh who was appointed as an Additional Non-Executive & Independent Director on 10.11.2022 & was regularized on 07.02.2023 through Postal Ballot has resigned on 02<sup>nd</sup> August 2023.

**Further after the Closure of financial year the Board of Directors has made the following changes in the composition of Board of Director.**

Ms. Kanchan Sharma who was appointed on 13<sup>th</sup> July, 2023 for the post of Company Secretary and Compliance Officer has resigned on 08<sup>th</sup> May 2024.

Ms. Ankita Jain has been appointed as Company Secretary & Compliance Officer of the Company w.e.f. 01<sup>st</sup> June 2024.

**b) Directors seeking appointment and re-appointment**

In accordance with the provision of Section 152 of the Companies Act 2013 and the Article of Association of the Company, Mr. Swaran Jeet Singh Sayal, Director (DIN: 00280576) of the Company is retiring at the forthcoming Annual General Meeting and being eligible, has offered himself for re- appointment. Directors recommended his reappointment.

**c) Independent Directors and Declaration by Independent Director(s)**

In accordance with the requirement under the Companies Act, 2013 and Company has received necessary declaration from the Independent Directors to the effect that they meet the criteria of independence as provided under Section 149(6) of the Act. In the opinion of the Board, they fulfil the conditions specified in the Act and the Rules made there under for the appointment as Independent Directors and are independent of the management.

**d) Mechanism of Performance Evaluation of the Board, Committees and Individual Directors**

In line with the provisions of section 134(3) of the Companies Act, 2013 and Rules made thereunder read with the relevant provisions of the SEBI Listing regulations, 2015, the Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual Directors. The performance of the Board of Directors and its Committees were evaluated on various parameters such as structure, composition, experience, performance of specific duties and obligations, quality of decision making and overall effectiveness.

The performance of individual Directors was evaluated on parameters, such as meeting attendance, participation and contribution and independent judgment.

The Board members noted from time to time the suggestions/ inputs of Independent Directors, Nomination Committee and Audit Committee and also discussed various initiatives to further improve the Board effectiveness.

In a separate meeting of Independent Directors held on 30/03/2024 performance of non- independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated

**e) Meetings of the Board**

The Company prepares the schedule of the Board Meeting in advance to assist the Directors in scheduling their program. The agenda of the meeting is circulated to the members of the Board well in advance along with necessary papers, reports, recommendations and supporting documents so that each Board member can actively participate on agenda items during the meeting.

The Board met 18 times during the Financial Year 2023-2024. The maximum interval between any two meetings did not exceed 120 days. The Meetings were held as on dates as specified in the table below: -

S. No.	Date of Meeting	Total Number of directors associated as on the date of meeting	Attendance	
			Numbers of Directors Attended	% of Attendance
01.	26/04/2023	6	6	100
02.	03/05/2023	6	6	100
03.	16/05/2023	6	6	100
04.	29/05/2023	6	6	100
05.	06/06/2023	6	6	100
06.	28/06/2023	6	6	100
07.	29/06/2023	6	6	100
08.	13/07/2023	5	5	100
09.	31/07/2023	5	5	100
10.	12/08/2023	5	5	100
11.	14/08/2023	5	5	100
12.	05/09/2023	5	5	100
13.	18/09/2023	5	5	100
14.	29/09/2023	5	5	100
15.	10/10/2023	6	6	100
16.	10/11/2023	6	6	100
17.	23/11/2023	6	6	100
18.	15/02/2024	6	6	100

#### GENERAL MEETING/POSTAL BALLOT

During the year the general meeting /postal ballot of member of the company are as follow : -

S. No	DATE	NATURE OF MEETING
1	28.12.2023	Postal Ballot
2	30.09.2023	AGM
3	30.05.2023	Postal Ballot

#### 16. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE AND OTHER MATTERS PROVIDED UNDER SECTION 178 (3)

The Company has in place a Nomination & Remuneration Committee in accordance with the requirements of the Companies Act, 2013.

The Committee has formulated a policy on Director's appointment and remuneration including recommendation of remuneration of the key managerial personnel and other employees, composition and the criteria for determining qualifications, positive attributes and independence of a Director and the policy is available on the website of the Company i.e. ,[www.hardwyn.com](http://www.hardwyn.com)

## 17. COMMITTEES OF THE BOARD

The Board committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/ activities which concern the Company and need a closer review. The Board committees are set up under the formal approval of the Board, to carry out clearly defined roles which are considered to be performed by the members of the Board, as a part of good governance practice. All decisions and recommendations of the committees are placed before the Board for information or for approval. The minutes of the meetings of all the committees are placed before the Board for their review.

The Board of Company currently has 4 (Four) Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholder's Relationship Committee
4. Corporate Social Responsibility Committee

The major terms of reference of the Committees, its composition and number of meetings held during the year ended March 31, 2024 are as follows:

### a) AUDIT COMMITTEE

The Composition of the Audit Committee as on the date of the Report is as follows:

Sr. No.	Name of the Director	DIN	Designation in the Committee
1	Ms. Shikha Chawla	09523645	Chairman & Member (Independent Director)
2	Mr. Rubaljeet Singh Sethi	00280624	Member (Executive Director)
3	Mr. Kulmeet Singh	09592108	Member (Independent Director)

### Meetings of the Audit Committee

During the year the Audit Committee met 6 (Six) times. The details of the meetings held during the year ended March 31, 2024 along with the attendance of Directors are as follows:

S.No.	Date of Meeting	Total Number of members of the Committee associated as on the date of meeting	Attendance	
			Numbers of Directors Attended	% of Attendance
1.	29/05/2023	3	3	100%
2.	28/06/2023	3	3	100%
3.	29/06/2023	3	3	100%
4.	12/08/2023	3	3	100%
5.	10/11/2023	3	3	100%
6.	15/02/2023	3	3	100%

*In case any person requires more information/ details regarding the Audit Committee the person may access the Company's website at the link: [www.hardwyn.com](http://www.hardwyn.com).*

*Note: The Audit Committee was reconstituted post resignation of Mr. Manjeet Singh on 2nd August, 2024 and Mr. Rubal Jeet Singh Sayal was appointed as a Member of the Committee.*

#### **b) NOMINATION AND REMUNERATION COMMITTEE**

The major terms of reference of the Nomination and Remuneration Committee are as follows:

- Identification of persons qualified to become directors and be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal;
- Formulation of the criteria for determining qualifications, positive attributes and independence of a director;
- Specifying the manner for effective evaluation of performance of Board, its committees and individual directors;
- Recommending to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

Composition of Nomination & Remuneration Committee as on the date of the report:

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>DIN</b>	<b>Designation in the Committee</b>
1	Ms. Shikha Chawla	09523645	Chairman & Member (Independent Director)
2	Mr. Kulmeet Singh	09592108	Member (Independent Director)
3	Ms. Tanya Sayal	02821564	Member (Non-Executive Director)

*Note: The Nomination and Remuneration Committee was reconstituted post resignation of Mr. Manjeet Singh on 2nd August, 2024 and Ms. Tanya Sayal was appointed as a Member of the Committee.*

#### **Meetings of the Nomination & Remuneration Committee**

During the year the Committee met 3 (Three) times. The details of the meeting held during the year ended March 31, 2024 along with the attendance of Directors are as follows:

<b>S. No.</b>	<b>Date of Meeting</b>	<b>Total Number of members of the Committee associated as on the date of meeting</b>	<b>Attendance</b>	
			<b>Numbers of Directors Attended</b>	<b>% of Attendance</b>
1.	16/05/2023	3	3	100%
2.	13/07/2023	2	2	100%
3.	10/10/2023	3	3	100%

Nomination & Remuneration Policy is uploaded on the website of the Company i.e. At [www.hardwyn.com](http://www.hardwyn.com)

**c) STAKEHOLDERS RELATIONSHIP COMMITTEE MEETING**

The Board of Directors of the Company has constituted Stakeholders Relationship Committee under Section 178 of the Companies Act, 2013.

The major terms of reference of the Stakeholders Relationship Committee include:

- Consideration & Resolution of the grievances of security holders of the Company;
- Reviewing of Transfer / Transmission requests / Demat / Remat requests of the security shareholders and issuance of duplicate share certificate, if any.

Composition of the Stakeholders Relationship Committee as on the date of the report:

Sr. No.	Name of the Director	DIN	Position in the Committee
1	Mr. Kulmeet Singh	09592108	Chairman & Member (Independent Director)
2	Ms. Shikha Chawla	09523645	Member (Independent Director)
3	Ms. Tanya Sayal	02821564	Member (Non-Executive Director)

*Note: The Stakeholders Relationship Committee was reconstituted post resignation of Mr. Manjeet Singh on 2nd August, 2023 and Ms. Tanya Sayal was appointed as a Member of the Committee.*

**Meetings of the Stakeholders Relationship Committee**

During the year the Stakeholders Relationship Committee met 1 (one) time. The details of the meeting held during the year ended March 31, 2024 along with the attendance of Directors are as follows:

S. No.	Date of Meeting	Total Number of members of the Committee associated as on the date of meeting	Attendance	
			Numbers of Directors Attended	% of Attendance
01.	10.11.2023	3	3	100%

**INDEPENDENT DIRECTORS MEETING**

The Independent Directors met on 30<sup>th</sup> March, 2024, without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole, the performance of the Chairman of the Company, taking into account the views of Executive Director and Non- Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

As per the provisions of the Companies Act, 2013 read with Schedule IV, following are the Independent Directors of the Company.

Sr. No.	Name of member	DIN	Position
1	Mr. Kulmeet Singh	09592108	Chairman & Member (Independent Director)
2	Ms. Shikha Chawla	09523645	Member (Independent Director)
4	Ms. Nidhi Sethi	09617207	Member (Independent Director)

Note: Mr. Manjeet Singh resigned on 2<sup>nd</sup> of August, 2023 and Ms. Nidhi Sethi was appointed w.e.f. 10<sup>th</sup> of October, 2023

### **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE MEETING**

Composition of the Corporate Social Responsibility Committee as on the date of the report:

Sr. No.	Name of member	DIN	Position
1	Ms. Shikha Chawla	09523645	Chairman & Member (Non-Executive Independent Director)
2	Mr. Rubaljeet Singh Sayal	00280624	Member (Executive Director)
3	Mr. Kulmeet Singh	09592108	Member (Non- Executive Independent Director)

During the year the Stakeholders Relationship Committee met 1 (one) time. The details of the meeting held during the year ended March 31, 2024 along with the attendance of Directors are as follows:

S. No.	Date of Meeting	Total Number of members of the Committee associated as on the date of meeting	Attendance	
			Numbers of Directors Attended	% of Attendance
01.	10/11/2024	3	3	100%

### **18. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

Particulars of contracts or arrangements with related parties referred to in section 188(1) of the Companies Act, 2013 read with Rule 8(2) of Companies (Accounts) Rules, 2014 in prescribed Form AOC-2 is annexed herewith at “Annexure II”.

The policy on Related Party Transactions, as approved by the Board, may be accessed on the Company’s website [www.hardwyn.com](http://www.hardwyn.com)

**19. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The company have FIBA Hardwyn Lock Limited as a Subsidiary; hence provisions of section 129(3) of the Companies Act, 2013 relating to preparation of consolidated financial statements are applicable.

During the year under review, Company has Incorporated Slimx Interior Solutions Private Limited as a subsidiary of the Company on 23<sup>rd</sup> November 2023.

A report on the performance and financial position of the subsidiary in form AOC-1 is annexed hereto as **Annexure 'III'** and forms an integral part of this report.

**20. VIGIL MECHANISM / WHISTLE BLOWER POLICY**

As per the provisions of Companies Act, 2013, every Listed Company shall establish a vigil mechanism (similar to Whistle Blower mechanism). In pursuance of the provisions of section 177(9) & (10) of the Companies Act, 2013, a vigil mechanism/ whistle blower policy for directors and employees to report genuine concerns has been established and approved by Board.

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, integrity and ethical behavior.

The Vigil Mechanism – cum – Whistle Blower Policy may be accessed on the Company's website [www.hardwyn.com](http://www.hardwyn.com).

**21. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE.**

There was no significant order passed by any regulatory authority or court or tribunal.

**22. CORPORATE SOCIAL RESPONSIBILITY**

As per section 135 of the Companies Act, 2013, a CSR Committee has been formed by the Company. The areas for CSR activities are Forest planting, waste management, development of sustainable energy sources, waste water treatment etc. Our CSR initiative focuses on the holistic development of the communities that we live and work and create a social, environmental and educational value to our society. The Company has total CSR obligation of INR 13.08/- in Lakhs obligations. Company has made expenditure during the Financial Year 2023-2024 of INR 13.08/- in Lakhs. Further, company has accumulated the amount & reserve the remaining amount for CSR expenditure in future.

The details of CSR Projects undertaken through our CSR activities are given in **"ANNEXURE IV"** as prescribed.

**23. DIRECTORS' RESPONSIBILITY STATEMENT AS REQUIRED U/S 134(3)(c):**

Pursuant to section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that: -

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed;
- b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

- c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. the Directors have prepared the annual accounts on a going concern basis.
- e. the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively
- f. the Directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 24.

### **AUDITORS**

#### **STATUTORY AUDITOR**

Pursuant to the provisions of Section 139 (2) of the Act and the rules made thereunder, the Members at their Third AGM held on September 30, 2020, had appointed **M/s S. S. Perival & Co., Chartered Accountants (ICAI Firm's Registration Number 001021N)** Statutory Auditors of the Company for a term of five years i.e. from the conclusion of Third AGM till the conclusion of the Eight AGM to be held for the financial year 2024-2025.

The notes on accounts referred to in the auditors' report are self-explanatory and therefore don't call for any further comments by the Board of Directors. There are no qualifications or adverse remarks in the Auditors' Report which require any clarification or explanation.

During the year under review, the Company has not reported any fraud mentioned under Section 143(12) of the Act.

#### **SECRETARIAL AUDITOR**

In terms of Section 204 of the Act and Rules made there under, M/s Amit Saxena & Associates., Practising Company Secretaries were appointed as Secretarial Auditors for the financial year 2023-24. The Secretarial Audit Report for the financial year ended on March 31, 2024 is annexed herewith marked as "**Annexure-V**" to this Report.

#### **INTERNAL AUDITOR**

In terms of Section 138 of the Companies Act 2013, and Rules made there under, The Board of Director of the company at their meeting duly held on 20<sup>th</sup> day of September 2021 appointed Gurmeet Sodhi & Associate, Chartered Accountants (Firm Reg No 024849N) for 3 financial year Starting from the Financial Year 2021-22 to the Financial Year 2023-24.

## **25. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

As per SEBI Listing Regulations, Management Discussion and Analysis are attached, which form part of this report annexed herewith at "**Annexure -V**".

**26. RISK  
MANAGEMENT**

During the year, the Board had developed and implemented an appropriate risk management policy for identifying the element of risk which, in the opinion of the Board may threaten the existence of the company and safeguarding the company against those risks. The details of the same are set out in Management Discussion and Analysis Report.

**27. CODE OF CONDUCT AND  
ETHICS**

The Board of directors of the Company has adopted a Code of Conduct and Ethics for the Directors and Senior Executives of the Company. The object of the Code is to conduct the company's business ethically and with responsibility, integrity, fairness, transparency and honesty. The Code sets out a broad policy for one's conduct in dealing with the Company, fellow directors and with the environment in which the Company operates.

**28. INFORMATION REQUIRED UNDER SEXUAL HARASSMENT OF WOMEN AT  
WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

Your Company has a policy and framework for employees to report sexual harassment cases at workplace and the process ensures complete anonymity and confidentiality of information. No complaints of sexual harassment were raised in the financial year 2023-24.

**29. THE CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER COMPLIANCE  
CERTIFICATE**

As required under Regulation 17(8) of the SEBI (LODR) Regulations, 2015, the Chief Executive Officer & Chief Financial Officer Compliance Certificate is at **Annexure-VI**

**30. ANNUAL  
RETURN**

As per the provisions of section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an Annual Return in Form MGT -7 is available at the website of the Company at [www.hardwyn.com](http://www.hardwyn.com).

**31. PARTICULARS OF EMPLOYEES AND REMUNERATION**

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and (3) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the relevant details are furnished below:

<b>Name of the Director / Employee</b>	Rubal Jeet Singh Sayal	SwaranJeet Singh Sayal	Tanya Sayal
Designation	Managing Director & CFO	Director & Chairman	Director
Remuneration received	24,00,000 per annum	12,00,000 per annum	4,00,000 per annum
Nature of employment, whether contractual or otherwise	Permanent Employee 33	Permanent Employee	Permanent Employee

Date of commencement of employment	29.08.2019	29.08.2019	01.04.2022
The age of such employee	49 Years	76 Years	
The last employment held by such	N/A	N/A	N/A
The shares held by the employee in the Company	8,26,98,000 equity shares (23.70%)	6,99,98,000 equity shares(20.06%)	Nil
Whether any such employee is a relative of any director	1) Mr. Swaranjeet Singh Sayal, Director is father of Mr. Rubaljeet Singh Sayal  2) Ms. Tanya Sayal, Director is Daughter of Mr. Swaranjeet Singh Sayal, Director and Sister of Mr. Rubaljeet Singh Sayal	Mr. SwaranJeet Singh Sayal is the Father of Mr. Rubaljeet Singh Sayal	Ms. Tanya Sayal, Director is Daughter of Mr. Swaranjeet Singh Sayal, Director and Sister of Mr. Rubaljeet Singh Sayal

Notes:

- There were confirmed employees on the rolls of the Company as on 31st March 2024, 88 employees.
- Median remuneration of employees of the Company during the financial year 2023-2024 was **NIL**
- There was no employee in the Company who drawn remuneration of Rs.1.2 crore/ - per annum during the period under review. Hence the Company is not required to disclose any information as per Rule 5(2) of the Companies (Appointment and Remuneration) Rules 2014.
- There is no employee covered under the provisions of section 197(14) of the Companies Act 2013.

**32. INTERNAL FINANCIAL CONTROL SYSTEM**

According to Section 134(5)(e) of the Companies Act, 2013, the term Internal Financial Control (IFC) means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of business, including adherence to the company’s policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information.

The Company has a well-placed, proper and adequate Internal Financial Control System which ensures that all the assets are safeguarded and protected and the transactions are authorized, recorded and reported correctly.

To further strengthen the internal control process, the company has developed comprehensive compliance management tool to drill down the responsibility of the compliance from top management to executive.

**33. CORPORATE GOVERNANCE**

Report on Corporate Governance, Pursuant to Regulation 34 read with Schedule- V of SEBI (LODR) Regulations, 2015 and Certificate on Compliance of Corporate Governance form part of this report.(Annexure-A)

**34. COMPLIANCE OF SECRETARIAL STANDARDS**

The applicable Secretarial Standards i.e. SS-1 and SS-2 relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively have been duly complied by your Company.

**35.****ACKNOWLEDGEMENT**

The directors thank the Company's employees, customers, vendors, investors and academic institutions for their continuous support. The directors also thank the Government of India and concerned government departments / agencies for their co-operation.

For **Hardwyn India Limited**

Date: 25-11-2024  
Place: New Delhi

Sd/-  
**Rubaljeet Singh Sayal**  
**Managing Director**  
**DIN:00280624**

Sd/-  
**SwaranJeet Singh Sayal**  
**Director**  
**DIN: 00280576**

## HARDWYN INDIA LIMITED

### POLICY FOR CORPORATE SOCIAL RESPONSIBILITY

#### SHORT TITLE

This policy in relation to the Corporate Social Responsibility (“CSR”) of **Hardwyn India Limited** is titled as the “CSR Policy” and shall include any alterations, amendments or modifications hereto from time to time.

#### VISION STATEMENT, OBJECTIVE AND APPLICABILITY

The CSR Policy sets out our commitment to ensuring that our activities extend beyond business and include initiatives and endeavors for the benefit and development of the community and society. The CSR Policy lays down the guidelines for undertaking programs geared toward social welfare activities or initiatives. Through this CSR Policy, the Company proposes to adopt short, medium- and long-term CSR programs and initiatives.

This CSR Policy has been framed in accordance with the applicable provisions of the Companies Act, 2013 (“Act”) and the rules issued thereunder.

Notwithstanding anything to the contrary contained in this CSR Policy but subject to applicable law, in the event that the Company fails to meet the thresholds set out under Section 135(1) of the Act for three consecutive financial years, it shall not be required to:

- (I) Constitute/maintain the CSR Committee; and
- (II) Comply with the provisions of this CSR Policy

till such time as it again meets the criteria specified in Section 135(1) of the Act.

#### DEFINITION AND INTERPRETATION

- i. **“Board”** means the Board of Directors of the Company.
- ii. **“Company”** means Hardwyn India Limited.
- iii. **“CSR Activities”** means such programs and projects as may be approved by the Board in terms of this CSR Policy.
- iv. **“CSR Committee”** means a committee constituted by the Board of Directors in terms of Section 135 of the Act and the CSR Rules.
- v. **“CSR Rules”** means the Companies (Corporate Social Responsibility Policy) Rules, 2014.
- vi. **“CSR Expenditure”** means the amount recommended by the CSR Committee to be incurred on the CSR Activities in India in terms of the Act and the CSR Rules as approved by the Board from time to time.
- vii. **Director** means a member of the Board of the Company.
- viii. **“Implementing Agency”** means an implementing agency as defined under paragraph IV (3).
- ix. **“Implementation Group”** means an implementation group as defined under paragraph IV (2).

- x. **“Net Profits”** means the net profit of the Company as per its financial statement prepared in accordance with the applicable provisions of the Act (or the provisions of the Companies Act, 1956, if then applicable), but shall not include (1) any profit arising from any overseas branch or branches of the Company (whether operated as a separate company or otherwise); and (ii) any dividend received from other companies in India, which are covered under and complying with the provisions of Section 135 of the Act.
- xi. **“Society”** means a society registered under the Societies Registration Act, 1860 or any other applicable law in India.
- xii. **“Trust”** means a trust registered under the Indian Trusts Act, 1882 or any other applicable law in India.

Any term not defined above, shall have the meaning assigned to it under the Act or the CSR Rules.

### **IMPLEMENTATION OF THE CSR POLICY**

1. The Board shall be responsible for implementing the mandate of the CSR Policy and shall ensure that the CSR Activities are carried out in accordance with the CSR Policy read with the Act and CSR Rules.
2. The Board shall constitute an implementation group for the purposes of implementation of the CSR Activities approved by the Board from time to time (the “Implementation Group”) and submitting report of the progress on the CSR Activities to the Board as well as the CSR Committee.
3. Mode of Implementation: The CSR Activities may be undertaken by the Company directly through the Implementation Group or with the prior approval of the Board,
  - I. Through a Company established under Section 8 of the Act, a Trust, or a Society or otherwise; and/ or
  - II. In collaboration with other companies or NGOs
  - III. In collaboration with any Industrial Body coordinating such activities
  - IV. Direct contribution / implementation of any project approved by CSR committee/Board
  - V. Contribution to PM Relief Fund or any other fund as may be notified by Govt
4. The Board shall empower the Implementation Group to finalize, approve and execute various agreements, deeds, writings, confirmations, undertakings or other documents, as may be necessary, under the Common Seal of the Company or otherwise, with any party including Implementing Agencies and/or others for the purposes of the CSR Policy and accept modifications, changes and amendments to any such documents/ agreements as it may deem fit.
5. In case of failure to ensure the minimum CSR Expenditure, details reasons for the same should be submitted by the Implementation Group to the Board, who shall include the same in their report.

### **CSR COMMITTEE COMPOSITION**

A Committee of Board of Directors has been formed in pursuance of the said Section. The Current composition of CSR Committee of Hardwyn India Limited comprises of Three (3) Directors is as under:

S.NO.	DIN NUMBER	NAME OF COMMITTEE MEMBERS	DESIGNATION
1	09523645	MR. SHIKHA CHAWLA	Chairperson
2	00280624	MR. RUBALJEET SINGH SAYAL	Member
3	09592108	MR. KULMEET SINGH	Member

\* the composition of CSR Committee may be changed by the Board as and when required.

The CSR Committee shall be responsible for providing recommendations to the Board with respect to CSR Activities that may be undertaken by the Company in accordance with the CSR Policy as well as the Act and the CSR Rules.

All questions of interpretation or discrepancies which shall arise under, or as a result of, or pursuant to, or in connection with the implementation of the CSR Policy or any initiative or activities undertaken by the Company in terms of the CSR Policy, shall be referred to the CSR Committee for their inputs and the final decision/determination/ interpretation shall rest with the Board.

No member of the CSR Committee shall be personally liable for any decision or action taken in good faith with respect to the CSR Policy.

### **CSR EXPENDITURE**

- I. The CSR Committee shall recommend the amount of CSR Expenditure to be incurred in a year, in accordance with the Act and the Rules. For this purpose, the Board shall ensure a designated officer from the [finance department] of the Company who provides the relevant financial data and such other necessary details to the CSR Committee to enable the Committee to recommend the amount of CSR Expenditure to the Board.
- II. The Board shall be responsible for sanctioning the CSR Expenditure and taking steps to ensure that the amount for the CSR Expenditure is available to the Implementation Group for application towards the CSR Activities.
- III. The Board shall ensure that the CSR Expenditure in a financial year is at least at two per cent of the average Net Profits before Tax of the Company made during the three immediately preceding financial years.
- IV. Any surplus arising out of the CSR Activities shall not form part of the business profit of the Company and may only be re-allocated to the CSR Activities being undertaken in terms of this CSR Policy.
- V. In order to count towards CSR Expenditure, CSR Activities must be carried out in India and should not be solely for the benefit of the employees of the Company and their families.
- VI. Any amounts contributed directly or indirectly to any political party under Section 182 of the Act will not count towards CSR Expenditure or considered a part of CSR Activities.
- VII. Any amounts expended while undertaking activities in pursuance of normal course of business of a Company or on an item not in conformity or in line with activities set out in Schedule VII of the Act, will not form a part of CSR Expenditure.

### **BUDGET**

The Company shall allocate the budget for CSR activities. The minimum budgeted amount for a financial year shall be 2% of the average net profit of three immediately preceding financial years. The Company may allocate more fund/ amount than the amount prescribed under section 135 of the Companies Act, 2013, for the CSR activities for any financial year. The Committee shall calculate the total fund for the CSR activities and recommend to the Board for the approval. The Board shall approve the total fund to be utilized for CSR activity for respective financial year. CSR expenditure shall include all expenditure including contribution to corpus for projects or programs relating to CSR activities approved by the Board on the recommendation of its

CSR Committee, but does not include any expenditure on any item not in conformity or not in line with activities which fall within the approved CSR activities.

## **CSR ACTIVITIES**

1. The Board shall ensure that the CSR Activities that are undertaken by the Company should be within the scope of the following activities:
  - I. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water;
  - II. Promoting education, including special education and employment enhancing vocation skills especially among children, woman, elderly, and the differently abled and livelihood enhancement projects;
  - III. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically back ward groups:
  - IV. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water;
  - V. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
  - VI. Measures for the benefit of armed forces veterans, war windows and their dependents;
  - VII. Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;
  - VIII. Contribution to the Prime Minister’s National Relief Fund or Prime Minister’s Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)” or any other fund set up by the Central Government for social-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
  - IX. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
  - X. Rural development projects;
  - XI. Such other activities as may be specified under the Act or the CSR Rules from time to time.
2. The CSR Activities will be carried out in a manner that the preference is to undertake the CSR Activities in and around the local areas where the Company operates.
3. Based on the scope of activities set out above, the CSR Committee shall provide recommendations to the Board with respect to specific CSR Activities that may be undertaken by the Company.
4. The Board shall ensure that appropriate designated staff or personnel provide adequate assistance (viz. data collection, survey, quotations and costs involved etc to the CSR Committee to enable it to make necessary recommendations to the Board. For this purpose, the CSR Committee may also approach external consultants for necessary assistance as it may deem fit at such costs as may be approved by the Board.

5. The following details of any CSR Activities to be undertaken by the Company shall be presented to the Board by the CSR Committee along with its recommendations:
  - I. The objectives and expected results of the CSR Activity;
  - II. The relevant sector and the nature of the CSR Activity;
  - III. The focus area/ location for implementation of the CSR Activity;
  - IV. The amount to be allocated towards the CSR Activity;
  - V. The indicative timelines for completion of the CSR Activity;
  - VI. Whether the CSR Activity should be undertaken by the Implementation Group or any
  - VII. Implementing Agency or in collaboration with any other company; and
  - VIII. Such other details as it may deem necessary.
6. In case any of the CSR Activities to be undertaken are anticipated to be long term, then a detailed estimate on implementation schedule or milestones should be submitted by the CSR Committee to the Board.
7. Based on the recommendations of the CSR Committee, the Board shall approve the following:
  - I. The specific CSR Activities that should be undertaken by the Company from time to time;
  - II. The amount that should be deployed towards such CSR Activity;
  - III. Whether the CSR Activities will be undertaken directly by the Company or through an Implementing Agency or in collaboration with any other companies [and record reasons for the same].

#### **MONITORING, REVIEW AND EVALUATION**

1. To ensure that the objectives of CSR Policy are being met in an efficient and effective manner, the utilization of the amount sanctioned towards CSR Activities should be reported by the Implementation Group to the Board as well the CSR Committee on an annual basis in such manner as the Board may direct.
2. In the event any of the CSR Activities are undertaken through an Implementing Agency, the Implementation Group should obtain relevant information from the Implementing Agency and ensure that the progress on such CSR Activity is submitted to the Board as well the CSR Committee on an annual basis in such manner as the Board may direct.
3. Upon receipt of such progress report by the Implementation Group, the CSR Committee may review and deliberate upon such reports and provide such inputs or recommendations, as it may deem necessary, to the Board.
4. Notwithstanding anything to the contrary, the Board shall not be obliged to comply with the recommendations of the CSR Committee.

#### **REPORTING AND RECORD KEEPING**

1. The CSR Committee shall maintain proper minutes of all its meetings.
2. The Board's report of the Company shall include an annual report on CSR containing the particulars set out in Annexure A to this CSR Policy and such other details as may be prescribed from time to time under the Act and the CSR Rules.
3. The Board will be responsible to ensure that:
  - I. The report of the Board includes the annual report on CSR Activities of the Company and sets out the requisite information in terms of the Act and the Rules;
  - II. The contents of the latest and updated version of the CSR Policy is included in the report of the Board;
  - III. The contents of such policy are also made available on the website (if any) of the Company.

IV. In case of failure to ensure the minimum CSR Expenditure, detailed reasons for the same are adequately disclosed in the Board Report.

#### **AMENDMENT**

The Board of the Company may, subject to compliance with applicable law, at any time alter, amend or modify the CSR Policy as it deems fit to comply with the statutory obligation of the Company to undertake the CSR Activities.

**For Hardwyn India Limited**

Date: 25-11-2024  
Place: New Delhi

**Sd/-  
Rubaljeet Singh Sayal  
Managing Director  
DIN:00280624**

**Sd/-  
SwaranJeet Singh Sayal  
Director  
DIN: 00280576**

**'ANNEXURE-I'**

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

**[Pursuant to Section 134 (3) (m) read with Rule 8(3) of Companies (Accounts) Rules, 2014]**

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

**(A) Conservation of Energy**

(i)	The steps taken or impact on conservation of energy;	NA
(ii)	The steps taken by the company for utilizing alternate sources of energy;	NA
(iii)	The capital investment on energy conservation equipment's.	NA

**(B) Technology absorption**

(i)	The efforts made towards technology absorption;	NA
(ii)	The benefits derived like product improvement, cost reduction, product development or import substitution;	NA
(iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	NA
	(a) The details of technology imported;	NA
	(b) The year of import;	NA
	(c) Whether the technology been fully absorbed;	NA
	(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	NA
(iv)	The expenditure incurred on Research and Development.	NA

**(C) Foreign exchange earnings and Outgo-**

(i)	The Foreign Exchange earned in the terms of actual inflows during the year;	Nil
(ii)	Foreign Exchange outgo during the year in terms of actual outflow.	Purchase - Rs. 1707.10 Lakh
		Expenses - Nil

For **Hardwyn India Limited**

Date: 25-11-2024  
Place: New Delhi

Sd/-  
**Rubaljeet Singh Sayal**  
Managing Director  
DIN: 00280624

Sd/-  
**Swaranjeet Singh Sayal**  
Director  
DIN: 00280576

**FORM NO. AOC- 2**

*(Pursuant to Clause (h) of Sub-Section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014*

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain Arms length transactions under third proviso thereto:

1. **Details of contracts or arrangements or transactions at Arm’s length basis-**The Company has entered into following contract or arrangement or transaction with its related parties which is at arm’s length during financial year 2023-24.

(In Lakhs)

<b>Name (s) of the related party &amp; nature of relationship</b>	<b>Nature of contracts /arrangements / transaction</b>	<b>Duration of the contracts/ arrangements /transaction</b>	<b>Salient Terms &amp; conditions of the Contract / arrangement/transaction</b>	<b>Date of Approval by the Board, if any</b>	<b>Amount paid as advances, if any</b>	<b>Amount paid during the year (In Rs.)</b>
HARDWYN INDIA INC (Director is interested as Proprietor)	Sale	As per contract	As per contract	NA	-	169.19
HARDWYN INDIA INC (Director is interested as Proprietor)	Purchase	As per contract	As per contract	NA	-	56.70
FIBA HARDWYN LOCKS LIMITED (Subsidiary)	Sale	As per contract	As per contract	NA	-	206.18
FIBA HARDWYN LOCKS LIMITED (Subsidiary)	Purchase	As per contract	As per contract	NA	-	2063.24
KITCHEN INDIA INC (Wife of Director is interested as	Sale	As per contract	As per contract	NA	-	530.31

HARDWYN INDUSTRIAL TRADING CORPORATION (Director is interested as Proprietor)	Purchase	As per contract	As per contract	NA	-	9.33
SLIMX INTERIOR SOLUTIONS PRIVATE LIMITED (Subsidiary Company)	Sale	As per contract	As per contract	NA	-	217.14

**2. Details of contracts or arrangements or transactions not at arm's length basis:** The Company has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2023-2024.

For **Hardwyn India Limited**

**Date:25-11-2024**  
**Place: New Delhi**

**Sd/-**  
**Rubaljeet Singh Sayal**  
**Managing Director**  
**DIN:00280624**

**Sd/-**  
**SwaranJeet Singh Sayal**  
**Director**  
**DIN: 00280576**

## Form AOC-1

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

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

**Part A – Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in Rs.)

<b>Sl. No</b>	<b>Particulars</b>	<b>SLIMX INTERIOR SOLUTIONS PRIVATE LIMITED</b>	<b>FIBA HARDWYN LOCKS LIMITED</b>
1.	The date since when subsidiary was acquired	Subsidiary company of "Hardwyn India Limited" in the name of "SLIMX INTERIOR SOLUTIONS PRIVATE LIMITED" has been incorporated on November 23, 2023 under Corporate Identity Number U16221HR2023PTC11672	The company has become holding company of Fiba Hardwyn Locks Limited in which 33% shareholding is held by way of Share Swap Agreement and the effect arisen from 14th March 2023
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	NA	NA
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	NA	NA
4.	Share capital	20,00,000.00	6,58,66,800
5.	Reserves and surplus	1,75,000.00	74,80,000
6.	Total assets	91,20,000.00	24,05,59,000
7.	Total Liabilities	69,45,000.00	16,72,12,000
8.	Investments	0.00	0.00
9.	Turnover	2,43,39,000.00	39,77,23,000
10.	Profit before taxation	2,42,000.00	65,50,000
11.	Provision for taxation	67,000.00	18,85,000
12.	Profit after taxation	1,75,000.00	46,65,000

13.	Proposed Dividend	0.00	0.00
14.	Extent of shareholding (in percentage)	85%	33%

**Notes:** The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations
2. Names of subsidiaries which have been liquidated or sold during the year.

For **Hardwyn India Limited**

**Date: 25-11-2024**  
**Place: New Delhi**

**Sd/-**  
**Rubaljeet Singh Sayal**  
**Managing Director**  
**DIN: 00280624**

**Sd/-**  
**SwaranJeet Singh Sayal**  
**Director**  
**DIN: 00280576**

**Annual report on CSR activities**

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended.]

**1. Brief outline on CSR Policy of the Company:**

As per section 135 of the Companies Act, 2013, The areas for CSR activities are promoting health, education and empowerment of underprivileged children. Our CSR initiative focuses on the holistic development of the communities that we live and work and create a social, environmental and educational value to our society.

**2. Composition of the CSR Committee.**

S.NO.	DIN NUMBER	NAME OF COMMITTEE MEMBERS	DESIGNATION
1	09523645	MR. SHIKHA CHAWLA	Chairperson
2	00280624	MR. RUBALJEET SINGH SAYAL	Member
3	09592108	MR. KULMEET SINGH	Member

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:- [www.hardwyn.com](http://www.hardwyn.com)

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): NA

**5. Details of the CSR amount and its spend during the year 2023-2024:**

- a) Details of the amount available for set-off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set-off for the financial year: NIL
- b) Average net profit of the Company as per Sec 135(5): INR 39.24 Lakh
- c) Two percent of average net profit of the Company as per Section 135(5): INR **13.08 Lakh**
- d) Surplus arising out of the CSR projects or programs or activities of the previous financial years: **NIL**
- e) Amount required to be carried forward for the financial year, if any: **Nil**
- f) Total CSR obligation for the financial year (3c+3d-3e): INR **13.08 Lakh**

**6. CSR amount spent or unspent for the financial year and details of the CSR projects:**

- a) The prescribed CSR amount to be spent for the year ended March 31, 2024 is INR **13.08 Lakh/-**. Company has made expenditure during the Financial Year 2023-2024 of **INR 13.08 Lakh**. Total amount transferred to Unspent CSR Account as per Section 135(6) – 00/-.

b) Details of the CSR projects/contribution made during the year 2023-2024:

S. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Location of the project	Project duration (1) (in years)	Amount allocated for the project in financial year 23-24 (in lakhs)	Amount spent in the financial year 23-24 (in lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in lakhs)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency			
										State	District	Name
1	Madhuban Swachh	Forest planting, waste management, development of sustainable energy sources, waste water treatment etc.	No	Uttar Pradesh	Noida	3 months	13.08	13.08	NIL	Indirect	Swachh Paryavaran Trust	CSR00039571

(In Lakhs)

(c) Details of excess amount for set-off are as follows:

S. No.	Particulars	Amount (In Lakhs)
(i)	2% of average net profit of the Company as per Section 135(5)	13.08
(ii)	Total amount spent for the financial year	13.08
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NA
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	NIL
(v)	Amount available for set-off in succeeding financial years [(iii)-(iv)]	NIL

7. (a) Details of unspent CSR amount for the preceding three financial years: **Nil**
- (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Not applicable**
8. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:
- No capital asset was created / acquired for fiscal year 2024 through CSR spend.**
9. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per Section 135(5):
- Not Applicable

For **Hardwyn India Limited**

**Date:25-11-2024**  
**Place: New Delhi**

**Sd/-**  
**Rubaljeet Singh Sayal**  
**Managing Director**  
**DIN:00280624**

**Sd/-**  
**SwaranJeet Singh Sayal**  
**Director**  
**DIN: 00280576**

**Form No. MR-3**  
**SECRETARIAL AUDIT**  
**REPORT**

**FOR THE FINANCIAL YEAR ENDED 31/03/2024**

*[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,

The Members,

**Hardwyn India Limited**

L74990DL2017PLC324826

B-101, Phase-1 Mayapuri, New Delhi - 110064

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HARDWYN INDIA LIMITED** (hereinafter called the '**Company**'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on 31<sup>st</sup> March, 2024, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulation, 2021; ***(Not applicable to the company during the Audit period as the Company has not formulate and launch any scheme as mention in said Regulation nor company issue any Sweat Equity Share)***
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2020; ***(Not applicable to the company during the Audit period as Company has not issue any Debt instrument/securities):***
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993; regarding the Company Act and dealing with client.
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and;***(Not applicable to the Company during the Audit period)***
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; ***(Not applicable to the Company during the Audit period as company has not brought back its Securities)***
- vi. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
  - vii. Other laws as may be applicable specifically to the company:
    - (a) The Micro, Small and Medium Enterprises Development Act, 2006
    - (b) Income Tax Act, 1961
    - (c) The Finance Act, 2021
    - (d) The Central Goods and Services Tax Act, 2017

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements/Regulations entered into by the Company with Stock Exchange(s).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

We further report that, the compliance by the company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

We further report that, based on the information provided by the company, its officers and authorized representatives during the conduct of the audit and also on the review of the quarterly compliance report by respective department heads/ company secretary taken on record by the Board of Directors of the company, in my opinion, adequate system and processes and control mechanism exist in the company to monitor and ensure compliance with applicable general laws like labor law, competition law and environmental law.

We further report the Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions of the Board were unanimous and the same are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that, during the audit period the Company,

- The Company approved Sub Division / Split of Equity Shares from the face value of INR 10 (Indian Rupees Ten) Per Share to Face Value of INR 1 (Indian Rupees One) per Share of the Company vide postal ballot dated May 28, 2023.
- The Company has increased its Authorized Share Capital from INR 27,60,00,000/- (Indian Rupees Twenty Seven Crore Sixty Lakh Only) divided into 2,76,00,000 (Two Crore Seventy Six Lakh) Equity Shares of INR 10/- (Rupees Ten Only) each to INR 35,10,00,000/- (Indian Rupees Thirty Five Crore Ten Lakh Only) divided into 35,10,00,000 (Thirty Five Crore Ten Lakh) Equity Shares of INR 01/- (Rupee One Only) each by inserting 7,50,00,000 (Seven Crore Fifty Lakh) Equity Shares vide postal ballot dated May 28, 2023.
- The Company has made an allotment of Bonus Share of 8,72,17,897 Equity shares of Rs. 1/- each as fully paid Bonus Shares to the existing shareholders of the Company as on record date June 05, 2023 in the ratio of 01:03 i.e. 01 (One) fully paid Equity Shares for every 03 (Three) Equity Shares.

**Note:** This report is to be read with Annexure A, which forms an integral part of this report

**Thanking you,**

For **Amit Saxena & Associates**  
(*Company Secretaries*)

Sd/-

**Amit Saxena**  
**Membership No. A29918**  
**CP No. 11519**  
**FRN:S2012DE199500**

**Date: 25.11.2024**  
**Place: New Delhi**  
**UDIN: A029918F002641593**

To,  
The Members,  
**Hardwyn India Limited**  
L74990DL2017PLC324826  
B-101, Phase-1 Mayapuri, New Delhi, South West Delhi, Delhi – 110 064

My report of even date is to be read along with this letter:

- (1) Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
- (2) I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test-check basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
- (3) I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
- (4) Wherever required, I have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
- (5) The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test-check basis.
- (6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Amit Saxena & Associates**  
*(Company Secretaries)*

Sd/-  
**Amit Saxena**  
**Membership No. A29918**  
**CP No. 11519**  
**FRN: S2012DE199500**

**Date: 25.11.2024**  
**Place: New Delhi**  
**UDIN: A029918F002641593**

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **1. INDUSTRY STRUCTURE AND DEVELOPMENT OPPORTUNITIES, THREATS, RISKS, CONCERNS AND OUTLOOK:-**

Our Company is a distinguished furniture Company with a team of seasoned professionals who bring years of industry expertise. Based in Delhi, it has established itself as a significant player in the local furniture market, consistently competing with leading furniture suppliers and manufacturers.

The company is actively engaging in advanced discussions with potential suppliers, distributors, and key business partners to support these upcoming projects and initiatives for the coming year.

Our Company is committed to leveraging its expertise and market knowledge to adapt to these changing dynamics and seize new opportunities for growth.

### **2. OPPORTUNITIES AND THREATS**

Being a trading Company, our Company is exposed to specific risks that are particular to its business and the environment within which it operates including interest rate volatility, economic cycle, Inflation could trigger increase in consumer price inflation, which would dampen growth, Striking a balance between demand and supply, Unfavorable economic development and market risk.

### **3. SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE**

During the year under review, since Company is being working in a single segment therefore the specific performance does not stand eligible.

### **4. OUTLOOK**

The presence of a stable government at the center will be a major catalyst in taking major decisions which would push forward the pace of reforms and thereby directly improving the macro-economic environment. It is now being forecasted that in the near future, the Indian economy will become the fastest growing emerging market.

The Government is looking at easing investment conditions in India and focusing on project clearances. Also, 2024 is expected to see a rush of foreign direct investments (FDI) coming into India supported by FII inflows.

Looking at the Indian economy the Company has plans to diversify its business in future.

### **5. RISKS AND AREAS OF CONCERN**

Our strength is our determination and team work, weakness is the low equity base, opportunities are multiples and threats are the vibrations in the economy and government policies.

In any business, risks and prospects are inseparable. As a responsible management, the Company's endeavor is to maximize returns. The Company continues to take all steps necessary to minimize its expenses through detailed studies and interaction with experts.

## **6. Internal control systems and their adequacy**

The Company has carried out the internal audit in-house and has ensure that recording and reporting are adequate and proper, the internal controls exist in the system and that sufficient measures are taken to update the internal control system. The system also ensures that all transaction is appropriately authorized, recorded and reported. Exercises for safeguarding assets and protection against unauthorized use are undertaken from time to time. The Company's audit Committee reviewed the internal control system. All efforts are being made to make the internal control systems more effective. All these measures are continuously reviewed by the management and as and when necessary improvements are affected.

## **7. Discussion on financial performance with respect to operational performance**

The Company recorded a standalone turnover of Rs. 12,506.56 Lakhs during the year as against Rs. 84,55.77 Lakhs in the previous year and the Company has earned a profit after tax of Rs. 903.41 Lakhs as compared to the profit after tax of Rs. 340.72 Lakhs in the previous financial year. The management of the Company is putting their best efforts to improve the performance of the Company. Further the company has recorded turnover of Rs. 16,465.77 Lakhs on consolidated basis.

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013 and Generally Accepted Accounting Principles in India. Further, the profits and turnover of the Company were impacted positively in comparison to the previous year profits and turnover.

## **8. Material developments in human resources/industrial relations front, including number of people employed.**

The Company had sufficient numbers of employees at its administrative office. The Company recognizes the importance of human value and ensures that proper encouragement both moral and financial is extended to employees to motivate them. The Company enjoyed excellent relationship with workers and staff during the last year.

## **9. Cautionary Statement**

The statements in the "Management Discussion and Analysis Report" section describes the Company's objectives, projections, estimates, expectations and predictions, which may be "forward looking statements" within the meaning of the applicable laws and regulations. The annual results can differ materially from those expressed or implied, depending upon the economic and climatic conditions, Government policies and other incidental factors.

For **Hardwyn India Limited**

Date:25-11-2024  
Place: New Delhi

Sd/-  
**Rubaljeet Singh Sayal**  
Managing Director  
DIN:00280624

Sd/-  
**SwaranJeet Singh Sayal**  
Director  
DIN: 00280576

**ANNEXURE TO THE DIRECTOR'S REPORT ON CORPORATE GOVERNANCE**

Corporate Governance is the set of best practices. Corporate governance refers to the set of systems, principles and processes by which a Company is governed. They provide the guidelines as to how the Company can be directed or controlled such that it can fulfill its goals and objectives in a manner that adds to the value of the Company and is also beneficial for all stakeholders in the long term. Stakeholders in this case would include everyone ranging from the Board of Directors, management, and shareholders to customers, employees and society. The Corporate Governance is a key element in enhancing investor confidence, promoting competitiveness and ultimately improving economic growth. The aim of "Good Corporate Governance" is to ensure commitment of the Board in managing the Company in a transparent manner for maximizing long-term value of the Company for its shareholders and protection of the rights of the shareholders and your Board of Directors are putting their best efforts to fulfill its commitment towards good Corporate Governance.

**COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:**

Corporate Governance philosophy stems from our belief that corporate governance is a key element in improving efficiency and growth as well as enhancing investor confidence. The Corporate Governance philosophy is scripted as:

"As a good corporate citizen, the Company is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability in building confidence of its various stakeholders in it thereby paving the way for its long-term success."

The Company's philosophy of Corporate Governance is to strengthen the investor's trust and ensures a long-term partnership that helps in achieving Company's objectives, meeting its obligations towards stakeholders, and is guided by a strong emphasis on transparency, accountability, integrity and environment responsibility. Our Company's framework is designed to enable the Board to provide strategic guidelines for the Company the effective over-sight of management. The respective roles and responsibilities of Board Members and Senior Executives are clearly defined to facilitate accountability to Company as well as its shareholders. This ensures a balance of authority so that no single individual has unfettered powers. Our Company has taken adequate steps to form various Committees at the Board level to focus attention on crucial issues before placing the same before the Board for consideration. These include 'Audit Committee' Independent Directors are appointed not merely to fulfill the listing requirement but for their diverse skills, experience and external objectivity that they bring to effectively perform their role to provide strategic direction and guidance and provide constructive support to management by asking the right questions and generating quality debates and discussions on major decisions.

**MANDATORY REQUIREMENTS**

**BOARD OF DIRECTORS:** The Board of Directors is the apex body constituted by shareholders, for overseeing the Company's overall functioning. It provides strategic direction, leadership and guidance to the Company's management as also monitors the performance of the Company with the objective of creating long-term value for the Company's stakeholders.

**I. CATEGORY AND COMPOSITION**

In compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has a balanced mix of executive, non- executive and Independent Directors. As on date of this report, the Board of Directors consists of 6(Six) Directors, out of which 2 is Executive Director, 1 Non-Executive Non-Independent director and 3 are Non- Executive Independent Directors. Except the

Independent Director, all other Directors are liable to retire by rotation as per provisions of the Companies Act, 2013. In compliance with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, half of the Board comprises of independent directors.

The Company has following Directors and KMP along with changes made as on 31<sup>st</sup> March 2024:

S. No	NAME OF THE DIRECTOR	DIN	DESIGNATION
1	Mr. SwaranJeet Singh Sayal	00280576	Chairperson & Executive Director
2	Mr. Rubaljeet Singh Sayal	00280624	Managing Director & CFO
3	Ms. Tanya Sayal	02821564	Non-Executive Director
4	Ms. Shikha Chawla	09523645	Non-Executive - Independent Director
5	Mr. Kulmeet Singh Lamba	09592108	Non-Executive - Independent Director
6	Mr. Manjeet Singh*	08206912	Non-Executive - Independent Director
7.	Ms. Nidhi Sethi**	09617207	Non-Executive - Independent Director
8.	Mr. Sandeep Singh Solanki***	HUZPS8078C	Company Secretary & Compliance Officer
9.	Ms. Sakshi Tyagi****	AYNPT5117C	Company Secretary & Compliance Officer
10.	Ms. Kanchan Sharma*****	ILSPS4210P	Company Secretary & Compliance Officer
11.	Ms. Ankita Jain*****	AXGPJ8187J	Company Secretary & Compliance Officer

\* Mr. Manjeet Singh resigned from post of No- Executive Independent Director w.e.f 02.08.2023

\*\* Ms. Nidhi Sethi Appointed as Non-Executive Independent Director w.e.f 10.10.2023

\*\*\*Mr. Sandeep Singh Solanki resigned from post of Company Secretary and Compliance officer w.e.f 17.04.2023

\*\*\*\* Ms. Sakshi Tyagi appointed as Company Secretary and Compliance officer w.e.f 16.05.2023

\*\*\*\*Ms. Sakshi Tyagi resigned from post of Company Secretary and Compliance officer w.e.f 13.07.2023

\*\*\*\*\* Ms, Kanchan Sharma appointed as Company Secretary and Compliance officer w.e.f 13.07.2023

\*\*\*\*\* Ms. Ankita Jain appointed as Company Secretary and Compliance officer w.e.f 01.06.2024

The Board met 18 times during the Financial Year 2023-2024.The maximum interval between any two meetings did not exceed 120 days. The Meetings were held as on dates as specified in the table below:-

S. No.	Date of Meeting	Total Number of directors associated as on the date of meeting	Attendance	
			Numbers of Directors Attended	% of Attendance
01.	26/04/2023	6	6	100%
02.	03/05/2023	6	6	100%
03.	16/05/2023	6	6	100%
04	29/05/2023	6	6	100%

05.	06/06/2023	6	6	100%
06.	28/06/2023	6	6	100%
07.	29/06/2023	6	6	100%
08.	13/07/2023	5	5	100%
09.	31/07/2023	5	5	100%
10.	12/08/2023	5	5	100%
11.	14/08/2023	5	5	100%
12.	05/09/2023	5	5	100%
13.	18/09/2023	5	5	100%
14.	29/09/2023	5	5	100%
15.	10/10/2023	6	6	100%
16.	10/11/2023	6	6	100%
17.	23/11/2023	6	6	100%
18.	15/02/2024	6	6	100%

### **SEPARATE MEETING OF INDEPENDENT DIRECTORS**

Independent Directors of the Company held their Separate meeting under Regulation 25(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Schedule IV of Companies Act, 2013 on 31<sup>st</sup> March, 2024 at the registered office of the Company to evaluate their performance.

### **COMMITTEE OF DIRECTORS**

Given below is the composition and the terms of reference of various Board constituted Committees, inter alia including the details of meetings held during the year and attendance thereat. All Committee decisions are taken, either at the meetings of the Committee or by passing of circular resolutions. The Company Secretary acts as the secretary for all Board constituted Committees.

### **AUDIT COMMITTEE**

The Audit Committee functions according to its Charter that defines its composition, authority, responsibility and reporting functions in accordance with Section 177 of the Act, Regulation 18(3) read with Part C of Schedule II of the SEBI Listing Regulations applicable to the Company and is reviewed from time to time. Whilst, the terms of reference is available on the Company's website [www.hardwyn.com](http://www.hardwyn.com), given below is a gist of the responsibilities of the Audit Committee, after incorporating therein the regulatory changes mandated under the Listing Regulation:

- i. Reviewing with the management, quarterly/annual financial statements before submission to the Board, focusing primarily on:
  - The Company's financial reporting process and the disclosure of its financial information, including earnings, press release, to ensure that the financial statements are correct, sufficient and credible;
  - Reports on the Management Discussion and Analysis of financial condition, results of Operations and the Directors' Responsibility Statement;
  - Major accounting entries involving estimates based on exercise of judgment by Management;
  - Compliance with accounting standards and changes in accounting policies and practices as well as reasons thereof;
  - Draft Audit Report, qualifications, if any and significant adjustments arising out of audit;
  - Scrutinise inter corporate loans and investments; and;

- Approval or any subsequent modification of transactions with related parties, including omnibus related party transactions.
- ii. Review the statement of uses/applications of funds by major category and the statement of funds utilized for purposes other than as mentioned in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights or private placement issue, and make appropriate recommendations to the Board to take up steps in this matter. These reviews are to be conducted till the money raised through the issue has been fully spent.
- iii. Review with the management, statutory auditor and internal auditor, adequacy of internal control systems, identify weakness or deficiencies and recommending improvements to the management.
- iv. Recommend the appointment/removal of the statutory auditor, cost auditor, fixing audit fees and approving non audit/consulting services provided by the statutory auditors' firms to the Company and its subsidiaries; evaluating auditors' performance, qualifications, experience, independence and pending proceedings relating to professional misconduct, if any.
- v. Review the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the chief internal auditor, coverage and frequency of internal audit, appointment, removal, performance and terms of remuneration of the chief internal auditor.
- vi. Discuss with the internal auditor and senior management, significant internal audit findings and follow-up thereon.
- vii. Review the findings of any internal investigation into matters involving suspected fraud or irregularity or a failure of internal control systems of a material nature and report the matter to the Board.
- viii. Discuss with the statutory auditor before the audit commences, the nature and scope of audit, as well as conduct post-audit discussions to ascertain any area of concern.
- ix. Review the functioning of the Vigil Mechanism under the Whistle-Blower policy of the Company.
- x. Review the financial statements and investments made by subsidiary companies and subsidiary oversight relating to areas such as adequacy of the internal audit structure and function of the subsidiaries, their status of audit plan and its execution, key internal audit observations, risk management and the control environment.
- xi. Look into reasons for any substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividend) and creditors, if any.
- xii. Review the effectiveness of the system for monitoring compliance with laws and regulations.
- xiii. Approve the appointment of CFO after assessing the qualification, experience and background etc. of the candidate.
- xiv. To approve and review policies in relation to the implementation of the Tata Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices ("Code") to note the dealings by Designated Persons in securities of the Company and to provide directions on any penal action to be initiated, in case of any violation of the Code.

The Composition of the Audit Committee as on the date of the Report is as follows:

Sr. No.	Name of the Director	DIN	Designation in the Committee
1	Ms. Shikha Chawla	09523645	Chairman & Member (Independent Director)
2	Mr. Rubaljeet Singh Sethi	00280624	Member (Executive Director)
3	Mr. Kulmeet Singh	09592108	Member (Independent Director)

- Mr. Manjeet Singh has been resigned on 02.08.2023 & audit committee is duly reconstituted.

### Meetings of the Audit Committee

During the year the Audit Committee met 5 (Five) times. The details of the meetings held during the year ended March 31, 2024 along with the attendance of Directors are as follows:

S.No.	Date of Meeting	Total Number of members of the Committee associated as on the date of meeting	Attendance	
			Numbers of Directors Attended	% of Attendance
1.	29.05.2023	4	4	100%
2.	29.06.2023	4	4	100%
3.	12.08.2023	3	3	100%
4.	30.09.2023	3	3	100%
5.	15.02.2024	3	3	100%

### NOMINATION AND REMUNERATION COMMITTEE

The NRC of the Company functions according to its terms of reference, that defines its objective, composition, meeting requirements, authority and power, responsibilities, reporting and evaluation functions in accordance with Section 178 of the Act and Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations. The suitably revised terms of reference enumerated in the Committee Charter, after incorporating therein the regulatory changes mandated under the SEBI Listing Regulations, are as follows:

- Recommend the set up and composition of the Board and its Committees including the “formulation of the criteria for determining qualifications, positive attributes and independence of a director”. The Committee periodically reviews the composition of the Board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience.
- Support the Board in matters related to the setup, review and refresh of the Committees.
- Devise and review a policy on Board diversity.
- Recommend the appointment / reappointment or removal of Directors, in accordance with the criteria laid down, including IDs on the basis of their performance evaluation report.
- Identify and recommend to the Board appointment or removal of Key Managerial Personnel (‘KMP’) and Senior Management of the Company in accordance with the criteria laid down. In case of appointment of CFO the Committee shall identify persons, to the Audit Committee and the Board of Directors of the Company.
- Carry out evaluation of every Director’s performance and support the Board, its Committees and individual Directors, including “formulation of criteria for evaluation of Independent Directors and the Board”

- Oversee the performance review process for the KMP and Senior Management of the Company with a view that there is an appropriate cascading of Company's goals and targets and on an annual basis, review the performance of the Directors, KMP and Senior Management and recommend their remuneration.
- Recommend the Remuneration Policy for Directors, KMP, Senior Management and other employees.

Composition of Nomination & Remuneration Committee as on the date of the report:

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>DIN</b>	<b>Designation in the Committee</b>
1	Ms. Shikha Chawla	09523645	Chairman & Member (Independent Director)
2	Mr. Kulmeet Singh	09592108	Member (Independent Director)
3	Ms. Tanya Sayal	02821564	Member (Non-Executive Director)

Further Mr. Ankush Mittal Resigned from the post of Independent director 20.06.2023 and also from the member of this committee & on same day Mr. Kulmeet Singh was appointed as an Independent Director of the Company w.e.f 20.06.2023. Also, note that Mr. Harkanwar Singh Sethi has been resigned on 16.09.2023 & Mr. Manjeet Singh on 10.08.2023 & other committees. Further NRC committee has been re-constituted on 02.08.2023 comprising of following members:

1. Ms. Shikha Chawla, Chairman
2. Ms. Tanya Sayal, Member
3. Mr. Kulmeet Singh, Member

### **Meetings of the Nomination & Remuneration Committee**

During the year the Committee met 3 (Three) times. The details of the meeting held during the year ended March 31, 2024 along with the attendance of Directors are as follows:

<b>S. No.</b>	<b>Date of Meeting</b>	<b>Total Number of members of the Committee associated as on the date of meeting</b>	<b>Attendance</b>	
			<b>Numbers of Directors Attended</b>	<b>% of Attendance</b>
1.	16/05/2023	3	3	100%
2.	13/07/2023	2	2	100%
3.	10/10/2023	3	3	100%

### **COMPLIANCE OFFICER OF THE COMPANY**

Presently, Ms. Ankita Jain is the compliance Officer of the Company.

### **CODE OF CONDUCT**

The Board of the Company has laid down Code of Conduct for all the Board members of the Company and Senior Management as well and the same has been posted on Website of the Company. Annual Compliance Report for the year ended March 31, 2024 has been received from all the Board members and senior management of the Company regarding the compliance of all the provisions of Code of Conduct. Declaration regarding compliance by Board members and senior management personnel with the Company's Code of Conduct is hereby attached as annexure to this report.

### **MATERIAL NON-LISTED SUBSIDIARY COMPANIES**

The Company does not have any such subsidiary during the accounting year under review.

### **GENERAL BODY MEETINGS**

Annual General Meetings:

Date of AGM	Year	Special Resolution Passed	Venue
September 30, 2023	2022-2023	<ul style="list-style-type: none"> <li>Approval of Remuneration of Non -Executive Director.</li> </ul>	Meeting held through video conferencing ('VC') /other audio visual means ('OAVM')

### **MEANS OF COMMUNICATIONS**

The Company recognizes communication as a key element to the overall Corporate Governance framework, and therefore emphasizes on prompt, continuous, efficient and relevant communication to all external constituencies.

**Financial Results:** The Quarterly, Half Yearly and Annual Results are regularly submitted to the BSE Limited (BSE) & NSE as well as uploaded on the Company's website and are published in newspapers.

Additionally, the results and other important information are also periodically updated on the Company's website [www.hardwyn.com](http://www.hardwyn.com).

**Website:** The Company's website is a comprehensive reference on its leadership, management, vision, policies, corporate governance, sustainability and investor relations. The Members can access the details of the Board, the Committees, Policies, Board committee Charters, financial information, statutory filings. In addition, various downloadable forms required to be executed by the shareholders have also been provided on the website of the Company.

**Annual Report:** The information regarding the performance of the Company is shared with the shareholders vide the Annual Report. The Annual Reports for FY 2023-24 are being sent in electronic mode, to all members who have registered their email ids for the purpose of receiving documents / communication in electronic mode with the Company and / or Depository Participants. The Annual Reports are also available in the Company's website [www.hardwyn.com](http://www.hardwyn.com).

**Electronic Communication:** The Company had during FY 2023-24 sent various communications including Annual Reports, by email to those shareholders whose email addresses were registered with the Company / Depositories. In support of the 'Green Initiative' the Company encourages Members to register their email

address with their Depository Participant or the Company, to receive soft copies of the Annual Report, Notices and other information disseminated by the Company, on a real-time basis without any delay.

Scores: A centralized web-based complaints redress system 'Scores' which serves as a centralized database of all complaints received, enables uploading of Action Taken Reports by the concerned companies and online viewing by the investors of actions taken on complaint and its current status.

## **GENERAL INFORMATION FOR MEMBERS**

### **ANNUAL GENERAL MEETING**

Date and Time:	Wednesday 18th December, 2024
Venue:	Annual General Meeting will be conducted through video-conferencing / other audio visual means ('VC / OAVM'), without the physical presence of the Members at a common venue. In compliance with the provisions of the Act, MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC / OAVM.

As required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standards 2 on General Meetings, details of Director seeking appointment / re-appointment at this AGM are given in the Annexure to the Notice of the forthcoming AGM.

**FINANCIAL YEAR: Ending March 31, 2024**

### **LISTINGS**

The Company's shares are listed on the BSE Ltd. (BSE) & NSE. The following are the details of the Company's shares:

#### **BSE Ltd.:**

Type	Equity Shares
ISIN	<b>INE626Z01029</b>
Scrip Code	<b>541276</b>
Symbol	HARDWYN

#### **National Stock Exchange of India Limited:**

Type	Equity Shares
Symbol	HARDWYN
ISIN	<b>INE626Z01029</b>

## **MARKET INFORMATION**

Market price data - monthly high/low of the closing price and trading volumes on BSE & NSE depicting liquidity of the Company's Ordinary Shares on the said exchanges can be excess through below links:

BSE: <https://www.bseindia.com/markets/equity/EQReports/StockPrcHistori.aspx?expandable=7&scripcode=541276&flag=sp&Submit=G>

NSE: <https://www.nseindia.com/get-quotes/equity?symbol=HARDWYN>

## **REGISTRAR AND TRANSFER AGENTS**

In order to expedite the process of shares transfers, the Board has appointed Skyline Financial Services Pvt. Ltd, as Share Transfer Agent and register of the Company. The transfer agent will generally attend to the transfer

formalities once in a fortnight and operate subject to the overall supervision of Shareholders/ Investor Grievances Committee.

In compliance with the Listing Guidelines, every six months, the Share Transfer System is audited by a Company Secretary in practice and a certificate to that effect is issued by them.

### **STATUTORY DISCLOSURES**

No transactions of material nature have been entered into by the Company with any of the promoters, Directors, their related companies, firms, subsidiaries or relatives etc. that may have a potential conflict with interest of the Company. The Company has not been penalized, nor have any strictures been passed by the Stock Exchanges, SEBI etc.

### **NO DISQUALIFICATION CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE**

The Company has obtained a Certificate from M/s. Vikas Verma and Associates, Company Secretaries confirming that none of the Directors on the board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such statutory authority, as stipulated under Regulation 34 (3) of SEBI (LODR) which forms part of this Report as **Annexure - VIII**.

### **DISCLOSURES**

The Board of Directors receives from time to time disclosures relating to financial and commercial transactions from key managerial personnel of the Company where they and /or their relatives have personal interest. There are no materially significant related party transactions, which have potential conflict with the interest of the Company at large.

The details of the related party Related Party Transaction are placed before the audit committee as well as to the Board of Directors in terms of applicable laws for approval.

### **RISK MANAGEMENT**

The Company has in place a Risk Management policy, which lays down a robust and dynamic process for identification and mitigation of risks. This policy has been adopted by the Audit Committee as well as the Board of Directors of the Company. The Audit Committee reviews the management and mitigation plan from time to time.

### **DEMATERIALIZATION OF SHARES AND LIQUIDITY**

The Company shares are traded in dematerialized form and have to be delivered in the dematerialized form to the stock exchange. To enable that shareholders, have an easy access to the Demat system, the company has executed agreements with both Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The company has appointed M/s Skyline Financial Services Pvt. Ltd, Registrar for the purpose of electronic connectivity as well as for physical mode of transfer of shares.

### **ADDRESS FOR CORRESPONDENCE**

Registered Office:

B-101, Phase- 1, Mayapuri, , New Delhi, Delhi, 110064

Website: [www.hardwyn.com](http://www.hardwyn.com)

**ADDRESS OF THE REGISTRAR AND SHARE TRANSFER AGENT:**

Skyline Financial Services Pvt. Ltd,  
D-153A, 1st Floor, Okhla Industrial Area  
Phase-I, New Delhi, Delhi, 110 020.

**DECLARATION**

None of the Director of the Company is a Director (including any alternate directorship) of more than 20 Companies as per the provisions of Section 165 of the Companies Act, 2013 and member of more than 10 committees or Chairman of more than 5 committees across all companies in which he is a Director.

**RECONCILIATION OF SHARE CAPITAL AUDIT REPORT**

To reconcile the total admitted capital with NSDL & CDSL and the total issue and listed capital, A Reconciliation of Share Capital Audit Report under Regulation 76 of Depository Participants Act, is carried out by a Company Secretary in Practice on Quarterly basis.

**For Hardwyn India Limited**

**Sd/-  
Rubaljeet Singh Sayal  
Managing Director  
DIN: 00280624**

**Date: 25.11.2024  
Place: New Delhi**

**Annexure-A**

**CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE**

To,  
The Members,  
**Hardwyn India Limited**  
L74990DL2017PLC324826  
B-101, Phase-1 Mayapuri, New Delhi - 110 064

We have examined the compliance of conditions of Corporate Governance by Hardwyn India Limited for the year ended on 31<sup>st</sup> March, 2024, as stipulated in Regulation 27 of SEBI (LODR) Regulations, 2015 of the said Company with the BSE Limited & NSE (Stock Exchanges).

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us by the Board of Directors, the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 27 of SEBI (LODR) Regulations, 2015 with certain irregularities in respect of quarterly reports filed.

We, further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Board of Directors has conducted the affairs of the Company.

**For Vikas Verma & Associates**  
**(Company Secretaries)**

**Sd/-**  
**Vikas Kumar Verma**  
**Membership No.: F9192**  
**CP No. 10786**  
**FRN: P2012DE081400**

**Date: 25.11.2024**  
**Place: New Delhi**  
**UDIN: F009192F002632835**

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Para C clause 10 (i) of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015)

To,

The Members,

**Hardwyn India Limited**

L74990DL2017PLC324826

B-101, Phase-1 Mayapuri, New Delhi – 110 064

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Hardwyn India Limited (**herein after referred as “Company”**) having CIN:L74990DL2017PLC324826 and having registered office at B-101, Phase-1 Mayapuri, New Delhi-110064, produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para - C Sub clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information, explanations furnished to us by the Company & its Directors and verifications (including Directors Identification Number (DIN) status as available to the portal [www.mca.gov.in](http://www.mca.gov.in)) done by us, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending as on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI, Ministry of Corporate Affairs, or any such other Statutory Authority.

<b>Name of the Directors</b>	<b>DIN</b>	<b>Date of Appointment</b>
Mr. Rubaljeet Singh Sayal	00280624	29/08/2019
Mr. SwaranJeet Singh Sayal	00280576	29/08/2019
Ms. Tanya Sayal	02821564	01/04/2022
Mr. Kulmeet Singh	09592108	20/06/2022
Ms. Shikha Chawla	09523645	03/03/2022
Ms. Nidhi Sethi	09617207	10/10/2023

**For Vikas Verma & Associates  
(Company Secretaries)**

Sd/-

**Vikas Kumar Verma**

**Membership No. 9192**

**CP No. 10786**

**FRN: P2012DE081400**

**Date: 25.11.2024**

**Place: New Delhi**

**UDIN: F009192F002632769**

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR  
MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director. The Code of Conduct as adopted is available on the Company's website. I confirm that the Company has in respect of the Financial Year ended March 31, 2024, received from the Senior Management team of the Company and the members of the Board, a declaration of Compliance with the Code of Conduct as applicable to them.

**For & on behalf of  
Hardwyn India Limited**

**Date: 25.11.2024  
Place: New Delhi**

**Sd/-  
Rubaljeet Singh Sayal  
Managing Director  
DIN:00280624**

**CEO/CFO CERTIFICATION IN RESPECT OF FINANCIAL STATEMENTS AND CASH FLOW STATEMENT (PURSUANT TO REGULATION 17 (8) OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS), REGULATIONS, 2015 FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024**

We have reviewed the Financial Statements and the Cash Flow Statement for the year ended 31st March 2023 and we hereby certify and confirm to the best of our knowledge and belief the following:

- a. The Financial Statements and Cash Flow statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- b. The Financial Statements and the Cash Flow Statement together present a true and fair view of the affairs of the Company and are in compliance with existing accounting standards, applicable laws and regulations.
- c. There are no transactions entered in to by the Company during the year ended 31st March 2024 which are fraudulent, illegal or violative of Company's Code of Conduct.
- d. We accept responsibility for establishing and maintaining internal controls for Financial Reporting and we have evaluated the effectiveness of these internal control systems of the Company pertaining to financial reporting. Deficiencies noted, if any, are discussed with the Auditors and Audit Committee, as appropriate, and suitable actions are taken to rectify the same.
- e. There have been no significant changes in the above-mentioned internal controls over financial reporting during the relevant period.
- f. That there have been no significant changes in the accounting policies during the relevant period.
- g. We have not noticed any significant fraud particularly those involving the, management or an employee having a significant role in the Company's internal control system over Financial Reporting.

**For & on behalf of  
Hardwyn India Limited**

**Sd/-  
Rubaljeet Singh Sayal  
Director  
Date: 25.11.2024  
Place: New Delhi**

## **INDEPENDENT AUDITOR'S REPORT**

### **To the Members of Hardwyn India Limited**

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

#### **Opinion**

We have audited the accompanying Standalone Ind AS Financial Statements of Hardwyn India Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2024, and the statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information.

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 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 March 31, 2024, and its profit including 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 Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS 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 Ind AS Financial Statements under the provisions of the Companies Act, 2013 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 Standalone Financial Statements.

#### **Key Audit Matters**

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Standalone Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Ind AS Financial Statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters.

### **Information Other than the Standalone Financial Statements and Auditor's Report there on**

The Company's management and 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 Standalone 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 of this other information; we are required to report that fact. We have nothing to report in this regard.

### **Management's and Board of Director's Responsibilities for the Standalone Financial Statements**

The Company's Management and Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments 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 Ind AS Financial Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS Financial Statements, management 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 management 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 Standalone Ind AS Financial Statement**

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS 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 Ind AS Financial Statements.

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

- Identify and assess the risks of material misstatement of the Standalone Ind AS 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to 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's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability 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 Ind AS 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 Ind AS Financial Statements, including the disclosures, and whether the Standalone Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in

- (i) planning the scope of our audit work and in evaluating the results of our work; and
- (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our

report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **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-section 143(11) of the Companies Act, 2013, we give in the **Annexure "A"**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
  - (c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Financial Statement comply with the Ind AS specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Standalone Ind AS Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The Company does not have any pending litigations which would impact its financial position in its Standalone Ind AS Financial Statements.
    - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv)
      - a. The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the Standalone Financial Statements, no funds (which are material either individually or in the 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 or entity, including foreign entity ("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;
      - b. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;

- c. Based on the audit procedures that have been 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) of Rule 11(e), as provided under(a)and (b) above, contain any material misstatement.
- v) The company has not declared or paid any dividend during the year.
- vi) Based on our examination, which included test checks, the Company has used accounting software "Tally Prime" for maintaining its books of account, other than Fixed Asset Register and Payroll, for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has not been operated throughout the year for all relevant transactions recorded in the software.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1st, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

- (h) In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

**For S. S. Periwal & Co.**  
**Chartered Accountants**  
**Firm Regn. No.: 001021N**

**CA Anand Grover**  
**(Partner)**  
**Membership No.: 097954**

**Place: New Delhi**  
**Date: 01-06-2024**  
**UDIN: 24097954BKBLCU8508**

## **ANNEXURE A**

To the Independent Auditor's report on the Standalone Financial Statements of HARDWYN INDIA LIMITED for the year ended 31st March 2024

(Referred to in the paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date)

- (i) (a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;  

(B) According to information and explanation given to us and on the basis of our examination of records of the company, the company has no intangible assets as at year end. Accordingly, clause 3(i)(a)(B) of the order is not applicable.
  - (b) According to information and explanations given to us, Property, Plant and equipment of the company have been physically verified by the management at reasonable intervals; and no material discrepancies were noticed on such verification.
  - (c) According to information and explanation given to us and on the basis of our examination of records of the company, there is no immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) held by the company. Accordingly, clause 3(i)(a) (c) of the order is not applicable.
  - (d) According to information and explanations given to us and on the basis of our examination of the records of the company, the Company has not revalued its Property, Plant and Equipment (Including rights of use assets) or Intangible assets or both during the year.
  - (e) According to information and explanations given to us and on the basis of our examination of the records of the company, there are no proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (ii) (a) According to information and explanations given to us, the inventory has been physically verified at reasonable intervals by the management and we have relied upon the same to form our opinion that the coverage and procedure of such verification by the management is appropriate.  

(b) According to information and explanations given to us and on the basis of our examination of the records of the company, the company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, clause 3(ii)(b) of the Order is not applicable.
  - (iii) The Company has made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties as per the following details: -

(Rs in Lakhs)

Aggregate amount granted/provided during the year	Investment	Guarantees	Security	Loan	Advances in nature of loans
Subsidiary Company (Fiba Hardwyn Locks Limited)	34,818.18	NIL	NIL	NIL	NIL
Subsidiary Company (Slimx Interior Solutions Private Limited)	17.00	NIL	NIL	NIL	NIL
<b>Balance outstanding as at balance sheet date in respect of above cases</b>	<b>34,835.18</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

- (a) The provisions of Clause 3(iii)(a) of the Order, related to terms and conditions of loans provided, advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability partnerships or any other parties are not applicable.
- (b) The provisions of Clause 3(iii)(b) of the Order, related to terms and conditions of the grant of loans and advances, are not applicable as no loans and advances were granted during the financial year.
- (c) The provisions of Clause 3(iii)(c) of the Order, related to schedule of repayment of principal and payment of interest, are not applicable as no loans were granted during the financial year.
- (d) The provisions of Clause 3(iii)(d) of the Order, related to overdue amount outstanding, are not applicable as no loans were granted during the financial year.
- (e) The provisions of Clause 3(iii)(e) of the Order, related to renewal or extended or fresh loans, are not applicable.
- (f) The provisions of Clause 3(iii)(f) of the Order, related to loans or advances repayable on demand, are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of Companies Act with respect to the investments made in the subsidiary company. In our opinion and according to information and explanation given to us, no loan has been granted to Directors. Hence, no contravention of provisions of section 185 of Companies Act has been made.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the order is not applicable.
- (vi) According to information and explanation given to us, the Central Government has not prescribed Maintenance of Cost Records under Section 148(1) of the Companies Act, 2013 for the products traded by the company. Accordingly, clause 3(vi) of the order is not applicable.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, Provident fund, Employees' State Insurance, Income-

Tax, Duty of Customs, Cess and other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Goods and Services Tax, Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable."

- (b) According to the information and explanations given to us, there are no Statutory Dues relating to Sales Tax, Value Added Tax, Service Tax, Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs, Duty of Excise or Cess or other statutory dues which have not been deposited on account of any dispute by the company.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the income tax act, 1961 as income during the year.
- (ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions and banks, government or debenture holders during the year.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been used for long term purposes by the company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) The company has not made any preferential allotment or private placement of shares/fully or partially or optionally convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of our audit.
- (b) According to the information and explanations given to us, no report under section (12) of Section 143 of the Companies Act 2013, has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act 2013, where applicable, and the details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the Internal Audit Reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us the Company has not entered into any non-cash transactions with its directors or persons connected to its director and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanation provided to us during the course of audit, the Group does not have any CICs (Core Investment Company). Accordingly, the requirements of Clause 3(xvi) (d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the Statutory Auditors during the year. Accordingly, clause 3(xviii) of the order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other

information accompanying the standalone financial statements, 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 that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. 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) According to the information and explanations given to us, the Company does not have any unspent amount of Corporate Social Responsibility Expense (CSR) in respect of any ongoing or other than ongoing project as at the expiry of the financial year. Accordingly, reporting under clause (xx) of the Order is not applicable to the Company.

**For S. S. Periwál & Co.**  
**Chartered Accountants**  
**Firm Regn. No.: 001021N**

**CA Anand Grover**  
**(Partner)**  
**Membership No.: 097954**

**Place: New Delhi**  
**Date: 01-06-2024**  
**UDIN: 24097954BKBLCU8508**

## **Annexure “B” to the Independent Auditor’s Report**

### **Report on the internal financial controls over financial reporting under Clause (i) of Sub – section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

#### **(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)**

We have audited the internal financial controls with reference to Standalone Financial Statements of **HARDWYN INDIA LIMITED** (“the Company”) as at March 31, 2024, in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

#### **Management’s and Board of Director’s Responsibilities for Internal Financial Controls**

The Company’s Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting with reference to Standalone Financial Statements 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, 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 over financial reporting 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. Those standards and the guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 over financial reporting with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement in the Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial control system over financial reporting.

#### **Meaning of internal financial controls with reference to Standalone Financial Statements**

A company’s internal financial control with reference to financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted

accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(iii) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Financial Statements.

#### **Inherent Limitations of Internal Financial Controls 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 of override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, the company have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2024, based on the internal control over financial reporting criteria establish 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 ICAI.

**For S. S. Periwal & Co.  
Chartered Accountants  
Firm Regn. No.: 001021N**

**CA Anand Grover  
(Partner)  
Membership No.: 097954**

**Place: New Delhi  
Date: 01-06-2024  
UDIN: 24097954BKBLCU8508**

<b>HARDWYN INDIA LIMITED</b>				
<b>Balance Sheet as at 31st March, 2024</b>				
			(Rs in Lakhs)	(Rs in Lakhs)
Particulars		Note No.	As at 31.03.2024	As at 31.03.2023
<b>A. ASSETS</b>				
<b>1</b>	<b>Non-current assets</b>			
	(a) Property, Plant and Equipment	3	382.72	90.46
	(b) Right of Use Assets	4	109.14	-
	(c) Capital work-in-progress		-	-
	(d) Investment Property		-	-
	(e) Goodwill		-	-
	(f) Other Intangible Assets		-	-
	(g) Intangible Assets under development		-	-
	(h) Biological Assets other than bearer plants		-	-
	(i) Financial Assets		-	-
	(i) Investments	5	34,835.18	34,818.18
	(ii) Trade Receivables		-	-
	(iii) Loans		-	-
	(j) Deferred tax assets (Net)	6	6.97	3.70
	(k) Other non-current Assets	7	1.07	1.00
	<b>Total Non-Current Assets</b>		<b>35,335.09</b>	<b>34,913.35</b>
<b>2</b>	<b>Current assets</b>			
	(a) Inventories	8	4,579.40	3,160.99
	(b) Financial Assets			
	(i) Investments		-	-
	(ii) Trade receivables	9	3,109.68	2,103.17
	(iii) Cash and cash equivalents	10	0.54	17.12
	(iv) Bank Balances other than (iii) above	11	164.47	128.96
	(v) Loans		-	-
	(vi) Others Financial Assets		-	-
	(c) Current Tax Assets (Net)		-	-
	(d) Other current assets	7	1,098.86	561.06
	<b>Total Current Assets</b>		<b>8,952.94</b>	<b>5,971.31</b>
	<b>TOTAL ASSETS</b>		<b>44,288.02</b>	<b>40,884.65</b>
<b>B. EQUITY AND LIABILITIES</b>				
<b>1</b>	<b>Equity</b>			
	(a) Equity Share capital	12	3,488.81	2,616.64
	(b) Other Equity	13	34,742.67	34,639.64
	<b>Total Equity</b>		<b>38,231.48</b>	<b>37,256.28</b>
	<b>Liabilities</b>			
<b>2</b>	<b>Non-current liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings		-	-
	(ia) Lease Liabilities	14	61.32	-
	(ii) Trade Payables		-	-
	(A) total outstanding dues of micro enterprises and small enterprises; and		-	-
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
	(iii) Other financial liabilities (other than those specified in item (b), to be specified)		-	-
	(b) Provisions	15	9.14	-
	(c) Deferred tax liabilities (Net)		-	-
	(d) Other non-current liabilities		-	-
	<b>Total Non-current liabilities</b>		<b>70.46</b>	<b>-</b>
<b>3</b>	<b>Current liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	16	791.38	455.67
	(ii) Lease Liabilities	17	52.46	-
	(iii) Trade payables	18	-	-
	(A) Total outstanding dues of micro enterprises and small enterprises; and		2,309.53	675.24
	(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		2,000.78	2,042.51
	(iii) Other financial liabilities [other than those specified in item (c)]		-	-
	(b) Other current liabilities	19	412.06	79.53
	(c) Provisions	20	0.06	-
	(d) Current Tax Liabilities (Net)	21	419.82	375.43
	<b>Total Current liabilities</b>		<b>5,986.08</b>	<b>3,628.38</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>44,288.02</b>	<b>40,884.65</b>
<b>Significant accounting policies</b>		<b>1 to 2</b>		
<b>See Accompanying Notes to the Financial Statements</b>		<b>3 to 44</b>		
<b>As per our report of even date attached</b>				
<b>For S.S.Perival &amp; Co.</b>		<b>For and on behalf of Board Of Directors</b>		
<b>Chartered Accountants</b>				
<b>Firm Regn no. 001021N</b>				
<b>CA Anand Grover</b>	<b>Ankita Jain</b>	<b>Rubaljeet Singh Sayal</b>	<b>Swaranjeet Singh Sayal</b>	
<b>(Partner)</b>	<b>Company Secretary</b>	<b>Managing Director</b>	<b>Director</b>	
<b>M.No. 097954</b>	<b>M.No A32982</b>	<b>DIN: 00280624</b>	<b>DIN: 00280576</b>	
<b>Place: New Delhi</b>				
<b>Date: 01-06-2024</b>				
<b>UDIN: 24097954BKBLCU8508</b>				

<b>HARDWYN INDIA LIMITED</b>				
<b>Statement of Profit and Loss Account for the year ended on 31st March, 2024</b>				
<b>(Rs in Lakhs)</b>				
<b>Sr. No.</b>	<b>Particulars</b>	<b>Note No.</b>	<b>For the year ending on 31.03.2024</b>	<b>For the year ending on 31.03.2023</b>
I	Revenue from operations	22	13,550.49	12,506.56
II	Other Income	23	49.89	70.95
III	<b>Total Income (I+II)</b>		<b>13,600.38</b>	<b>12,577.51</b>
IV	Expenses			
	(a) Cost of materials consumed	24	336.43	321.33
	(b) Purchases of stock-in-trade	25	12,404.78	11,933.88
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	26	(1,418.41)	(1,755.95)
	(d) Employee benefits expense	27	348.65	305.73
	(e) Finance cost	28	116.17	85.69
	(f) Depreciation and amortisation expense	29	112.46	26.80
	(g) Other expense	30	308.54	382.53
	<b>Total Expenses (IV)</b>		<b>12,208.62</b>	<b>11,300.02</b>
V	Profit / (Loss) before exceptional items and tax (III-IV)		<b>1,391.76</b>	<b>1,277.49</b>
VI	<b>Exceptional items</b>		-	-
VII	<b>Profit/(Loss) before tax (V-VI)</b>		<b>1,391.76</b>	<b>1,277.49</b>
VIII	Tax Expense			
	a) Current Tax		419.82	375.43
	b) Deferred tax		(3.27)	(1.36)
IX	<b>Profit for the period (VII-VIII)</b>		<b>975.21</b>	<b>903.41</b>
	Other Comprehensive Income (net of tax)		-	-
	A) (i) Items that will not be reclassified to profit or loss			
	(ii) Income Tax relating to item that will not be re-classified to profit or loss			
	B) (i) Items that will be reclassified to profit or loss			
	(ii) Income Tax relating to items that will be reclassified to profit or loss			
	Total other comprehensive income (X)			
XI	<b>Total Comprehensive income for the period (IX+X)</b>		<b>975.21</b>	<b>903.41</b>
XII	Profit (Loss) and other comprehensive income for the period)			
XIII	Earnings Per Share (EPS)			
	a) Basic (in Rs)		0.28	0.27
	b) Diluted (in Rs)		0.28	0.27
	<b>Significant Accounting Policies</b>	<b>1 to 2</b>		
	<b>See Accompanying Notes to the Financial Statements</b>	<b>3 to 44</b>		
	<b>As per our report of even date</b>			
	<b>For and on behalf of Board Of Directors</b>			
	<b>For S.S.Periwal &amp; Co.</b> <b>Chartered Accountants</b> <b>Firm Regn no. 001021N</b>			
	<b>CA Anand Grover</b> <b>(Partner)</b> <b>M.No. 097954</b> <b>Place: New Delhi</b> <b>Date: 01-06-2024</b> <b>UDIN: 24097954BKBLCU8508</b>	<b>Ankita Jain</b> <b>Company Secretary</b> <b>M.No A32982</b>	<b>Rubaljeet Singh Sayal</b> <b>Managing Director</b> <b>DIN: 00280624</b>	<b>Swaranjeet Singh Sayal</b> <b>Director</b> <b>DIN: 00280576</b>

HARDWYN INDIA LIMITED

Statement of Standalone Audited Financial Results for the Year ended 31st March 2024

(Rs in Lakhs)

Particulars	For the year ending on 31.03.2024 Audited	For the year ending on 31.03.2023 Audited	
<b>Cash flow from operating activities</b>			
Net profit/ (loss) before tax	1,391.76	1,277.49	
<b>Adjustments for:</b>			
Depreciation and amortisation	112.46	26.80	
(Profit)/Loss on sale of fixed asset	-	-	
Finance costs	116.17	85.69	
Operating profit/ (loss) before working capital changes	1,620.39	1,389.98	
<b>Changes in working capital</b>			
Decrease/ (increase) in trade inventory	(1,418.41)	(1,755.95)	
Decrease/ (increase) in trade receivables	(1,006.51)	941.28	
Decrease/ (increase) in short term loans and advances	-	-	
Decrease/ (increase) in other current assets	(537.79)	499.60	
Decrease/ (increase) in other non current assets	(0.07)	(1.00)	
(Decrease)/ increase in long term provisions	9.14	-	
(Decrease)/ increase short term borrowings	-	-	
(Decrease)/ increase trade payables	1,592.56	(522.38)	
(Decrease)/ increase in other current liabilities	332.53	2.39	
(Decrease)/ increase in short term provisions	44.45	183.89	
<b>Cash generated from operations</b>	<b>(984.10)</b>	<b>(652.17)</b>	
Income tax paid (net of provision and refund)	(419.82)	(375.43)	
(Loss)/gain from extra ordinary items	-	-	
<b>Net cash (used in)/generated from operating activities (A)</b>	<b>216.48</b>	<b>362.38</b>	
<b>Cash flow from investing activities</b>			
Amount paid for acquisition of Property, Plant and Equipment & Right of Use assets	(513.86)	(41.30)	
Proceeds from sale of Property, Plant And Equipment	-	-	
Investment in Subsidiaries	(17.00)	-	
<b>Net cash used in investing activities (B)</b>	<b>(530.86)</b>	<b>(41.30)</b>	
<b>Cash flow from financing activities</b>			
Proceeds from issue of equity shares	-	-	
Proceeds/(Payment) from/of long-term borrowings	335.71	(204.37)	
Proceeds/(Payment) from/of lease liabilities	113.77	-	
Interest Paid	(116.17)	(85.69)	
<b>Net cash flow generated from / (used in) financing activities (C)</b>	<b>333.31</b>	<b>(290.06)</b>	
Net Increases in Cash and Cash equivalents (A+B+C)	18.93	31.02	
Cash and cash equivalents at the beginning of the year	146.08	115.07	
<b>Cash and cash equivalents at the end of the year</b>	<b>165.01</b>	<b>146.08</b>	
<b>Cash and cash equivalents comprise of:</b>			
Cash in hand	0.54	17.12	
Balances with banks:	-	-	
- in current accounts	-	-	
- in deposit accounts	164.47	128.96	
	165.01	146.08	
<b>Significant Accounting Policies</b>	<b>1 to 2</b>		
<b>See Accompanying Notes to the Financial Statements</b>	<b>3 to 44</b>		
<b>As per our report of even date</b>			
<b>For S.S.Periwal &amp; Co.</b>	<b>For and on behalf of Board Of Directors</b>		
<b>Chartered Accountants</b>			
<b>Firm Regn no. 001021N</b>			
<b>CA Anand Grover</b>	<b>Ankita Jain</b>	<b>Rubaljeet Singh Sayal</b>	<b>Swaranjeet Singh Sayal</b>
<b>(Partner)</b>	<b>Company Secretary</b>	<b>Managing Director</b>	<b>Director</b>
<b>M.No. 097954</b>	<b>M.No A32982</b>	<b>DIN: 00280624</b>	<b>DIN: 00280576</b>
<b>Place: New Delhi</b>			
<b>Date: 01-06-2024</b>			
<b>UDIN: 24097954BKBLCU8508</b>			

**HARDWYN INDIA LIMITED**  
Notes to Financial Statements for the year ended 31st March, 2024

NOTE 3 PROPERTY, PLANT AND EQUIPMENT							(Rs in Lakhs)
Particulars	Computers	Office Equipments	Plant & Machinery	Vehicles	Furniture & Fixture	Total	
<b>I. Gross Carrying amount</b>							
Balance as at 1st April, 2023	4.06	2.23	12.55	105.35	11.89	136.07	
Additions during the period	0.46	1.95	2.70	340.43	0.92	346.46	
Less Disposals / Deletions	-	-	-	-	-	-	
<b>Balance as at 31st March , 2024</b>	<b>4.52</b>	<b>4.18</b>	<b>15.25</b>	<b>445.77</b>	<b>12.81</b>	<b>482.53</b>	
<b>II. Accumulated Depreciation</b>							
Balance as at 1st April, 2023	3.38	1.85	7.98	30.95	1.45	45.61	
Add : Depreciation Expense for the period	0.70	0.47	2.16	48.07	2.79	54.20	
Less: Eliminated on disposal of assets	-	-	-	-	-	-	
<b>Balance as at 31st March, 2024</b>	<b>4.09</b>	<b>2.32</b>	<b>10.14</b>	<b>79.02</b>	<b>4.24</b>	<b>99.81</b>	
<b>III. Net Carrying Amount (I-II)</b>	<b>0.44</b>	<b>1.85</b>	<b>5.11</b>	<b>366.75</b>	<b>8.57</b>	<b>382.72</b>	
Particulars	Computers	Office Equipments	Plant & Machinery	Vehicles	Furniture & Fixture	Total	
<b>I. Gross Carrying amount</b>							
Balance as at 1st April, 2022	3.70	2.23	11.03	77.82	-	94.77	
Additions during the period	0.36	-	1.53	27.53	11.89	11.89	
Less Disposals / Deletions	-	-	-	-	-	-	
<b>Balance as at 31st March , 2023</b>	<b>4.06</b>	<b>2.23</b>	<b>12.55</b>	<b>105.35</b>	<b>11.89</b>	<b>136.07</b>	
<b>II. Accumulated Depreciation</b>							
Balance as at 1st April, 2022	2.52	1.54	5.68	9.07	-	18.81	
Add : Depreciation Expense for the period	0.86	0.31	2.30	21.88	1.45	26.80	
Less: Eliminated on disposal of assets	-	-	-	-	-	-	
<b>Balance as at 31st March , 2023</b>	<b>3.38</b>	<b>1.85</b>	<b>7.98</b>	<b>30.95</b>	<b>1.45</b>	<b>45.61</b>	
<b>III. Net Carrying Amount (I-II)</b>	<b>0.68</b>	<b>0.38</b>	<b>4.58</b>	<b>74.39</b>	<b>10.43</b>	<b>90.46</b>	

## NOTE 4

## RIGHT OF USE ASSETS

Class of Assets	Gross Block					Depreciation					Net Block	
	As at 01.04.2023	Additions	Deductions	Other Adjustments	As at 31.03.2024	As at 01.04.2023	For the Year	Deductions	Other Adjustments	As at 31.03.2024	As at 31.03.2024	As at 31.03.2023
Buildings	-	167.40	-	-	167.40	-	58.26	-	-	58.26	109.14	-
<b>Total</b>	-	<b>167.40</b>	-	-	<b>167.40</b>	-	<b>58.26</b>	-	-	<b>58.26</b>	<b>109.14</b>	-

Class of Assets	Gross Block					Depreciation					Net Block	
	As at 01.04.2022	Additions	Deductions	Other Adjustments	As at 31.03.2023	As at 1.04.2022	For the Year	Deductions	Other Adjustments	As at 31.03.2023	As at 31.03.2023	As at 31.03.2022
Buildings	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	-	-	-	-	-	-

<b>NOTE 5- Investments</b>		<b>(Rs in Lakhs)</b>	
<b>PARTICULARS</b>	<b>As At 31.03.2024</b>	<b>As At 31.03.2023</b>	
Investment carried at cost (Un-quoted Investments) In Subsidiary Company "Fiba Hardwyn Locks Limited " (21,73,332 Equity Shares face value of Rs.10 each & purchased @ Rs 1602.0646 Per Share)*	34,818.18	34,818.18	
In Subsidiary Company "Slimx Interior Solution Private Limited " (1,70,000 Equity Shares face value of Rs.10 each & purchased @ Rs 10 Per Share)**	17.00	-	
<b>TOTAL</b>	<b>34,835.18</b>	<b>34,818.18</b>	

\* a. The company has become holding company of Fiba Hardwyn Locks Limited in which 33% shareholding is held by way of Share Swap Agreement and the effect arisen from 14th March 2023. Both companies have few common shareholder's and common director's, parent/holding company's control, Business Transactions, effective decision making and composition of board of directors of subsidiary company. Hence Holding-Subsidiary relationship has been established on the basis of control.

\*\*b. The company has become holding company of Slimx Interior Solutions Private Limited in which 85% shareholding is held by virtue of Shares and the effect arisen from 23rd November 2023. Hence Holding-Subsidiary relationship has been established on the basis of acquisition of shares.

<b>NOTE 6-Deferred tax assets (Net)</b>					<b>(Rs in Lakhs)</b>
<b>PARTICULARS</b>	<b>As at 1st April, 2022</b>	<b>Credit / (Charge) to Profit or loss</b>	<b>Credit / (Charge) to Other Comprehensive Income</b>	<b>As at 31st March, 2023</b>	
<b>Deferred Tax Assets / (Liabilities) (Net)</b> The following is the analysis of deferred tax assets / liabilities recognised in statement of profit and loss and other comprehensive income					
Property, plant and equipment (including intangible assets)	2.35	1.36	-	3.70	
Employee benefits	-	-	-	-	
Unamortised preliminary expense	-	-	-	-	
Fair Value Adjustments	-	-	-	-	
<b>TOTAL</b>	<b>2.35</b>	<b>1.36</b>	<b>-</b>	<b>3.70</b>	

<b>PARTICULARS</b>	<b>As at 1st April, 2023</b>	<b>Credit / (Charge) to Profit or loss</b>	<b>Credit / (Charge) to Other Comprehensive Income</b>	<b>As at 31st March, 2024</b>	
<b>Deferred Tax Assets / (Liabilities) (Net)</b> The following is the analysis of deferred tax assets / liabilities recognised in statement of profit and loss and other comprehensive income					
Property, plant and equipment (including intangible assets)	3.70	3.27	-	6.97	
Employee benefits	-	-	-	-	
Unamortised preliminary expense	-	-	-	-	
Lease Liability	-	-	-	-	
IND AS Adjustments	-	-	-	-	
Unabsorbed Loss	-	-	-	-	
Others	-	-	-	-	
<b>TOTAL</b>	<b>3.70</b>	<b>3.27</b>	<b>-</b>	<b>6.97</b>	

Note: Deferred tax assets and deferred tax liabilities have been offset as they are governed by the same taxation laws.

Particulars	As At 31.03.2024	As At 31.03.2023
<b>NOTE 7-Other Assets</b>		
<b>Other Non-Current Assets</b>		
Capital Advances (Secured, Considered Good)	-	-
Advances other than capital advances (Unsecured, Considered Good)	-	-
— Security Deposits	1.07	1.00
— Advances to Related Parties	-	-
— Other Advances	-	-
— Preliminary Expenses	-	-
<b>Total of Other Non-current Assets</b>	<b>1.07</b>	<b>1.00</b>
<b>Other Current Assets</b>		
Capital Advances	-	-
Advances other than capital advances		
— Security Deposits	-	-
— Advances to Related Parties	-	2.23
— Other Advances	26.71	21.49
— Advances To Suppliers	917.15	434.81
Balance with Revenue Authorities	155.00	102.54
<b>Total of Other Current Assets</b>	<b>1,098.86</b>	<b>561.06</b>
<b>NOTE 8-Inventories</b>		
(Valued at lower of cost or net realisable value)		
Raw Materials	-	-
Work-in-progress	-	-
Finished Goods	-	-
Stock in Trade	4,579.40	3,160.99
Stores & Spares	-	-
Loose Tools	-	-
<b>Total</b>	<b>4,579.40</b>	<b>3,160.99</b>

**HARDWYN INDIA LIMITED**  
Notes to Financial Statements for the period ended 31st March, 2024

(Rs in Lakhs)

Particulars	As At 31.03.2024	As At 31.03.2023					
<b>NOTE 9-Trade Receivables</b>							
<b>Secured and considered good</b>							
— From Related Parties	427.70	173.43					
— From Others	2,696.78	1,929.74					
<b>Unsecured and considered good</b>	-	-					
<b>Trade Receivables which have significant increase in Credit Risk;</b>	-	-					
<b>Trade Receivables – credit impaired.</b>	-	-					
Less: Allowance for doubtful debts	14.80	-					
<b>Total Trade Receivables</b>	<b>3,109.68</b>	<b>2,103.17</b>					
<b>Outstanding for following periods from due date of payment for the FY 2023-24</b>							
Particulars	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables considered good	-	2,645.61	327.65	139.96	3.61	7.86	<b>3,124.68</b>
ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables– which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables –credit impaired	-	-	-	-	-	-	-
Less: Allowance for doubtful trade receivables billed	-	-	-	-	-	(14.80)	(14.80)
Trade receivables unbilled	-	-	-	-	-	-	-
<b>Outstanding for following periods from due date of payment for the FY 2022-23</b>							
Particulars	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables considered good	-	1,682.21	370.71	50.25	-	-	<b>2,103.17</b>
ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables– which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables –credit impaired	-	-	-	-	-	-	-
Less: Allowance for doubtful trade receivables billed	-	-	-	-	-	-	-
Trade receivables unbilled	-	-	-	-	-	-	-
<b>NOTE 10-Cash &amp; Cash Equivalent</b>							
	<b>As At 31.03.2024</b>	<b>As At 31.03.2023</b>					
Balance with Banks:							
In Current Accounts	-	-					
Deposits with original maturity of less than three months	-	-					
Cheques/drafts on hand	-	-					
Cash on hand	0.54	17.12					
<b>Total</b>	<b>0.54</b>	<b>17.12</b>					
<b>NOTE 11 -Other Bank balances</b>							
a) in earmarked accounts	-	-					
- Unclaimed dividends account	-	-					
b)Balances with banks held as margin money	164.47	128.96					
<b>Total</b>	<b>164.47</b>	<b>128.96</b>					

**HARDWYN INDIA LIMITED**  
Notes to Financial Statements for the year ended 31st March, 2024

(Rs. in Lakhs)

Note No.	Particulars	As at 31st March 2024		As at 31st March, 2023	
		Amount		Amount	
12	<b>Equity Share Capital:</b>				
	Authorised Capital				
	35,10,00,000 Equity Shares of Face Value Rs 1 each as on 31st March 2024 (2,76,00,000 Equity Shares of Face Value ₹ 10 each as on 31st March 2023)		3,510.00		2,760.00
			<b>3,510.00</b>		<b>2,760.00</b>
	<b>Issued, Subscribed &amp; Paid up Capital</b>				
34,88,81,467 Equity Shares of Face Value Rs 1 each as on 31st March 2024 ( 2,61,66,357 Equity Shares of Face Value ₹ 10 each as on 31st March 2023)		3,488.81		2,616.64	
<b>Total issued, subscribed and fully paid up capital</b>		<b>3,488.81</b>		<b>2,616.64</b>	

**a. Reconciliation of the equity shares at the beginning and at the end of the year**

(Rs. in Lakhs)

Reconciliation	As at 31st March, 2024		As at 31st March, 2023	
	Number of Shares	Amount	Number of Shares	Amount
Balance at the beginning of the year	26,166,357	2,616.64	10,200,000	1,020.00
Increase in shares on account of split*	235,497,213	Not Applicable	-	-
Shares issued during the year**	87,217,897	872.18	15,966,357	1,597
Shares bought back during the year	-	-	-	-
<b>Balance at the end of the year</b>	<b>348,881,467</b>	<b>3,488.81</b>	<b>26,166,357</b>	<b>2,616.64</b>

\*The company has made Sub Division/Split of its equity shares from Face Value of Rs. 10/- per share to Face Value of Rs. 1/- per share on 28th May, 2023, due to which number of shares has been increased to 26,16,63,750 shares from 2,61,66,375 shares. The Earnings per share for the prior periods have been restated considering the face value of Rs 1/- each in accordance with Ind AS 33 - "Earnings per share"  
\*\* The company has issued 8,72,17,897 bonus shares (face value Rs 1 per share) to the shareholders in the ratio of 1:3 (i.e. One share for every Three equity share held) on 6th June, 2023.

**b. Terms/rights attached to Equity Shares**

The company has only one class of equity shares having a par value of Rs. 1 per share. Each holder of equity shares is entitled to one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**c. Details of Shareholders holding more than 5% Equity Shares in the Company:**

Name of the Shareholder	As at 31st March, 2024		As at 31st March, 2023	
	No. of Shares	% of Holding	No. of Shares	% of Holding
RUBALJEET SINGH SAYAL	82,698,000	23.70%	6,202,350	23.70%
SWARAN JEET SINGH SAYAL	69,998,000	20.06%	5,249,850	20.06%
GINNI CHADHA	67,010,346	19.21%	5,000,000	19.11%
HARKANWAR SINGH SETHI	17,777,733	5.10%	1,333,330	5.10%

**d. Details of shareholdings by the Promoter's of the Company**

Promoter Name	As at 31st March, 2024		As at 31st March, 2023		% changes in the year
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
RUBALJEET SINGH SAYAL	82,698,000	23.70%	6,202,350	23.70%	0.00%
SWARAN JEET SINGH SAYAL	69,998,000	20.06%	5,249,850	20.06%	0.00%

**HARDWYN INDIA LIMITED**  
**Notes to Financial Statements for the year ended 31st March, 2024**

(Rs in Lakhs)

Particulars	As At 31.03.2024	As At 31.03.2023
<b><u>NOTE 13-Other Equity:</u></b>		
Capital Reserve	-	-
Securities Premium	33,731.51	33,731.51
<b>Retained earnings</b>		
Balance as per Last financial Statement	908.13	514.68
Net Surplus in the Statement of Profit and Loss	975.21	903.41
Less: Bonus Issues to shareholders	(872.18)	(509.97)
<b>Balance at end of Year</b>	<b>1,011.16</b>	<b>908.13</b>
<b>Total Other Equity</b>	<b>34,742.67</b>	<b>34,639.64</b>
<b><u>NOTE 14- Lease Liabilities</u></b>		
Lease Liabilities	61.32	-
<b>Total</b>	<b>61.32</b>	<b>-</b>
<b><u>NOTE 15-Provisions -Non Current</u></b>		
<b>Employee Benefit Provisions</b>		
a) Provision for Gratuity		
As Per Last Balance Sheet (Opening)	-	-
Additions/(Utilizations) During the Year	9.14	-
<b>Closing Balance</b>	<b>9.14</b>	<b>-</b>
<b>Total</b>	<b>9.14</b>	<b>-</b>
<b><u>NOTE 16-Borrowings</u></b>		
<b>Secured Loans</b>		
a). HDBL BANK (Cash Credit Limit of Rs. 4,50,00,000/-)		
Particulars Of Security		
1. Secured against Prime Security of Book Debts , Stocks and FDR.		
2. Collateral Security through Equitable Mortgage by Directors against Residential Property at FA-	517.14	387.78
b). Car Loan	78.47	65.75
<b>Unsecured Loans</b>		
Loan From Directors	195.78	2.14
<b>Balance at end of Year</b>	<b>791.38</b>	<b>455.67</b>
<b><u>NOTE 17- Lease Liabilities</u></b>		
Lease Liabilities	52.46	-
<b>Total</b>	<b>52.46</b>	<b>-</b>
<b><u>NOTE 18-Trade payables</u></b>		
<b>Equity and Liabilities</b>		
<b>Non-Current Liabilities</b>		
<b>Financial Liabilities</b>		
(I) Trade Payable		
(a) Total outstanding dues of micro enterprises	-	-
(b) Total outstanding dues of creditors other than	-	-
<b>Current Liabilities</b>		
<b>Financial Liabilities</b>		
(I) Trade Payable	-	-
(a) Total outstanding dues of micro enterprises	2,309.53	675.24
(b) Total outstanding dues of creditors other than	2,000.78	2,042.51
<b>Total</b>	<b>4,310.31</b>	<b>2,717.75</b>

Ageing for trade payables outstanding as at March 31, 2024 is as follows:

Particulars	Outstanding for following periods from due date of payment for the FY 2023-24				Total
	Less than 1 year	1-2 years	2-3 year	More than 3 years	
(i) MSME	2290.10	19.43	-	-	2,309.53
(ii) Others	1876.76	119.26	4.76	-	2,000.78
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Ageing for trade payables outstanding as at March 31, 2023 is as follows:</b>					
Particulars	Outstanding for following periods from due date of payment for the FY 2022-23				Total
	Less than 1 year	1-2 years	2-3 year	More than 3 years	
(i) MSME	675.23	-	-	-	675.23
(ii) Others	2,023.47	19.04	-	-	2,042.52
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>NOTE 19 -Other Current Liabilities</b>					
Statutory Dues Payable			29.65		6.29
Expenses Payable			72.78		29.83
Advances Received from Customers			309.63		43.41
<b>Total</b>			<b>412.06</b>		<b>79.53</b>
<b>NOTE 20-Provisions -Current</b>					
<b>Employee Benefit Provisions</b>					
<b>a) Provision for Gratuity</b>					
As Per Last Balance Sheet (Opening)			-		-
Additions/(Utilizations) During the Year			0.06		-
Closing Balance			0.06		-
<b>Total</b>			<b>0.06</b>		<b>-</b>
<b>NOTE 21-Current Tax Liabilities (Net)</b>					
<b>Income Tax</b>					
As per last Balance sheet			375.43		191.54
Additions during the year			419.82		375.43
Amount Adjusted During the Year			(375.43)		(191.54)
<b>Total</b>			<b>419.82</b>		<b>375.43</b>

**HARDWYN INDIA LIMITED**  
**Notes to Financial Statements for the year ended 31st March, 2024**

(Rs in Lakhs)

Particulars	As At 31.03.2024	As At 31.03.2023
<b><u>NOTE 22:-Revenue from Operations</u></b>		
Revenue From Sale of Products		
a. Manufactured goods	-	-
b. Stock in Trade	13,550.49	12,506.56
Revenue From Sale of Service	-	-
<b>TOTAL</b>	<b>13,550.49</b>	<b>12,506.56</b>
<b><u>NOTE 23:- Other Income</u></b>		
Interest On Bank FDR	8.43	4.33
Miscellaneous Income	0.32	0.50
Gain on Foreign Exchange Rate Fluctuation	41.15	66.12
<b>TOTAL</b>	<b>49.89</b>	<b>70.95</b>
<b><u>NOTE 24:-Cost of Materials Consumed</u></b>		
Consumable Stores	0.02	0.73
Freight & Cartage Outward	142.45	105.57
Packaging Expenses	27.83	36.67
Freight & Cartage Inward	166.14	178.36
<b>TOTAL</b>	<b>336.43</b>	<b>321.33</b>
<b><u>NOTE 25:-Purchases</u></b>		
Purchase of Stock In Trade	12,404.78	11,933.88
<b>TOTAL</b>	<b>12,404.78</b>	<b>11,933.88</b>
<b><u>NOTE 26:-Changes in inventories of finished goods, work-in-progress and stock-in-trade</u></b>		
<b>Opening Balance</b>		
Finished goods		-
Work-in-progress		-
Stock-in-trade (including goods in transit )	3,160.99	1,405.04
<b>Total Opening Balance</b>	<b>3,160.99</b>	<b>1,405.04</b>
<b>Closing Balance</b>		
Finished goods	-	-
Work-in-progress	-	-
Stock-in-trade (including goods in transit)	4,579.40	3,160.99
<b>Total Closing Balance</b>	<b>4,579.40</b>	<b>3,160.99</b>
<b>Total Changes in inventories of finished goods, work-inprogress and stock-in-trade</b>	<b>(1,418.41)</b>	<b>(1,755.95)</b>
<b><u>NOTE 27:-Employee Benefits Expense</u></b>		
Salaries, Wages and Bonus	331.99	297.12
Contribution to provident and other funds	2.73	2.25
Gratuity Expense	9.20	-
Staff Welfare Expenses	4.72	6.36
<b>TOTAL</b>	<b>348.65</b>	<b>305.73</b>
<b><u>NOTE 28:- Finance Cost</u></b>		
Interest on Bank borrowings	5.37	4.60
Interest on Bank Overdraft	43.59	41.33
Interest on delayed payment of statutory dues	36.47	21.32
Interest on Lease Liabilities	12.37	-
Bank Charges	18.37	18.44
<b>TOTAL</b>	<b>116.17</b>	<b>85.69</b>

<b>NOTE 29:- Depreciation &amp; Amortisation Expenses</b>		
a. Depreciation of Property, Plant and Equipment (Note no. 3)	54.20	26.80
b. Amortisation of Intangible Assets	-	-
c. Depreciation of Right of Use Assets (Note no. 4)	58.26	-
<b>TOTAL</b>	<b>112.46</b>	<b>26.80</b>

<b>NOTE 30:-Other Expenses</b>		
Rent	-	36.85
Legal And Professional Fees	12.80	20.23
Travelling And Conveyance Expenses	17.21	51.22
Rates and Taxes	8.63	19.47
Repair and Maintenance Expenses	14.80	31.93
Advertisement	65.76	32.27
Business Promotion	30.52	38.17
Printing & Stationery	21.41	18.31
Electricity Expenses	11.56	11.71
Insurance Charges	9.16	4.33
Office Expense	2.03	1.40
Telephone Expenses	5.98	4.13
Miscellaneous Expenses	0.50	0.28
Discount & Rebate	36.09	61.79
Audit Fees	-	-
As Auditors- statutory Audit	5.00	4.00
Taxation Matters	-	-
Company Law Matters	-	-
Other Services	-	0.54
Pollution Expenses	0.52	-
Depositary Charges	4.35	13.44
Postage & Courier Expenses	2.64	1.96
Membership Fees & Subscription Fees	26.83	22.61
Recruitment Expense	0.07	-
Commission and Brokerage	0.94	0.62
Security Guard Expenses	3.85	4.86
Baddebts Written Off	-	2.42
Provision for Expected Credit loss	14.80	-
Corporate Social Responsibility Expenses*	13.08	-
<b>TOTAL</b>	<b>308.54</b>	<b>382.53</b>

\* Please refer Note No 41.

**31. Related Party Disclosure**

Particulars	Managerial/Director Remuneration (Rs. in Lakhs)	Rent (Rs. in Lakhs)	Unsecured Loan Taken/(Given) (Rs. in Lakhs)
Rubaljeet Singh Sayal (Director)	24.00	9.00	195.78
Swaranjeet Singh Sayal (Director)	12.00	-	-
Tanya Sayal (Director)	4.00	21.00	-
Harpreet Kaur (Mother of Director)	-	36.00	-

Enterprises over which key Managerial Persons and their relatives exercise significant influence / Other Related Parties (with whom transactions have been undertaken during the year).

Particulars	Relation with KMP	Transaction Type	Value (Rs. In Lakhs)
Hardwyn India Inc	Director is interested as Proprietor	Sale of Goods	169.19
Hardwyn India Inc	Director is interested as Proprietor	Purchase of Goods	56.70
Fiba Hardwyn Locks Limited	Subsidiary Company	Sale of Goods	206.18
Fiba Hardwyn Locks Limited	Subsidiary Company	Purchase of Goods	2,063.24
Kitchen India Inc	Wife of Director is interested as Proprietor	Sale of Goods	530.51
Hardwyn Industrial Trading Corporation	Director is interested as Proprietor	Purchase of Goods	9.33
Slimx Interior Solutions Private Limited	Subsidiary Company	Investment in Equity	17.00
Slimx Interior Solutions Private Limited	Subsidiary Company	Sale of Goods	217.14

The transactions with the related parties have been entered in the ordinary course of business and are at arm's length price. Outstanding balances at the year-end are unsecured and settlement occurs on actual basis.

**32. Employee Benefits**

The company has accounted for the obligation of defined benefit plan towards gratuity in terms of provisions of IND AS 19. Liability for defined benefit plans i.e. gratuity is determined based on the actuarial valuation carried out by an independent actuary as at the year-end.

**GRATUITY**

**a. Change in Present Value of Obligation is as follows:-**

Particulars	(Rs. In Lakhs)	
	Year Ended March 31,2024	Year Ended March 31,2023*
Opening of Defined Benefit Obligation	-	-
Liability transfer in/(out)	-	-
Service Cost	9.20	-
Interest Cost	-	-
Benefit Paid	-	-
Closing of Defined Benefit Obligation	9.20	-

\*Previous Year Figure are not available since it is the first year of actuary valautain being done for Employee Benefits.

**b. Change in Fair Value of Plan Assets**

There is no change in the Fair Value of Plan Assets since it is the first year that Actuary Valuation has been done by the Actuary Valuer for Employee Benefit.

**33. Inome Tax Recognised in Profit and Loss**

Particulars	Year Ended March 31,2024	Year Ended March 31,2023
<b>Current Tax</b>		
In relation to Current Year	419.82	375.43
Adjustment in relation to earlier years	-	-
<b>Total Current Tax Expense</b>	<b>419.82</b>	<b>375.43</b>
<b>Deferred Tax</b>		
Decrease (Increase) in Deferred Tax Assets	(3.27)	(1.36)
(Decrease) Increase in Deferred Tax Liabilities	-	-
<b>Net Deferred Tax</b>	<b>(3.27)</b>	<b>(1.36)</b>
<b>Total tax Expense carried to Profit &amp; Loss Account</b>	<b>416.55</b>	<b>374.07</b>

**Reconciliation of Tax Expense and the Accounting Profit Multiplied by India's Tax rate**

Particulars	Year Ended March 31,2024	Year Ended March 31,2023
-------------	--------------------------	--------------------------

Accounting Profit Before Income taxes	1,391.76	1,277.49
Income Tax Expenses @ 29.12% (Previous year: 29.12%)	405.28	372.00
<b>Tax effect of Amounts which are not deductible/(Taxable) in Calculating taxable Income:-</b>		
Effect of expenses that are not deductible in determining taxable profit	14.54	3.43
Effect of Temporary Difference on account of depreciation in determining taxable profit	(3.27)	(1.36)
<b>Tax (Benefit)/Expenses as Recognised in Statement of Profit and Loss</b>	<b>416.55</b>	<b>374.07</b>

#### 34. Foreign Exchange Transactions

(Rs. In Lakhs)

Particulars	Year Ended March 31,2024	Year Ended March 31,2023
Earning in Foreign Exchange	-	-
Expenses in Foreign Exchange*	1,707.10	1,379.11

\*(Foreign Exchange Expenses Relates to Import of Goods and this excludes Gain on foreign exchange rate fluctuations amounting to Rs. 41.15/-)

35. Balances of debtors, creditors, loans and advances taken and given are unsecured, unconfirmed, considered good and have a value on realization in the ordinary course of business at least equal to the amount at which they are stated except where indicated otherwise.

#### 36. Earning Per Share

Particulars	Year Ended March 31,2024	Year Ended March 31,2023
Net profit/(Loss) after tax as per Profit & Loss Account (Rs in Lakhs)	975.21	903.41
Weighted average number of Equity Shares in calculating Basic and Diluted Earning Per Share	348,881,467	338,550,697
Basic Earnings per Share of Face Value Rs 10 each (in Rs)	0.28	0.27
Diluted Earnings per Share of Face Value Rs 10 each (in Rs)	0.28	0.27

\*Basic and Diluted EPS has been calculated based on the weighted average number of shares outstanding in the current and previous year .Due to issue of bonus shares and share split in the current year EPS for previous year i.e 31st March 2023 has been restated.

37. The business activity of the company falls within one broad business segment viz; "Purchase and Sale of trading of Hardware ,kitchen goods and aluminum products ". There is no income and profit from any other segment as prescribed in IND-AS 108 . Hence the disclosure requirement of IND -AS 108 of "Segment Reporting" is not applicable.

38. As per IND AS-16 ,the company has recognised the lease liability which is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate.The right of use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The estimated useful life of right-of-use assets are determined on the basis of remaining lease term.

39. (a.)The company has carried out impairment testing in respect of its acquisition/investment in equity shares of Fiba Hardwyn Locks Limited, its subsidiary company. The company believes that as the acquisition/investment of the shares in the said entity has not been materially impaired at the year end based on the valuation report carried by the valuation expert.

(b.) As Per IND AS 109, the company has recognised Rs 14.80 Lakh Expected Credit Loss(ECL) on trade receivable based on the provision matrix formed using the loss rate i.e probability of loss on recovery of Trade receivable is being estimated by the company.

#### 40.The Details Relating to Micro, Small and Medium Enterprises are as Follows:-

Based on information available with the Company, there are few suppliers/service providers who are registered as micro, small or medium enterprise under The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006). Information in respect of micro and small enterprises as required by MSMED Act, 2006 is given as under:

Particulars	As at 31st March, 2024	As at 31st March, 2023
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year.	-	-
- Principal amount due to micro and small enterprises	2,309.53	675.24
- Interest due on above	-	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) the amount of 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 the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

41. Disclosure on corporate social responsibility expense:

(Rs. In Lakhs)

Particulars	Year Ended March 31,2024	Year Ended March 31,2023
a) Prescribed CSR expenditure as per Section 135 of the Companies Act, 2013	13.08	-
b) Amount approved by the Board to be spent during the year	13.08	-
c)(i) Actual amount spent during the year on construction / acquisition of an asset	-	-
c)(ii) Actual amount spent during the year on purposes other than construction / acquisition of an asset	13.08	-
d) Amount unspent during the year	-	-
e) Nature of CSR Activities	Forest planting, waste management, development of sustainable energy sources, waste water treatment etc.	
f) Details of related party transactions	The amount spent Rs 13.08 as mentioned above does not include any related party transactions.	

42. Previous year figures are being regrouped/redrafted as and where found applicable to make those comparable with the figures and / or presentation for the current year. The figures for the previous year have been regrouped wherever necessary to comply with amendments in Schedule III of the Companies Act, 2013.

43. All amounts in the financial statements are presented in Lakhs with two decimal except per share data and as otherwise stated.

#### 44. Additional regulatory information required by Schedule III to the Companies Act, 2013

(i). There are no immovable properties held in the name of the company.

(ii). The company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

(iii). No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988.

(iv). The company have borrowings from banks or financial institutions on the basis of security of current assets. The Company is complying with submission of requisite documents/details as and when required with the respective bank/financial institutions.

(v). The company has not granted any Loans or Advances in the nature of loans to promoters, directors, KMPs and the related parties during the year.

(vi). The company has not been declared as wilful defaulter by any bank or financial institution or other lender.

(vii). As per information and explanation provided to us, The company complied with the number of layers prescribed under clause (87) of section 2 of the Act read with companies (Restriction on number of Layers) Rules, 2017 for the financial years ended March 31, 2023 and March 31, 2022.

(viii). The Company does not have any charges or satisfaction of charges which is yet to be registered with the Registrar of the Companies beyond the statutory period.

(ix). The company has not advanced/loaned/invested funds (borrowed/share premium/any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (intermediaries), with the understanding (whether recorded in writing or otherwise) that the intermediary shall :

(a) directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(x). The company has not received any funds from any other person(s) or entity(ies), including foreign entities (funding party), with understanding (whether recorded in writing or otherwise) that the intermediary shall :

(a) directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(xi). The Company has not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(xii). The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(xiii). The followings are analytical ratios for the year ended ;

Ratios	Numerator	Denominator	31st March 2024	31st March 2023	Variance (%)	Reason for Variance
Current Ratio (In times)	Current Assets	Current Liabilities	1.50	1.65	-9.12%	
Debt-Equity Ratio (In times)	Total Liabilities = (Non-Current Borrowings + Current Borrowings)	Total Shareholder's Fund	0.02	0.01	69.24%	Due to increase in Borrowings

Debt Service Coverage Ratio (In times)	Net Operating Income = (PAT + Depreciation and Amortization Expense (excluding lease amortisation expense) + Interest cost on Borrowings + (Profit)/ Loss on sale of Fixed assets)	Total Debt Service = (Interest cost on Borrowings + Principal repayments made during the period for Long Term Borrowings)	-3.96	3.90	-201.64%	Increase in debt levels has resulted in decline of Debt Service Ratio.
Return on Equity (In %)	Net profit after taxes	Average Shareholder's Fund	2.58%	4.66%	-44.53%	There is decline in the ratio due to Increase in shareholder's equity.
Inventory Turnover Ratio (In times)	Sale of Products/COGS	Average Inventory	2.93	4.60	-36.38%	There is decline in ratio Due to Higher inventory.
Trade Receivable Turnover Ratio (In times)	Gross Revenue from Operations	Average Trade Receivables	5.20	4.86	6.99%	
Trade Payable Turnover Ratio (In times)	Purchases of Goods	Average Trade Payables	3.53	4.01	-11.88%	
Net Capital Turnover Ratio (In times)	Net Sales	Working Capital	4.57	5.34	-14.44%	
Net Profit Ratio (In %)	Profit after Tax	Revenue from Operation	7.20	7.22	-0.37%	
Return on Capital Employed (In %)	Earning before Interest and Taxes	Capital Employed = (Net worth + Total Debts + Deffered Tax Liabilities)	3.69%	3.51%	5.22%	

In terms of our attached report of even date

For S.S. Periwal & Co.  
Chartered Accountants  
Firm Registration No. 001021N

For and on behalf of the Directors

CA Anand Grover  
(Partner)  
M.No. 097954  
New Delhi  
Date: 01-06-2024  
UDIN: 24097954BKBLCU8508

Ankita Jain  
Company Secretary  
M.No A32982

Rubaljeet Singh Sayal  
Managing Director  
DIN: 00280624

Swaranjeet Singh Sayal  
Director  
DIN: 00280576

## **HARDWYN INDIA LIMITED**

### **Notes to the Financial Statements for the year ended 31st March 2024**

#### **Note 1. Corporate Information**

Hardwyn India Limited (the Company) has been incorporated on 12th October 2017 under the provisions of the Companies Act, 2013. Its shares are listed on two stock exchanges in India i.e. Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The registered office of the company is situated at B-101, Phase-1 Mayapuri, New Delhi-110064. The Company's Subsidiary Company are "FIBA HARDWYN LOCKS LIMITED" and "SLIMX INTERIOR SOLUTIONS PRIVATE LIMITED".

The company is engaged in the business of wholesale and retail trade of Architectural Hardware and Glass fittings, Kitchen Hardware, Accessories and Appliances.

The Financial Statement of the Company for the year ended 31<sup>st</sup> March 2024 were approved for issue by the Board of Directors on 1<sup>st</sup> June 2024.

#### **Note 2: Basis for preparation and Significant accounting policies:**

##### **2.1) a) Basis for preparation of accounts**

The accounts have been prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 issued by the Ministry of Corporate Affairs. The company has consistently applied the accounting policies used in the preparation for all periods presented in these financial statements.

These financial statements have been prepared on an accrual basis and under historical cost convention, except for following certain financial instruments which are measured at fair value at the end of each reporting period: -

- Certain financial assets like investment in equity shares are measured at fair value on the basis of Valuation Report of the Subsidiary Company for the arriving the value of shares.

The standalone financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency and all values are rounded to the nearest lakhs, except when otherwise indicated.

##### **b) Use of Estimates**

The preparation of the financial statements requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial Statements and reported amounts of income and expenses during the period.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the

financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

The principal accounting policies are set out below.

## **2.2) Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has identified twelve months as its operating cycle for the purpose of current / non-current classification of assets and liabilities.

## **2.3) Property, plant and equipment (PPE)**

### ***i. Recognition and measurement***

Property, plant and equipment are stated at acquisition cost less accumulated depreciation and accumulated impairment losses, if any. All costs, including borrowing costs incurred up to the date the asset is ready for its intended use, is capitalized along with respective asset. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.

### ***ii. Subsequent measurement***

Subsequent expenditure related to an item of Property, Plant and Equipment are included in its carrying amount or recognized as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Subsequent costs are depreciated over the residual life of the respective assets. All other expenses on existing Property, Plant and Equipments, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

### ***iii. Depreciation***

Depreciation is recognized so as to expense the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the Written Down Value method. The useful life of property, plant and equipment is considered based on life prescribed in Schedule II to the Companies Act, 2013. In case of major components identified, depreciation is provided based on the useful life of each such component based on technical assessment, if materially different from that of the main asset.

**iv. Derecognition**

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in statement of profit and loss.

**2.4) Goodwill**

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Company's cash-generating units that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

**2.5) Impairment of tangible and intangible assets other than goodwill**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use.

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Impairment loss is recognised when the carrying amount of an asset or CGU exceeds its recoverable amount. In such cases, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate

valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of 5 years. For longer periods, along-term growth rate is calculated and applied to project future cash flows after 5th year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the assets or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

## **2.6) Leasing**

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. 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 assess whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset through the period of use; and
- the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases, where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:
  - the Company has the right to operate the asset; or
  - the Company designed the asset in a way that predetermines how and for what purpose it will be used.

An entity shall reassess whether a contract is, or contains, a lease only if the terms and conditions of the contract are changed. At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

### **Company as lessee**

The Company accounts for assets taken under lease arrangement in the following manner:

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying

asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.

The right of use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The estimated useful lives of right-of-use assets are determined on the basis of remaining lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate.

#### **Short-term leases and leases of low-value assets**

The Company has elected not to recognise right-of use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low value assets. The Company recognises the lease payments associated with these leases as an expense on a straight- line basis over the lease term.

#### **2.7) Borrowing costs**

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Borrowing costs incurred for the period from commencement of activities relating to construction/ development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

In case of a specific borrowing taken for the purpose of acquisition, construction or production of a qualifying asset, the borrowing costs capitalised shall be the actual borrowing costs incurred during the period less any interest income earned on temporary investment of specific borrowing pending expenditure on qualifying asset.

In case funds are borrowed generally and such funds are used for the purpose of acquisition, construction or production of a qualifying asset, the borrowing costs capitalised are calculated by applying the weighted average capitalization rate on general borrowings outstanding during the period, to the expenditures incurred on the qualifying asset.

If any specific borrowing remains outstanding after the related asset is ready for its intended use, that borrowing is considered part of the funds that are borrowed generally for calculating the capitalization rate.

#### **2.8) Foreign Currencies**

Transactions in foreign currencies are recorded on initial recognition at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currency remaining unsettled at the end of the year, are translated at the closing rates prevailing on the Balance Sheet date. Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of transaction. Any gains or losses arising due to differences in exchange rates at the time of translation or settlement are accounted for in the Statement of Profit and Loss either under the head foreign exchange fluctuation or interest cost, as the case

may be, except those relating to exchange differences arising from cash flow hedges to the extent that the hedges are effective and those covered below.

### **2.9) Inventories**

Inventories are valued at cost or net realisable value, whichever is lower. The basis of determining the cost for various categories of inventory are as follows:

(a) Raw materials, packing materials and stores and spares (including fuel) - Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. The aforesaid items are valued at Net Realisable Value if the finished products in which they are to be incorporated are expected to be sold at a loss.

(b) Traded goods, Stock in progress and finished goods- Direct cost-plus appropriate share of overheads.

(c) By products - At estimated realisable value

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

### **2.10) Provisions, contingent liabilities and contingent assets**

#### **A. Provisions**

The Company recognises a provision when there is a present obligation (legal or constructive) as a result of past events and it is more likely than not that an outflow of resources would be required to settle the obligation and a reliable estimate can be made.

When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain.

The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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.

#### **B. Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities and commitments are reviewed by the management at each balance sheet date.

#### **C. Contingent assets**

Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic

benefits will arise, the asset and related income are recognised in the period in which the change occurs.

### **2.11) Revenue recognition**

#### ***a) Sale of goods***

Revenue from sale of products is recognised upon transfer of control of products to customers at the time of shipment to or receipt of goods by the customers. Service income is recognised as and when the underlying services are performed. The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time.

Revenues are measured based on the transaction price, which is the consideration, net of tax collected from customers and remitted to government authorities such as goods and services tax and applicable discounts and allowances.

Any fees including upfront fees received in relation to contract manufacturing arrangements is recognized on straight line basis over the period over which the Company satisfies the underlying performance obligations. Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue (only act of invoicing is pending) when there is unconditional right to receive cash as per contractual terms. Advance from customers (“contract liability”) is recognised when the Company has received consideration from the customer before it delivers the goods.

#### ***b) Interest and dividend income***

Interest income is recognised when it is probable that the economic benefits will flow to the Company using the effective interest rate and the amount of income can be measured reliably. Interest income is accrued on a time, basis, by reference to the principal outstanding.

Dividend income from investments is recognised when the shareholder’s right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

### **2.12) Taxation**

Income tax expense represents the sum of current tax and deferred tax.

#### ***a) Current tax***

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss i.e., in other comprehensive income or in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### ***b) Deferred tax***

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the reporting date. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss i.e., in other comprehensive income or in equity.

Deferred tax assets/liabilities are not recognized for below mentioned temporary differences:

- (i) At the time of initial recognition of goodwill;
- (ii) Initial recognition of assets or liabilities (other than in a business combination) at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT asset is recognized in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company. The Company considers whether it is probable that a taxation authority will accept an uncertain tax treatment. If the Company concludes that it is probable that the taxation authority will accept an uncertain tax treatment, the Company determines the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates consistently with the tax treatment used or planned to be used in its income tax filings. However, if the Company concludes that it is not probable that the taxation authority will accept an uncertain tax treatment, the Company reflects the effect of uncertainty in determining the related taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates

## **2.13) Employee benefits**

### **a. Short-term employee benefits**

Wages and salaries including non-monetary benefits that are expected to be settled within the operating cycle after the end of the period in which the related services are rendered, are measured at the undiscounted amount expected to be paid.

### **b. Defined contribution plans**

Provident fund administered through Regional Provident Fund Commissioner, Superannuation Fund and Employees' State Insurance Corporation are defined contribution schemes. Contributions to such schemes are charged to the statement of profit and loss in the year when employees have rendered services entitling them to contributions. The Company has no obligation, other than the contribution payable to such schemes.

### **c. Defined benefit plans:**

In accordance with The Payment of Gratuity Act, 1972, the company provides for gratuity under defined retirement benefit plan covering eligible employees. The costs of providing benefits under this plan is determined on the basis of actuarial valuation done by actuary at each year-end. Actuarial valuation is carried out for plan using the projected unit credit method. Actuarial gains and losses for defined benefit plan is recognized in full in the period in which they occur in the statement of profit and loss.

Company has carried Actuary Valuation for Gratuity for the first time at current year end.

**d. Other long-term employee benefits**

The Company does not has the policy for other long-term employee benefits in the nature of compensated absences and long-term retention pay.

**2.14) Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings 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 is adjusted for the effects of all dilutive potential equity shares.

**2.15) Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

**2.16) Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**A) Financial assets**

***i. Initial recognition and measurement***

All financial assets are recognized initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

***ii. Subsequent measurement***

For purposes of subsequent measurement, financial assets of the Company are classified in three categories:

- a) At amortised cost
- b) At fair value through profit and loss (FVTPL)
- c) At fair value through other comprehensive income (FVTOCI)

Financial Asset is measured at amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. This category generally applies to trade and other receivables.

Financial assets not classified as measured at amortised cost or FVTOCI as are measured at FVTPL. Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

***iii. Equity Investments***

All equity investments in the scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are measured at fair value through profit and loss.

For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in other comprehensive income. This cumulative gain or loss is not reclassified to statement of profit and loss on disposal of such instruments.

Investments representing equity interest in subsidiaries are carried at cost less any provision for impairment

#### ***iv. Derecognition***

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognized (i.e., removed from the balance sheet) when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (i) the Company has transferred substantially all the risks and rewards of the asset, or (ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay. Any gain or loss on derecognition is recognised in profit or loss.

When the Company has retained substantially all the risks and rewards of ownership of the transferred asset, the Company continues to recognize the transferred asset in its entirety and recognises a financial liability for the consideration received.

#### ***v. Impairment of financial assets***

The Company recognizes loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the Statement of Profit and Loss.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment, that includes forward-looking information. The Company considers a financial asset to be in default when the asset is unlikely to be realised in full.

### **Credit Impaired Financial Assets**

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVTOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default; or
- it is probable that the debtor will enter bankruptcy or other financial reorganization

### **Presentation of allowance for ECL in the balance sheet**

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. Write Off The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

## **B) Financial liabilities and Equity instruments**

### ***i. Initial recognition and measurement***

All financial liabilities are recognized initially at fair value, net of directly attributable transaction costs, if any.

The Company's financial liabilities includes borrowings, trade and other payables including financial guarantee contracts and derivative financial instruments.

### ***ii. Subsequent measurement***

#### ***a. Borrowings***

Borrowings are subsequently measured at amortised cost. Any differences between the proceeds (net of transaction costs) and the redemption/repayment amount is recognised in profit and loss over the period of the borrowings using the effective interest rate method.

#### ***b. Trade and other payables***

Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid.

#### ***c. 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.

#### ***d. Financial guarantee contracts***

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified entity fails to make a

payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

### ***iii. Derecognition***

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

### ***iv. Equity instrument***

Equity instruments are any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Debt or equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

## **2.17) Fair value measurement**

The Company measures its financial instruments 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 in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the 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:

- a) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- b) Level 2 — Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e. derived from prices).
- c) Level 3 — Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-

assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period

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.

**2.18) Segment Reporting**

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's chief operating decision maker to make decisions for which discrete financial information is available. The business activity of the company falls within one broad business segment viz; "business of wholesale and retail trade of Architectural Hardware and Glass fittings, Kitchen Hardware, Accessories and Appliances". There is no income and profit from any other segment as prescribed in IND-AS 108.

## **INDEPENDENT AUDITOR'S REPORT**

**To the Members of Hardwyn India Limited**

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

### **Opinion**

We have audited the accompanying consolidated Ind AS Financial Statements of **Hardwyn India Limited** (herein after referred to as "The Holding Company") and its subsidiary companies "**Fiba Hardwyn Locks Limited** and **Slimx Interior Solutions Private Limited**" (collectively referred to as "the Group") , which comprise the Consolidated Balance Sheet as at 31st March 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, their consolidated profit including other comprehensive income, consolidated changes in equity and consolidated 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 Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS 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 consolidated Ind AS financial statements under the provisions of the Companies Act, 2013 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 consolidated financial statements.

## **Key Audit Matters**

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Consolidated Ind AS financial statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters.

## **Information Other than the Consolidated Financial Statements and Auditor's Report there on**

The Holding Company's Management and 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 Consolidated Financial Statements, and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained 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 of this other information; we are required to report that fact. We have nothing to report in this regard.

## **Management's and Board of Director's Responsibilities for the Consolidated Financial Statements**

The Holding Company's Management and Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated Ind AS Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance, including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the Companies included in Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing financial reporting process of the Group.

### **Auditor's Responsibilities for the Audit of Consolidated Ind AS Financial Statement**

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

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the Holding Company has internal financial controls with reference to Consolidated 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's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in

- (i) planning the scope of our audit work and in evaluating the results of our work; and
- (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of Holding Company and such other entities included in the Consolidated Financial Statements of which are independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

### **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-section 143(11) of the Companies Act, 2013, 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 and the reports of the group company.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account and records maintained for the purpose of preparation of consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statement comply with the Ind AS specified under Section 133 of the Act.

- (e) On the basis of the written representations received from the directors of Holding Company as on 31st March, 2024 taken on record by the Board of Directors of Holding and the reports of the statutory auditors of its Subsidiary Companies incorporated in India, none of the directors of the Group Companies is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group with reference to these consolidated Ind AS Financial Statements and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”.
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Group does not have any pending litigations which would impact its financial position in its consolidated Ind AS Financial Statements.
  - ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding company and its Subsidiary Companies, incorporated in India.
  - iv)
    - a. The respective managements of the Company and its subsidiaries has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the Consolidated Financial Statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies incorporated in India to or in any other persons or entities, including foreign entity (“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 Holding Company or its subsidiary companies incorporated in India (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - b. The respective managements of the Company and its subsidiaries has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or its subsidiary companies incorporated in India from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies incorporated in India 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;
    - c. Based on the audit procedures that have been 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) of Rule 11(e), as provided under(a)and (b) above, contain any material misstatement.

- v) The Group has not declared or paid any dividend during the year.
- vi) Based on our examination, which included test checks, the Company has used accounting software "Tally Prime" for maintaining its books of account, other than Fixed Asset Register and Payroll, for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has not been operated throughout the year for all relevant transactions recorded in the software.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1st, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

- (h) In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

**For S. S. Periwál & Co.  
Chartered Accountants  
Firm Regn. No.: 001021N**

**CA Anand Grover  
(Partner)  
Membership No.: 097954**

**Place: New Delhi  
Date: 01-06-2024  
UDIN: 24097954BKBLCX3704**

**ANNEXURE A**

To the Independent Auditor's report on the Consolidated Financial Statements of HARDWYN INDIA LIMITED for the year ended 31st March 2024

(Referred to in the paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date)

In our opinion and according to the information and explanations given to us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order, 2020 reports of the companies incorporated in India and included in the consolidated financial statements.

**For S. S. Periwal & Co.  
Chartered Accountants  
Firm Regn. No.: 001021N**

**CA Anand Grover  
(Partner)  
Membership No.: 097954**

**Place: New Delhi  
Date: 01-06-2024  
UDIN: 24097954BKBLCX3704**

## **Annexure “B” to the Independent Auditor’s Report**

### **Report on the internal financial controls with reference to the aforesaid consolidated financial statements under clause (i) of sub – section 3 of section 143 of the Companies Act, 2013 (“the Act”)**

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

In conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended 31st March, 2024, we have audited the internal financial controls over financial reporting of **HARDWYN INDIA LIMITED** (“the Holding Company”) and its subsidiary companies “**FIBA HARDWYN LOCKS LIMITED** and **SLIMX INTERIOR SOLUTIONS PRIVATE LIMITED**” (together referred to as “the Group”), which are the companies incorporated in India as of that date.

#### **Management’s responsibility for internal financial controls**

The respective Management and Board of Directors of the Holding Company and its subsidiary companies, to whom reporting under clause (i) of sub section 3 of section 143 of the Act in respect of the adequacy of the internal financial controls over financial reporting is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting with reference to consolidated financial statements 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, 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 over financial reporting with reference to consolidated 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. Those standards and the guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 over financial reporting with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement in the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial control system over financial reporting.

### **Meaning of internal financial controls with reference to Consolidated Financial Statements**

A company's internal financial control with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(iii) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements**

Because of the inherent limitations of internal financial controls with reference to Consolidated Financial Statements, including the possibility of collusion or improper management of override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion and according to the information and explanations given to us, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial control system with reference to these consolidated financial statements and such internal financial controls over financial reporting were operating effectively as at 31st March 2024, 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 ICAI.

**For S. S. Periwal & Co.  
Chartered Accountants  
Firm Regn. No.: 001021N**

**CA Anand Grover  
(Partner)  
Membership No.: 097954**

**Place: New Delhi  
Date: 01-06-2024  
UDIN: 24097954BKBLCX3704**

**HARDWYN INDIA LIMITED**  
Consolidated Balance Sheet as at 31st March, 2024

(Rs in Lakhs)

	Particulars	Note No.	As at 31.03.2024	As at 31.03.2023
<b>A.</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	(a) Property, Plant and Equipment	3	388.30	95.18
	(b) Right of Use Assets	4	125.91	
	(c) Capital work-in-progress		-	-
	(d) Investment Property		-	-
	(e) Goodwill	5	34,591.59	34,591.59
	(f) Other Intangible Assets		-	-
	(g) Intangible Assets under development		-	-
	(h) Biological Assets other than bearer plants		-	-
	(i) Financial Assets		-	-
	(i) Investments		-	-
	(ii) Trade Receivables		-	-
	(iii) Loans		-	-
	(j) Deferred tax assets (Net)	6	9.39	6.30
	(k) Other non-current Assets	11	1.20	1.00
	<b>Total Non-Current Assets</b>		<b>35,116.39</b>	<b>34,694.07</b>
<b>2</b>	<b>Current assets</b>			
	(a) Inventories	7	4,905.55	3,494.71
	(b) Financial Assets			
	(i) Investments		-	-
	(ii) Trade receivables	8	3,143.21	2,504.67
	(iii) Cash and cash equivalents	9	9.50	18.76
	(iv) Bank Balances other than (iii) above	10	164.47	128.96
	(v) Loans		-	-
	(vi) Others Financial Assets		-	-
	(c) Current Tax Assets (Net)		-	-
	(d) Other current assets	11	1,203.81	970.81
	<b>Total Current Assets</b>		<b>9,426.55</b>	<b>7,117.91</b>
	<b>TOTAL ASSETS</b>		<b>44,542.94</b>	<b>41,811.98</b>
<b>B.</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Equity</b>			
	(a) Equity Share capital	12	3,488.81	2,616.64
	(b) Other Equity	13	34,759.61	34,639.70
	<b>Total Equity attributable to the equity holders of the company</b>		<b>38,248.42</b>	<b>37,256.33</b>
	(c) Non-Controlling Interest		494.69	460.17
	<b>Total Equity</b>		<b>38,743.11</b>	<b>37,716.50</b>
<b>2</b>	<b>Liabilities</b>			
	<b>Non-current liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	14	1.64	1.32
	(ia) Lease Liabilities	15	66.21	-
	(ii) Trade Payables			
	(A) total outstanding dues of micro enterprises and small enterprises; and		-	-
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
	(iii) Other financial liabilities (other than those specified in item (b), to be specified)		-	-
	(b) Provisions	16	9.14	-
	(c) Deferred tax liabilities (Net)		-	-
	(d) Other non-current liabilities		-	-
	<b>Total Non-current liabilities</b>		<b>77.00</b>	<b>1.32</b>
<b>3</b>	<b>Current liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	17	791.38	455.67
	(ia) Lease Liabilities	18	64.59	-
	(ii) Trade Payables	19		
	(A) Total outstanding dues of micro enterprises and small enterprises; and		1,397.63	555.96
	(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		2,499.20	2,563.68
	(iii) Other financial liabilities [other than those specified in item (c)]		-	-
	(b) Other current liabilities	20	530.81	134.52
	(c) Provisions	21	0.06	-
	(d) Current Tax Liabilities (Net)	22	439.16	384.32
	<b>Total Current liabilities</b>		<b>5,722.84</b>	<b>4,094.15</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>44,542.94</b>	<b>41,811.97</b>

**Significant accounting policies** 1 to 2

**See Accompanying Notes to the Consolidated Financial Statements** 3 to 46

**As per our report of even date attached**

For S.S.Periwal & Co.  
Chartered Accountants  
Firm Regn no. 001021N

For and on behalf of Board Of Directors

CA Anand Grover  
(Partner)  
M.No. 097954  
Place: New Delhi  
Date: 01-06-2024  
UDIN: 24097954BKBLCX3704

Ankita Jain  
Company Secretary  
M.No A32982

Rubaljeet Singh Sayal  
Managing Director  
DIN: 00280624

Swaranjeet Singh Sayal  
Director  
DIN: 00280576

**HARDWYN INDIA LIMITED**  
**Consolidated Statement of Profit and Loss Account for the period ended on 31st March, 2024**

(Rs. in Lakhs)

Sr. No.	Particulars	Note No.	For the period ending on 31.03.2024	For the year ending on 31.03.2023
I	Revenue from operations	23	15,284.54	16,465.77
II	Other Income	24	49.89	70.95
III	<b>Total Income (I+II)</b>		<b>15,334.43</b>	<b>16,536.72</b>
IV	Expenses			
	(a) Cost of materials consumed	25	362.34	341.21
	(b) Purchases of stock-in-trade	26	13,960.66	15,852.98
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	27	(1,410.85)	(1,827.56)
	(d) Employee benefits expense	28	372.98	317.76
	(e) Finance cost	29	117.21	86.04
	(f) Depreciation and amortisation expense	30	121.15	29.16
	(g) Other expense	31	351.27	426.03
	<b>Total Expenses (IV)</b>		<b>13,874.76</b>	<b>15,225.61</b>
V	Profit / (Loss) before exceptional items and tax (III-IV)		<b>1,459.68</b>	<b>1,311.11</b>
VI	<b>Exceptional items</b>		-	-
VII	<b>Profit/(Loss) before tax (V-VI)</b>		<b>1,459.68</b>	<b>1,311.11</b>
VIII	Tax Expense			
	a) Current Tax		439.16	384.32
	b) Deferred tax		(3.09)	(1.27)
IX	<b>Profit for the period (VII-VIII)</b>		<b>1,023.61</b>	<b>928.06</b>
X	Other Comprehensive Income (net of tax) A) (i) Items that will not be reclassified to profit or loss (ii) Income Tax relating to item that will not be re-classified to profit or loss B) (i) Items that will be reclassified to profit or loss (ii) Income Tax relating to items that will be reclassified to profit or loss Total other comprehensive income (X)		-	-
XI	<b>Total Comprehensive income for the period (IX+X)</b>		<b>1,023.61</b>	<b>928.06</b>
XII	Profit (Loss) and other comprehensive income for the period)			
XIII	Earnings Per Share (EPS)		0.29	0.27
	a) Basic (in Rs)			
	b) Diluted (in Rs)		0.29	0.27
	<b>Significant Accounting Policies</b>	<b>1 to 2</b>		
	<b>See Accompanying Notes to the Consolidated Financial Statements</b>	<b>3 to 46</b>		
	<b>As per our report of even date</b>			
	<b>For S.S.Periwal &amp; Co.</b> <b>Chartered Accountants</b> <b>Firm Regn no. 001021N</b>		<b>For and on behalf of Board Of Directors</b>	
	<b>CA Anand Grover</b> <b>(Partner)</b> <b>M.No. 097954</b> <b>Place: New Delhi</b> <b>Date: 01-06-2024</b> <b>UDIN: 24097954BKBLCX3704</b>	<b>Ankita Jain</b> <b>Company Secretary</b> <b>M.No A32982</b>	<b>Rubaljeet Singh Sayal</b> <b>Managing Director</b> <b>DIN: 00280624</b>	<b>Swaranjeet Singh Sayal</b> <b>Director</b> <b>DIN: 00280576</b>

**HARDWYN INDIA LIMITED**  
**Consolidated Cash Flow Statement of Audited Financial Results for the period ended 31st March, 2024**

(Rs in Lakhs)

Particulars	For the year ending on 31.03.2024	For the year ending on 31.03.2023	
<b>Cash flow from operating activities</b>			
Net profit/ (loss) before tax	1,459.68	1,311.11	
<b>Adjustments for:</b>			
Depreciation and amortisation	121.15	29.16	
(Profit)/Loss on sale of fixed asset	-	-	
Finance costs	117.21	86.04	
Operating profit/ (loss) before working capital changes	1,698.04	1,426.30	
<b>Changes in working capital</b>			
Decrease/ (increase) in trade inventory	(1,410.85)	(1,827.56)	
Decrease/ (increase) in trade receivables	(638.55)	2,197.46	
Decrease/ (increase) in short term loans and advances	-	-	
Decrease/ (increase) in other current assets	(233.00)	188.15	
Decrease/ (increase) in other non current assets	(0.20)	(1.00)	
(Decrease)/ increase in long term provisions	9.14	-	
(Decrease)/ increase short term borrowings	-	-	
(Decrease)/ increase trade payables	777.19	(449.48)	
(Decrease)/ increase in other current liabilities	396.29	(1,437.29)	
(Decrease)/ increase in short term provisions	54.90	187.92	
<b>Cash generated from operations</b>	(1,045.07)	(1,141.79)	
Income tax paid (net of provision and refund)	(439.16)	(384.32)	
(Loss)/gain from extra ordinary items	-	-	
<b>Net cash (used in)/generated from operating activities (A)</b>	213.81	(99.80)	
<b>Cash flow from investing activities</b>			
Amount paid for acquisition of Property, Plant and Equipment & Right of Use Assets	(540.18)	(41.82)	
Proceeds from sale of Property, Plant And Equipment	-	-	
Investment in Subsidiaries	(17.00)	-	
<b>Net cash used in investing activities (B)</b>	(557.18)	(41.82)	
<b>Cash flow from financing activities</b>			
Proceeds from issue of equity shares	20.00	440.00	
Proceeds/(Payment) from/of long-term borrowings	336.03	(207.91)	
Proceeds/(Payment) from/of lease liabilities	130.80	-	
Interest Paid	(117.21)	(86.04)	
<b>Net cash flow generated from / (used in) financing activities (C)</b>	369.62	146.06	
Net Increases in Cash and Cash equivalents (A+B+C)	26.24	4.43	
Cash and cash equivalents at the beginning of the year	147.73	143.30	
<b>Cash and cash equivalents at the end of the year</b>	173.97	147.73	
<b>Cash and cash equivalents comprise of:</b>			
Cash in hand	7.28	18.53	
Balances with banks:			
- in current accounts	2.22	129.20	
- in deposit accounts	164.47	-	
	173.97	147.73	
<b>Significant Accounting Policies</b>	<b>1 to 2</b>		
<b>See Accompanying Notes to the Consolidated Financial Statements</b>	<b>3 to 46</b>		
<b>As per our report of even date</b>			
<b>For S.S.Periwal &amp; Co.</b>	<b>For and on behalf of Board Of Directors</b>		
<b>Chartered Accountants</b>			
<b>Firm Regn no. 001021N</b>			
<b>CA Anand Grover</b>	<b>Ankita Jain</b>	<b>Rubaljeet Singh Sayal</b>	<b>Swaranjeet Singh Sayal</b>
<b>(Partner)</b>	<b>Company Secretary</b>	<b>Managing Director</b>	<b>Director</b>
<b>M.No. 097954</b>	<b>M.No A32982</b>	<b>DIN: 00280624</b>	<b>DIN: 00280576</b>
<b>Place: New Delhi</b>			
<b>Date: 01-06-2024</b>			
<b>UDIN: 24097954BKBLCX3704</b>			

**HARDWYN INDIA LIMITED**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (SOCIE) FOR THE YEAR ENDED 31st March, 2024**

**I) Equity Share Capital**

(Rs in Lakhs)

Balance as at April 1, 2023	Changes in equity share capital due to prior period errors	Restated balance as at April 1, 2023	Changes in equity share capital during the year	Balance as at March 31, 2024
2,616.64	-	2,616.64	872.18	3,488.81

(Rs in Lakhs)

Balance as at April 1, 2022	Changes in equity share capital due to prior period errors	Restated balance as at April 1, 2022	Changes in equity share capital during the year	Balance as at March 31, 2023
1,020.00	-	1,020.00	1,596.64	2,616.64

**II) Other equity**

(Rs in Lakhs)

	Reserves and Surplus				Total Equity attributable to the equity holders of the company	Non-Controlling Interest	Total Equity
	General Reserve	Retained earnings	Security Premium	Remeasurement of the defined benefit plans			
<b>As at April 1, 2022</b>	-	514.68	-	-	514.68	-	514.68
Profit for the year	-	903.47	-	-	903.47	-	903.47
Other comprehensive income (net of tax)	-	-	-	-	-	-	-
<b>Total</b>	-	<b>1,418.15</b>	-	-	<b>1,418.15</b>	-	<b>1,418.15</b>
Dividend paid	-	-	-	-	-	-	-
Premium on further Issue of Shares	-	-	-	-	33,731.51	-	33,731.51
Acquisition of Minority Interest	-	-	-	-	-	460.17	460.17
Transfer of profits of the year to general reserve	-	-	-	-	-	-	-
Any Other Change (Issuance of Bonus Shares)	-	509.97	-	-	509.97	-	509.97
<b>As at March 31, 2023</b>	-	<b>908.18</b>	-	-	<b>34,639.69</b>	<b>460.17</b>	<b>35,099.86</b>
<b>As at April 1, 2023</b>	-	<b>908.18</b>	-	-	<b>34,639.69</b>	<b>460.17</b>	<b>35,099.86</b>
Profit for the year	-	992.09	-	-	992.09	-	992.09
Other comprehensive income (net of tax)	-	-	-	-	-	-	-
<b>Total</b>	-	<b>1,900.27</b>	-	-	<b>35,631.78</b>	<b>460.17</b>	<b>36,091.95</b>
Dividend paid	-	-	-	-	-	-	-
Premium on further Issue of Shares	-	-	-	-	-	-	-
Acquisition of Minority Interest	-	-	-	-	-	34.52	34.52
Transfer of profits of the year to general reserve	-	-	-	-	-	-	-
Any Other Change (Issuance of Bonus Shares)	-	872.18	-	-	872.18	-	872.18
<b>As at March 31, 2024</b>	-	<b>1,028.09</b>	-	-	<b>34,759.60</b>	<b>494.69</b>	<b>35,254.29</b>

As per our report of even date  
For S.S.Periwal & Co.  
Chartered Accountants  
Firm Regn no. 001021N

For and on behalf of Board Of Directors

CA Anand Grover  
(Partner)  
M.No. 097954  
Place: New Delhi  
Date: 01-06-2024  
UDIN: 24097954BKBLCX3704

Ankita Jain  
Company Secretary  
M.No A32982

Rubaljeet Singh Sayal  
Managing Director  
DIN: 00280624

Swaranjeet Singh Sayal  
Director  
DIN: 00280576

HARDWYN INDIA LIMITED

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

NOTE 3

PROPERTY, PLANT AND EQUIPMENT

(Rs in Lakhs)

Particulars	Computers	Office Equipments	Plant & Machinery	Vehicles	Furniture & Fixture	Total
<b>I. Gross Carrying amount</b>						
<b>Balance as at 1st April, 2023</b>	5.13	5.48	16.48	161.97	11.89	200.94
Additions during the period	0.46	3.37	3.90	340.43	0.92	349.08
Less Disposals / Deletions	-	-	-	-	-	-
<b>Balance as at 31st March, 2024</b>	<b>5.59</b>	<b>8.85</b>	<b>20.38</b>	<b>502.40</b>	<b>12.81</b>	<b>550.02</b>
<b>II. Accumulated Depreciation</b>						
<b>Balance as at 1st April, 2023</b>	4.29	4.42	11.06	84.54	1.45	105.76
Add : Depreciation Expense for the period	0.81	0.94	2.40	49.02	2.79	55.96
Less: Eliminated on disposal of assets	-	-	-	-	-	-
<b>Balance as at 31st March, 2024</b>	<b>5.10</b>	<b>5.36</b>	<b>13.46</b>	<b>133.56</b>	<b>4.24</b>	<b>161.72</b>
<b>III. Net Carrying Amount (I-II)</b>	<b>0.50</b>	<b>3.49</b>	<b>6.91</b>	<b>368.84</b>	<b>8.57</b>	<b>388.30</b>
<b>Particulars</b>	<b>Computers</b>	<b>Office Equipments</b>	<b>Plant &amp; Machinery</b>	<b>Vehicles</b>	<b>Furniture &amp; Fixture</b>	<b>Total</b>
<b>I. Gross Carrying amount</b>						
<b>Balance as at 1st April, 2022</b>	4.47	5.48	14.73	134.44	-	159.12
Additions during the period	0.66	-	1.75	27.53	11.89	41.82
Less Disposals / Deletions	-	-	-	-	-	-
<b>Balance as at 31st March , 2023</b>	<b>5.13</b>	<b>5.48</b>	<b>16.48</b>	<b>161.97</b>	<b>11.89</b>	<b>200.94</b>
<b>II. Accumulated Depreciation</b>						
<b>Balance as at 1st April, 2022</b>	3.29	3.55	8.48	61.28	-	76.60
Add : Depreciation Expense for the period	1.00	0.87	2.58	23.26	1.45	29.16
Less: Eliminated on disposal of assets	-	-	-	-	-	-
<b>Balance as at 31st March , 2023</b>	<b>4.29</b>	<b>4.42</b>	<b>11.06</b>	<b>84.54</b>	<b>1.45</b>	<b>105.76</b>
<b>III. Net Carrying Amount (I-II)</b>	<b>0.84</b>	<b>1.06</b>	<b>5.42</b>	<b>77.43</b>	<b>10.43</b>	<b>95.18</b>

**HARDWYN INDIA LIMITED**  
**Notes to Consolidated Financial Statements for the year ended 31st March, 2024**

**NOTE 4**  
**RIGHT OF USE ASSETS**

Class of Assets	Gross Block				Depreciation				Net Block		
	As at 01.04.2023	Additions	Deductions	Other Adjustments	As at 31.03.2024	As at 01.04.2023	For the Year	Deductions	Other Adjustments	As at 31.03.2024	As at 31.03.2023
Buildings		191.10	-	-	191.10	-	65.19	-	-	65.19	125.91
<b>Total</b>	-	<b>191.10</b>	-	-	<b>191.10</b>	-	<b>65.19</b>	-	-	<b>65.19</b>	<b>125.91</b>

Class of Assets	Gross Block				Depreciation				Net Block		
	As at 01.04.2022	Additions	Deductions	Other Adjustments	As at 31.03.2023	As at 1.04.2022	For the Year	Deductions	Other Adjustments	As at 31.03.2023	As at 31.03.2022
Buildings	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	-	-	-	-	-

## HARDWYN INDIA LIMITED

Notes to Financial Statements for the year ended 31st March, 2024

### Non- Current Assets

#### NOTE 5- Goodwill

(Rs in Lakhs)

PARTICULARS	As At 31.03.2024	As At 31.03.2023
Investment made by Hardwyn India Limited in:- 21,73,332 Equity Shares @ Rs 1602.0646 each of Fiba Hardwyn Locks Limited*	34,818.18	34,818.18
Less: Net Asset Value of Fiba Hardwyn Locks Limited at the time of acquisition	226.59	226.59
<b>TOTAL</b>	<b>34,591.59</b>	<b>34,591.59</b>

\* The company has become holding company of Fiba Hardwyn Locks Limited in which 33% shareholding is held by way of Share Swap Agreement and the effect arisen from 14th March 2023. Both companies have few common shareholder's and common director's, parent/holding company's control, Business Transactions, effective decision making and composition of board of directors of subsidiary company. Hence Holding-Subsidiary relationship has been established on the basis of control.

PARTICULARS	As at 1st April, 2022	Credit / (Charge) to Profit or loss	Credit / (Charge) to Other Comprehensive	As at 31st March, 2023
<b>NOTE 6- Deferred Tax Assets / (Liabilities) (Net)</b>				
The following is the analysis of deferred tax assets / liabilities recognised in statement of profit and loss and other comprehensive income				
Property, plant and equipment (including intangible assets)	5.03	1.27	-	6.30
Employee benefits	-	-	-	-
Unamortised preliminary expense	-	-	-	-
Lease Liability	-	-	-	-
IND AS Adjustments	-	-	-	-
Unabsorbed Loss	-	-	-	-
Others	-	-	-	-
<b>TOTAL</b>	<b>5.03</b>	<b>1.27</b>	<b>-</b>	<b>6.30</b>

PARTICULARS	As at 1st April, 2023	Credit / (Charge) to Profit or loss	Credit / (Charge) to Other Comprehensive	As at 31st March, 2024
<b>Deferred Tax Assets / (Liabilities) (Net)</b>				
The following is the analysis of deferred tax assets / liabilities recognised in statement of profit and loss and other comprehensive income				
Property, plant and equipment (including intangible assets)	6.30	3.09	-	9.39
Employee benefits	-	-	-	-
Unamortised preliminary expense	-	-	-	-
Lease Liability	-	-	-	-
IND AS Adjustments	-	-	-	-
Unabsorbed Loss	-	-	-	-
Others	-	-	-	-
<b>TOTAL</b>	<b>6.30</b>	<b>3.09</b>	<b>-</b>	<b>9.39</b>

Note: Deferred tax assets and deferred tax liabilities have been offset as they are governed by the same taxation laws.

### Current Assets

Particulars	As At 31.03.2024	As ast 31.03.2023
<b>NOTE 7-Inventories</b>		
(Valued at lower of cost or net realisable value)		
Raw Materials	59.88	57.29
Work-in-progress	-	1.01
Finished Goods	226.98	199.09
Stock in Trade	4,618.68	3,237.31
Stores & Spares	-	-
Loose Tools	-	-
<b>Total</b>	<b>4,905.55</b>	<b>3,494.71</b>

**HARDWYN INDIA LIMITED**  
Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(Rs in Lakhs)

Particulars	As At 31.03.2024	As At 31.03.2023				
<b>NOTE 8-Trade Receivables</b>						
<b>Secured and considered good</b>						
— From Related Parties		574.89				
— From Others	3,158.17	1,929.78				
<b>Unsecured and considered good</b>	-	-				
<b>Trade Receivables which have significant increase in Credit Risk;</b>	-	-				
<b>Trade Receivables - credit impaired.</b>	-	-				
Less: Allowance for doubtful debts	14.95	-				
<b>Total Trade Receivables</b>	<b>3,143.21</b>	<b>2,504.67</b>				
	<b>Outstanding for following periods from due date of payment for the FY 2023-24</b>					<b>Total</b>
Particulars	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years
(i) Undisputed Trade receivables considered good	-	2,619.46	387.30	139.94	3.61	7.86
ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables– which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables –credit impaired	-	-	-	-	-	-
Less: Allowance for doubtful trade receivables billed	-	-	-	-	-	(14.95)
Trade receivables unbilled	-	-	-	-	-	(14.95)
	<b>Outstanding for following periods from due date of payment for the FY 2022-23</b>					<b>Total</b>
Particulars	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years
(i) Undisputed Trade receivables considered good	-	1,760.08	370.71	50.25	323.63	-
ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables– which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables –credit impaired	-	-	-	-	-	-
Less: Allowance for doubtful trade receivables billed	-	-	-	-	-	-
Trade receivables unbilled	-	-	-	-	-	-
<b>NOTE 9-Cash &amp; Cash Equivalent</b>	<b>As At 31.03.2024</b>					<b>As At 31.03.2023</b>
Balance with Banks:						
In Current Accounts			2.22			0.23
Deposits with original maturity of less than three months			-			-
Cheques/drafts on hand			-			-
Cash on hand			7.28			18.53
<b>Total</b>			<b>9.50</b>			<b>18.76</b>
<b>NOTE 10 -Other Bank balances</b>						
a) in earmarked accounts			-			-
- Unclaimed dividends account			-			-
b) Balances with banks held as margin money			164.47			128.96
<b>Total</b>			<b>164.47</b>			<b>128.96</b>
<b>NOTE 11-Other Assets</b>						
<b>Other Non-Current Assets</b>						
Capital Advances (Secured, Considered Good)			-			-
Advances other than capital advances (Unsecured, Considered Good)			-			-
— Security Deposits			1.07			1.00
— Advances to Related Parties			-			-
— Other Advances			-			-
— Preliminary Expenses			0.14			-
<b>Total of Other Non-current Assets</b>			<b>1.20</b>			<b>1.00</b>
<b>Other Current Assets</b>						
Capital Advances			-			-
Advances other than capital advances			-			-
— Security Deposits			0.10			0.10
— Advances to Related Parties			98.68			401.35
— Subscription Money Receivable			3.00			-
— Other Advances			26.89			21.49
— Advances To Suppliers			919.77			434.81
Balance with Revenue Authorities			155.38			113.06
<b>Total of Other Current Assets</b>			<b>1,203.81</b>			<b>970.81</b>

**HARDWYN INDIA LIMITED**  
Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

		(Rs in Lakhs)			
Note No.	Particulars	As at 31st March, 2024		As at 31st March, 2023	
		Amount		Amount	
12	<b>Equity Share Capital:</b>				
	<b>Authorised Capital</b>				
	35,10,00,000 Equity Shares of Face Value Rs 1 each as on 31st March 2024 (2,76,00,000 Equity Shares of Face Value ₹ 10 each as on 31st March 2023)	3,510.00		2,760.00	
		<b>3,510.00</b>		<b>2,760.00</b>	
	<b>Issued, Subscribed &amp; Paid up Capital</b>				
34,88,81,467 Equity Shares of Face Value Rs 1 each as on 31st March 2024 ( 2,61,66,357 Equity Shares of Face Value ₹ 10 each as on 31st March 2023)	3,488.81		2,616.64		
<b>Total issued, subscribed and fully paid up capital</b>	<b>3,488.81</b>		<b>2,616.64</b>		
<b>a. Reconciliation of the equity shares at the beginning and at the end of the year</b>					
(Rs in Lakhs)					
<b>Reconciliation</b>		As at 31st March, 2024		As at 31st March, 2023	
		Number of Shares	Amount	Number of Shares	Amount
Balance at the beginning of the year		26,166,357	2,616.64	10,200,000	1,020.00
Increase in shares on account of split*		235,497,213	Not Applicable	-	-
Shares issued during the year**		87,217,897	872.18	15,966,357	1,596.64
Shares bought back during the year		-	-	-	-
<b>Balance at the end of the year</b>		<b>348,881,467</b>	<b>3,488.81</b>	<b>26,166,357</b>	<b>2,616.64</b>
<p>*The company has made Sub Division/Split of its equity shares from Face Value of Rs. 10/- per share to Face Value of Rs. 1/- per share on 28th May, 2023, due to which number of shares has been increased to 26,16,63,750 shares from 2,61,66,375 shares. The Earnings per share for the prior periods have been restated considering the face value of Rs 1/- each in accordance with Ind AS 33 - "Earnings per share".</p> <p>** The company has issued 8,72,17,897 bonus shares (face value Rs 1 per share) to the shareholders in the ratio of 1:3 (i.e. One share for every Three equity share held) on 6th June, 2023.</p>					
<b>b. Terms/rights attached to Equity Shares</b>					
The company has only one class of equity shares having a par value of Rs. 1 per share. Each holder of equity shares is entitled to one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.					
<b>c. Details of Shareholders holding more than 5% Equity Shares in the Company:</b>					
Name of the Shareholder		As at 31st March, 2024		As at 31st March, 2023	
		No. of Shares	% of Holding	No. of Shares	% of Holding
RUBALJEET SINGH SAYAL		82,698,000	23.70%	6,202,350	23.70%
SWARAN JEET SINGH SAYAL		69,998,000	20.06%	5,249,850	20.06%
GINNI CHADHA		67,010,346	19.21%	5,000,000	19.11%
HARKANWAR SINGH SETHI		17,777,733	5.10%	1,333,330	5.10%
<b>d. Details of shareholdings by the Promoter's of the Company</b>					
Promoter Name		As at 31st March, 2024		As at 31st March, 2023	
		No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
RUBALJEET SINGH SAYAL		82,698,000	23.70%	6,202,350	23.70%
SWARAN JEET SINGH SAYAL		69,998,000	20.06%	5,249,850	20.06%

**HARDWYN INDIA LIMITED**  
Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(Rs. In Lakhs)

Particulars	As At 31.03.2024	As At 31.03.2023
<b>NOTE 13-Other Equity:</b>		
<b>Retained earnings</b>		
Capital Reserve	-	-
Securities Premium	33,731.51	33,731.51
Retained Earnings	1,028.09	908.18
<b>Total Other Equity</b>	<b>34,759.61</b>	<b>34,639.70</b>
<b>a) Securities Premium</b>		
<b>Opening Balance</b>	33,731.51	-
Add: Addition During the Year	-	33,731.51
<b>Closing Balance</b>	<b>33,731.51</b>	<b>33,731.51</b>
<b>b) Retained Earnings</b>		
<b>Opening Balance</b>	908.18	514.68
Add: Profit/(Loss) for the Year	992.09	903.47
Less: Bonus Issues to Shareholders	(872.18)	(509.97)
<b>Closing Balance</b>	<b>1,028.09</b>	<b>908.18</b>
<b>NOTE 14-Financial Liabilities</b>		
<b>Non- Current Borrowings</b>		
<b>Secured Loans</b>		
HDFC Bank -( Secured against Car )	-	1.32
<b>Unsecured Loans</b>		
Loan From Directors	1.64	-
Loan From Others	-	-
<b>Total of Non- Current Borrowings</b>	<b>1.64</b>	<b>1.32</b>
<b>NOTE 15- Non Current Lease Liabilities</b>		
Lease Liabilities	66.21	-
<b>Total</b>	<b>66.21</b>	<b>-</b>
<b>NOTE 16-Provisions -Non Current</b>		
<b>Employee Benefit Provisions</b>		
a) Provision for Gratuity		
As Per Last Balance Sheet (Opening)	-	-
Additions/(Utilizations) During the Year	9.14	-
Closing Balance	9.14	-
<b>Total</b>	<b>9.14</b>	<b>-</b>
<b>NOTE 17-Current Borrowings</b>		
<b>Secured Loans</b>		
a). HDFC Bank -( Cash Credit Limit of Rs. 4,50,00,000/-)		
Particulars Of Security		
1. Secured against Prime Security of Book Debts , Stocks and FDR.		
2. Collateral Security through Equitable Mortgage by Directors against Residential Property at FA-33, Ground Floor, Sector F & G, Shiva Ji Enclave, New Delhi -110027 and Industrial Estate at B-101, Naryana Industrial Area , Mayapuri Phase -1, New Delhi.	517.14	387.78
b). Car Loan	78.47	65.75
<b>Unsecured Loans</b>		
Loan From Directors	195.78	2.14
<b>Total of Current Borrowings</b>	<b>791.38</b>	<b>455.67</b>
<b>NOTE 18- Current Lease Liabilities</b>		
Lease Liabilities	64.59	-
<b>Total</b>	<b>64.59</b>	<b>-</b>

<b>HARDWYN INDIA LIMITED</b>		
<b>Notes to the Consolidated Financial Statements for the year ended 31st March, 2024</b>		
<b>(Rs in Lakhs)</b>		
<b>Particulars</b>	<b>As At 31.03.2024</b>	<b>As At 31.03.2023</b>
<b><u>NOTE 23:-Revenue from Operations</u></b>		
Revenue From Sale of Products		
a. Manufactured goods	13,568.87	535.04
b. Stock in Trade	1,715.68	15,930.73
Revenue From Sale of Service	-	-
<b>TOTAL</b>	<b>15,284.54</b>	<b>16,465.77</b>
<b><u>NOTE 24:- Other Income</u></b>		
Interest on Bank FDR	8.43	4.33
Gain on Foreign Exchange Rate Fluctuation	41.15	66.12
Miscellaneous Income	0.32	0.50
<b>TOTAL</b>	<b>49.89</b>	<b>70.95</b>
<b><u>NOTE 25:-Cost of Materials Consumed</u></b>		
Consumable Stores	3.23	3.63
Freight & Cartage Outward	143.03	105.57
Packaging Expenses	47.46	36.67
Freight & Cartage Inward	168.63	195.35
<b>TOTAL</b>	<b>362.34</b>	<b>341.21</b>
<b><u>NOTE 26:-Purchases</u></b>		
Purchase of Stock In Trade	13,960.66	15,852.98
<b>TOTAL</b>	<b>13,960.66</b>	<b>15,852.98</b>
<b><u>NOTE 27:-Changes in inventories of finished goods, work-in-progress and stock-in-trade</u></b>		
<b>Opening Balance</b>		
Raw Materials	57.29	23.49
Work-in-progress	1.01	71.74
Finished goods	199.09	133.35
Stock-in-trade (including goods in transit )	3,237.31	1,438.57
<b>Total Opening Balance</b>	<b>3,494.70</b>	<b>1,667.14</b>
<b>Closing Balance</b>		
Raw Materials	59.88	57.29
Work-in-progress	-	1.01
Finished goods	226.98	199.09
Stock-in-trade (including goods in transit)	4,618.68	3,237.31
<b>Total Closing Balance</b>	<b>4,905.55</b>	<b>3,494.70</b>
<b>Total Changes in inventories of finished goods, work-inprogress and stock-in-trade</b>	<b>(1,410.85)</b>	<b>(1,827.56)</b>
<b><u>NOTE 28:-Employee Benefits Expense</u></b>		
Salaries, Wages and Bonus	355.36	309.12
Contribution to provident and other funds	3.69	2.25
Gratuity Exepense	9.20	-
Staff Welfare Expenses	4.72	6.38
<b>TOTAL</b>	<b>372.98</b>	<b>317.76</b>
<b><u>NOTE 29:- Finance Cost</u></b>		
a. Interest on Bank borrowings	5.44	4.76
b. Interest on Bank Overdraft	43.59	41.33
c. Interest on delayed payment of statutory dues	36.47	21.32
d. Interest on Lease Liabilities	13.20	-
d. Bank Charges	18.50	18.62
<b>TOTAL</b>	<b>117.21</b>	<b>86.04</b>

**HARDWYN INDIA LIMITED**  
**NOTES TO CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2024**

**32. Related Party Disclosure**  
**Holding Company (Hardwyn India Limited)**

Particulars	Managerial/Director Remuneration (Rs. in Lakhs)	Rent (Rs. in Lakhs)	Unsecured Loan Taken / (Given) (Rs. in Lakhs)
Rubaljeet Singh Sayal (Director)	24.00	9.00	195.78
Swaranjeet Singh Sayal (Director)	12.00	-	-
Tanya Sayal (Director)	4.00	21.00	-
Harpreet Kaur (Mother of Director)	-	36.00	-
<b>Enterprises over which key Managerial Persons and their relatives exercise significant influence / Other Related Parties (with whom transactions have been undertaken during the year).</b>			
Particulars	Relation with KMP	Transaction Type	Value (Rs. In Lakhs)
Hardwyn India Inc	Director is interested as Proprietor	Sale of Goods	169.19
Hardwyn India Inc	Director is interested as Proprietor	Purchase of Goods	56.70
Fiba Hardwyn Locks Limited	Subsidiary Company	Sale of Goods	206.18
Fiba Hardwyn Locks Limited	Subsidiary Company	Purchase of Goods	2,063.24
Kitchen India Inc	Wife of Director is interested as Proprietor	Sale of Goods	530.51
Hardwyn Industrial Trading Corporation	Director is interested as Proprietor	Purchase of Goods	9.33
Slimx Interior Solutions Private Limited	Subsidiary Company	Investment in Equity	17.00
Slimx Interior Solutions Private Limited	Subsidiary Company	Sale of Goods	217.14

**Subsidiary Company (Fiba Hardwyn Locks Limited)**

Particulars	Managerial/Director Remuneration (Rs. in Lakhs)	Rent (Rs. in Lakhs)	Advance Salary/Business Advances Given for the Value to be Received (Rs. in Lakhs)
Tanya Sayal (Director)	-	-	51.22
Sukhleen Kaur Sayal (Director)	12.00	-	27.36
Harpreet Sayal (Director)	3.00	-	20.10
Relatives of Key Managerial Persons	Relation with KMP	Transaction Type	Value
Rubaljeet Singh Sayal	Relative of Director of the company	Rent	6.00
<b>Enterprises over which key Managerial Persons and their relatives exercise significant influence / Other Related Parties (with whom transactions have been undertaken during the year).</b>			
Particulars	Relation with KMP	Transaction Type	Value (Rs. In Lakhs)
Kitchen India INC	Proprietor is director of the company	Purchase of Goods	534.21
Hardwyn India Limited	Holding Company	Sale of Goods	2,063.24
Hardwyn India Limited	Holding Company	Purchase of Goods	206.18
Hardwyn India INC	Proprietor is relative of director of the company	Purchase of Goods	360.92

**Subsidiary Company (Slimx Interior Solutions Private Limited)**

Particulars	Managerial/Director Remuneration (Rs. in Lakhs)	Rent (Rs. in Lakhs)	Unsecured Loan Taken / (Given) (Rs. in Lakhs)
Sukhleen Kaur Sayal (Director)	-	-	1.64
Harpreet Kaur (Mother in law of Director)	-	1.50	-
<b>Enterprises over which key Managerial Persons and their relatives exercise significant influence / Other Related Parties (with whom transactions have been undertaken during the year).</b>			
Particulars	Relation with KMP	Transaction Type	Value (Rs. In Lakhs)
Hardwyn India Limited	Holding Company	Purchase of Goods	217.14
Hardwyn India Limited	Holding Company	Investment received in Equity	17.00

The transactions with the related parties have been entered in the ordinary course of business and are at arm's length price. Outstanding balances at the year-end are unsecured and settlement occurs on actual basis.

### 33. Employee Benefits

The group has accounted for the obligation of defined benefit plan towards gratuity in terms of provisions of IND AS 19. Liability for defined benefit plans i.e. gratuity is determined based on the actuarial valuation carried out by an independent actuary as at the year-end.

#### GRATUITY

##### a. Change in Present Value of Obligation is as follows:-

(Rs. In Lakhs )

Particulars	Year Ended March 31,2024	Year Ended March 31,2023*
Opening of Defined Benefit Obligation	-	-
Liability transfer in/(out)	-	-
Service Cost	9.20	-
Interest Cost	-	-
Benefit Paid	-	-
Closing of Defined Benefit Obligation	9.20	-

\*Previous Year Figure are not available since it is the first year of actuary valuation being done for Employee Benefits.

##### b. Change in Fair Value of Plan Assets

There is no change in the Fair Value of Plan Assets since it is the first year that Actuary Valuation has been done by the Actuary Valuer for Employee Benefit.

### 34. Inome Tax Recognised in Profit and Loss

(Rs. In Lakhs )

Particulars	Year Ended March 31,2024	Year Ended March 31,2023
<b>Current Tax</b>		
In relation to Current Year	439.16	384.32
Adjustment in relation to earlier years	-	-
<b>Total Current Tax Expense</b>	<b>439.16</b>	<b>384.32</b>
<b>Deferred Tax</b>		
Decrease (Increase) in Deferred Tax Assets	(3.09)	(1.27)
(Decrease) Increase in Deferred Tax Liabilities	-	-
<b>Net Deferred Tax</b>	<b>(3.09)</b>	<b>(1.27)</b>
<b>Total tax Expense carried to Profit &amp; Loss Account</b>	<b>436.07</b>	<b>383.05</b>

#### Reconciliation of Tax Expense and the Accounting Profit Multiplied by India's Tax rate

(Rs. In Lakhs)

Particulars	Year Ended March 31,2024	Year Ended March 31,2023
Accounting Profit Before Income taxes	1,459.68	1,311.11
Income Tax Expenses	422.94	380.74
<b>Tax effect of Amounts which are not deductible/(Taxable) in Calculating taxable Income:-</b>		
Effect of expenses that are not deductible in determining taxable profit	16.22	3.58
Effect of Temporary Difference on account of depreciation in determining taxable profit	(3.09)	(1.27)
<b>Tax (Benefit)/Expenses as Recognised in Statement of Profit and Loss</b>	<b>436.07</b>	<b>383.05</b>

### 35. Foreign Exchange Transactions

(Rs. In Lakhs)

Particulars	Year Ended March 31,2024	Year Ended March 31,2023
Earning in Foreign Exchange	-	-
Expenses in Foreign Exchange*	1,707.10	1,379.11

\*(Foreign Exchange Expenses Relates to Import of Goods and this excludes Gain on foreign exchange rate fluctuations amounting to Rs. 41.15/-)

37 As per information and explanation given to us, the company " Hardwyn India Limited " Scheme of Amalgamation with "Fiba Hardwyn Locks Limited" is filed with appropriate authorities as on 18th July 2023 and the final outcome is pending to be concluded at the end of the year.

Earlier, the Company in its Board Meeting held on 21st October, 2022 had duly approved the Scheme of Amalgamation and filed the Scheme of Amalgamation on BSE and NSE but the same was returned due to technical grounds. Further in the interest of the stakeholders of the company, management decided to reconsider the fresh draft Scheme of Amalgamation on 29th June 2023.

### 38. Earning Per Share

Particulars	Year Ended March 31,2024	Year Ended March 31,2023
Net profit/(Loss) after tax as per Profit & Loss Account (Rs. in Lakhs)	1,023.61	928.06
Weighted average number of Equity Shares in calculating Basic and Diluted Earning Per Share	348,881,467	338,550,697
Basic Earnings per Share of Face Value Rs 10 each (in Rs)	0.29	0.27
Diluted Earnings per Share of Face Value Rs 10 each (in Rs)	0.29	0.27

\*Basic and Diluted EPS has been calculated based on the weighted average number of shares outstanding in the current and previous year. Due to issue of bonus shares and share split in the current year EPS for previous year i.e 31st March 2023 has been restated.

39. The business activity of the group falls within one broad business segment viz; "Purchase and Sale of trading of Hardware ,kitchen goods and aluminum products ". There is no income and profit from any other segment as prescribed in IND-AS 108 . Hence the disclosure requirement of IND -AS 108 of "Segment Reporting" is not applicable.

40. As per IND AS-16 ,the group has recognised the lease liability which is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate.The right of use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The estimated useful life of right-of-use assets are determined on the basis of remaining lease term.

41. (a.)The company has carried out impairment testing in respect of its acquisition/investment in equity shares of Fiba Hardwyn Locks Limited, its subsidiary company. The company believes that as the acquisition/investment of the shares in the said entity has not been materially impaired at the year end based on the valuation report carried by the valuation expert.

(b.) As Per IND AS 109, the Group has recognised Rs 14.95 Lakh Expected Credit Loss(ECL ) on trade receivable based on the provision matrix formed using the loss rate i.e probability of loss on recovery of Trade receivable is being estimated by the company.

**42.The Details Relating to Micro, Small and Medium Enterprises are as Follows:-**

Based on information available with the Company, there are few suppliers/service providers who are registered as micro, small or medium enterprise under The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006). Information in respect of micro and small enterprises as required by MSMED Act, 2006 is given as under:

Particulars	(Rs. In Lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year.	-	-
- Principal amount due to micro and small enterprises	1,397.63	555.96
- Interest due on above	-	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) the amount of 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 the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

**43. Disclosure on corporate social responsibility expenses**

(Rs. In Lakhs)

Particulars	Year Ended March 31,2024	Year Ended March 31,2023
a) Prescribed CSR expenditure as per Section 135 of the Companies Act, 2013	13.08	-
b) Amount approved by the Board to be spent during the year	13.08	-
c)(i) Actual amount spent during the year on construction / acquisition of an asset	-	-
c)(ii) Actual amount spent during the year on purposes other than construction / acquisition of an asset	13.08	-
d) Amount unspent during the year	-	-
e) Nature of CSR Activities	Forest planting, waste management, development of sustainable energy sources, waste water treatment etc.	
f)Details of related party transactions	The amount spent Rs 13.08 as mentioned above does not include any related party transactions.	

44. Previous year figures are being regrouped/redrafted as and where found applicable to make those comparable with the figures and / or presentation for the current year.The figures for the previous year have been regrouped wherever necessary to comply with amendments in Schedule III of the Companies Act, 2013.

45. All amounts in the financial statements are presented in Lakhs with two decimal except per share data and as otherwise stated.

**46. Additional regulatory information required by Schedule III to the Companies Act, 2013**

(i). There are no immovable properties held in the name of the company.

(ii). The company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

(iii). No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988.

(iv). The company have borrowings from banks or financial institutions on the basis of security of current assets. The Company is complying with submission of requisite documents/details as and when required with the respective bank/financial institutions.

(v). The company has not granted any Loans or Advances in the nature of loans to promoters, directors, KMPs and the related parties during the year.

(vi). The Group has not been declared as wilful defaulter by any bank or financial institution or other lender.

(vii). As per information and explanation provided to us, The company complied with the number of layers prescribed under clause (87) of section 2 of the Act read with companies (Restriction on number of Layers) Rules, 2017 for the financial years ended March 31, 2024 and March 31, 2023.

(viii). The Company does not have any charges or satisfaction of charges which is yet to be registered with the Registrar of the Companies beyond the statutory period.

(ix). The Holding and Subsidiary Company has not advanced/loaned/invested funds (borrowed/share premium/any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (intermediaries), with the understanding (whether recorded in writing or otherwise) that the intermediary shall :

(a) directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(x). The Holding and Subsidiary Company has not received any funds from any other person(s) or entity(ies), including foreign entities (funding party), with understanding (whether recorded in writing or otherwise) that the intermediary shall :

(a) directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(xi). The Group has not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(xii). The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(xiii). The followings are analytical ratios for the year ended ;

Ratios	Numerator	Denominator	31st March 2024	31st March 2023	Variance (%)	Reason for Variance
Current Ratio (In times)	Current Assets	Current Liabilities	1.65	1.74	-5.26	-
Debt-Equity Ratio (In times)	Total Liabilities = (Non-Current Borrowings + Current Borrowings)	Total Shareholder's Fund	0.02	0.01	69.03	Due to increase in Borrowings
Debt Service Coverage Ratio (In times)	Net Operating Income = (PAT + Depreciation and Amortization Expense (excluding lease amortisation expense) + Interest cost on Borrowings + (Profit)/ Loss on sale of Fixed assets)	Total Debt Service = (Interest cost on Borrowings + Principal repayments made during the period for Long Term Borrowings)	(4.18)	3.95	-205.91	Due to increase in Borrowings
Return on Equity (In %)	Net profit after taxes	Average Shareholder's Fund	5.35%	4.98%	7.43	-
Inventory Turnover Ratio (In times)	Sale of Products/COGS	Average Inventory	5.26	8.22	-35.97	There is decline in ratio Due to Higher inventory.
Trade Receivable Turnover Ratio (In times)	Gross Revenue from Operations	Average Trade Receivables	9.73	13.15	-26.03	There is a decline in the Ratio due to increase in Trade Receivables
Trade Payable Turnover Ratio (In times)	Purchases of Goods	Average Trade Payables	7.17	10.16	-29.50	There is decline in the ratio due to higher Trade Payables .
Net Capital Turnover Ratio (In times)	Net Sales	Working Capital	4.13	5.45	-24.22	-
Net Profit Ratio (In %)	Profit after Tax	Revenue from Operation	6.70%	5.64%	18.82	-
Return on Capital Employed (In %)	Earning before Interest and Taxes	Capital Employed = (Net worth + Total Debts + Deffered Tax Liabilities)	4.04%	3.71%	9.03	-

In terms of our attached report of even date

For S.S. Periwal & Co.  
Chartered Accountants  
Firm Registration No. 001021N

For and on behalf of the Directors

CA Anand Grover  
(Partner)  
M.No. 097954  
New Delhi  
Date: 01-06-2024  
UDIN: 24097954BKBLCX3704

Ankita Jain  
Company Secretary  
M.No A32982

Rubaljeet Singh Sayal  
Managing Director  
DIN: 00280624

Swaranjeet Singh Sayal  
Director  
DIN: 00280576

## **HARDWYN INDIA LIMITED**

### **Notes to the Consolidated Financial Statements for the year ended 31st March 2024**

#### **Note 1. Corporate Information**

Hardwyn India Limited (the Group) has been incorporated on 12th October 2017 under the provisions of the Companies Act, 2013. Its shares are listed on two stock exchanges in India i.e. Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The registered office of the Company is situated at B-101, Phase-1 Mayapuri, New Delhi-110064. The Company's Subsidiary Company is "FIBA HARDWYN LOCKS LIMITED" and "SLIMX INTERIOR SOLUTIONS PRIVATE LIMITED".

The Group is engaged in the business of wholesale and retail trade of Architectural Hardware and Glass fittings, Kitchen Hardware, Accessories and Appliances.

The Consolidated Financial Statement of the Group for the year ended 31<sup>st</sup> March 2024 were approved for issue by the Board of Directors on 1<sup>st</sup> June 2024.

#### **Note 2: Basis for preparation and Significant accounting policies:**

##### **2.1) a. Basis for preparation of accounts**

The accounts have been prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 issued by the Ministry of Corporate Affairs. The Group has consistently applied the accounting policies used in the preparation for all periods presented in these Consolidated Financial Statements.

These consolidated financial statements have been prepared on an accrual basis and under historical cost convention, except for following certain financial instruments which are measured at fair value at the end of each reporting period: -

- Certain financial assets like investment in equity shares are measured at fair value on the basis of Valuation Report of the Subsidiary Group for the arriving the value of shares.

The consolidated financial statements are presented in Indian Rupees (INR) which is also the Group's functional currency and all values are rounded to the nearest lakhs, except when otherwise indicated.

##### **b) Basis of Consolidation**

i. "subsidiary company" or "subsidiary", in relation to any other company (that is to say the holding company), means a company in which the holding company—

(a) controls the composition of the Board of Directors; or

(b) exercises or controls more than one-half of the total voting power either at its own or together with one or more of its subsidiary companies:

Provided that such class or classes of holding companies as may be prescribed shall not have layers of subsidiaries beyond such numbers as may be prescribed.

- ii. Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and other comprehensive income of the investee in the Consolidated Statement of Profit and Loss and Other Comprehensive Income of the Group. Dividends received or receivable from subsidiary company are recognised as a reduction in the carrying amount of the investment.
- iii. Unrealised gains on transactions between the Group and its subsidiary company are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where the accounting policies of subsidiary company are different from those of the Group, appropriate adjustments are made for like transactions and events in similar circumstances to ensure conformity with the policies adopted by the Group.
- iv. Any gain or loss on dilution arising on a reduced stake in the subsidiary company, but still retaining the common control, is recognised in the Consolidated Statement of Profit and Loss.
- v. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. If consideration transferred is less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase.

### **c) Use of Estimates**

The preparation of the consolidated financial statements requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial Statements and reported amounts of income and expenses during the period.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the Consolidated Financial Statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Consolidated Financial Statements.

The principal accounting policies are set out below.

### **2.2) Current versus non-current classification**

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has identified twelve months as its operating cycle for the purpose of current / non-current classification of assets and liabilities.

### **2.3) Property, plant and equipment (PPE)**

#### ***i. Recognition and measurement***

Property, plant and equipment are stated at acquisition cost less accumulated depreciation and accumulated impairment losses, if any. All costs, including borrowing costs incurred up to the date the asset is ready for its intended use, is capitalized along with respective asset. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.

#### ***ii. Subsequent measurement***

Subsequent expenditure related to an item of Property, Plant and Equipment are included in its carrying amount or recognized as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Subsequent costs are depreciated over the residual life of the respective assets. All other expenses on existing Property, Plant and Equipments, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

#### ***iii. Depreciation***

Depreciation is recognized so as to expense the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the Written Down Value method. The useful life of property, plant and equipment is considered based on life prescribed in Schedule II to the Companies Act, 2013. In case of major components identified, depreciation is provided based on the useful life of each such component based on technical assessment, if materially different from that of the main asset.

#### ***iv. Derecognition***

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in statement of profit and loss.

#### **2.4) Goodwill**

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

#### **2.5) Impairment of tangible and intangible assets other than goodwill**

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use.

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Impairment loss is recognised when the carrying amount of an asset or CGU exceeds its recoverable amount. In such cases, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of 5 years. For longer periods, along-term growth

rate is calculated and applied to project future cash flows after 5th year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the assets or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

## **2.6) Leasing**

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. 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 Group assess whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Group has the right to obtain substantially all of the economic benefits from use of the asset through the period of use; and
- the Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases, where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:
  - the Group has the right to operate the asset; or
  - the Group designed the asset in a way that predetermines how and for what purpose it will be used.

An entity shall reassess whether a contract is, or contains, a lease only if the terms and conditions of the contract are changed. At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

### **Group as lessee**

The Group accounts for assets taken under lease arrangement in the following manner:

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.

The right of use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The estimated useful lives of right-of-use assets are

determined on the basis of remaining lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate.

### **Short-term leases and leases of low-value assets**

The Group has elected not to recognise right-of use assets and lease liabilities for leases due to low value lease expense. The Group recognises the lease payments associated with these leases as an expense on a straight- line basis over the lease term of respective lease agreement. The Group tentatively decided that lease payments would be recognised on a straight-line basis over the lease term unless another systematic and rational basis is more representative of the time pattern in which use is derived from the underlying asset.

### **2.7) Borrowing costs**

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Borrowing costs incurred for the period from commencement of activities relating to construction/ development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

In case of a specific borrowing taken for the purpose of acquisition, construction or production of a qualifying asset, the borrowing costs capitalised shall be the actual borrowing costs incurred during the period less any interest income earned on temporary investment of specific borrowing pending expenditure on qualifying asset.

In case funds are borrowed generally and such funds are used for the purpose of acquisition, construction or production of a qualifying asset, the borrowing costs capitalised are calculated by applying the weighted average capitalization rate on general borrowings outstanding during the period, to the expenditures incurred on the qualifying asset.

If any specific borrowing remains outstanding after the related asset is ready for its intended use, that borrowing is considered part of the funds that are borrowed generally for calculating the capitalization rate.

### **2.8) Foreign Currencies**

Transactions in foreign currencies are recorded on initial recognition at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currency remaining unsettled at the end of the year, are translated at the closing rates prevailing on the Balance Sheet date. Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of transaction. Any gains or losses arising due to differences in exchange rates at the time of translation or settlement are accounted for in the Statement of Profit and Loss either under the head foreign exchange fluctuation or interest cost, as the case may be, except those

relating to exchange differences arising from cash flow hedges to the extent that the hedges are effective and those covered below.

## **2.9) Inventories**

Inventories are valued at cost or net realisable value, whichever is lower. The basis of determining the cost for various categories of inventory are as follows:

(a) Raw materials, packing materials and stores and spares (including fuel) - Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. The aforesaid items are valued at Net Realisable Value if the finished products in which they are to be incorporated are expected to be sold at a loss.

(b) Traded goods, Stock in progress and finished goods- Direct cost-plus appropriate share of overheads.

(c) By products - At estimated realisable value

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

## **2.10) Provisions, contingent liabilities and contingent assets**

### **A. Provisions**

The Group recognises a provision when there is a present obligation (legal or constructive) as a result of past events and it is more likely than not that an outflow of resources would be required to settle the obligation and a reliable estimate can be made.

When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain.

The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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.

### **B. Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the Consolidated Financial Statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities and commitments are reviewed by the management at each balance sheet date.

### **C. Contingent assets**

Contingent assets are neither recognised nor disclosed in the Consolidated Financial Statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

### **2.11) Revenue recognition**

#### ***a) Sale of goods***

Revenue from sale of products is recognised upon transfer of control of products to customers at the time of shipment to or receipt of goods by the customers. Service income is recognised as and when the underlying services are performed. The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time.

Revenues are measured based on the transaction price, which is the consideration, net of tax collected from customers and remitted to government authorities such as goods and services tax and applicable discounts and allowances.

Any fees including upfront fees received in relation to contract manufacturing arrangements is recognized on straight line basis over the period over which the Group satisfies the underlying performance obligations. Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue (only act of invoicing is pending) when there is unconditional right to receive cash as per contractual terms. Advance from customers (“contract liability”) is recognised when the Group has received consideration from the customer before it delivers the goods.

#### ***b) Interest and dividend income***

Interest income is recognised when it is probable that the economic benefits will flow to the Group using the effective interest rate and the amount of income can be measured reliably. Interest income is accrued on a time, basis, by reference to the principal outstanding.

Dividend income from investments is recognised when the shareholder’s right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

### **2.12) Taxation**

Income tax expense represents the sum of current tax and deferred tax.

#### ***a) Current tax***

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss i.e., in other comprehensive income or in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### ***b) Deferred tax***

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the reporting date. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Group has a legally enforceable right for such set off.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss i.e., in other comprehensive income or in equity.

Deferred tax assets/liabilities are not recognized for below mentioned temporary differences:

- (i) At the time of initial recognition of goodwill;
- (ii) Initial recognition of assets or liabilities (other than in a business combination) at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT asset is recognized in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Group. The Group considers whether it is probable that a taxation authority will accept an uncertain tax treatment. If the Group concludes that it is probable that the taxation authority will accept an uncertain tax treatment, the Group determines the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates consistently with the tax treatment used or planned to be used in its income tax filings. However, if the Group concludes that it is not probable that the taxation authority will accept an uncertain tax treatment, the Group reflects the effect of uncertainty in determining the related taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates

## **2.13) Employee benefits**

### **a. Short-term employee benefits**

Wages and salaries including non-monetary benefits that are expected to be settled within the operating cycle after the end of the period in which the related services are rendered, are measured at the undiscounted amount expected to be paid.

## **b. Defined contribution plans**

Provident fund administered through Regional Provident Fund Commissioner, Superannuation Fund and Employees' State Insurance Corporation are defined contribution schemes. Contributions to such schemes are charged to the statement of profit and loss in the year when employees have rendered services entitling them to contributions. The Group has no obligation, other than the contribution payable to such schemes.

## **c. Defined benefit plans:**

In accordance with The Payment of Gratuity Act, 1972, the holding company provides for gratuity under defined retirement benefit plan covering eligible employees. The costs of providing benefits under this plan is determined on the basis of actuarial valuation done by actuary at each year-end. Actuarial valuation is carried out for plan using the projected unit credit method. Actuarial gains and losses for defined benefit plan is recognized in full in the period in which they occur in the statement of profit and loss.

## **d. Other long-term employee benefits**

The Group does not has the policy for other long-term employee benefits in the nature of compensated absences and long-term retention pay.

### **2.14) Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings 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 is adjusted for the effects of all dilutive potential equity shares.

### **2.15) Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

### **2.16) Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### **A) Financial assets**

##### ***i. Initial recognition and measurement***

All financial assets are recognized initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

##### ***ii. Subsequent measurement***

For purposes of subsequent measurement, financial assets of the Group are classified in three categories:

- a) At amortised cost
- b) At fair value through profit and loss (FVTPL)
- c) At fair value through other comprehensive income (FVTOCI)

Financial Asset is measured at amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. This category generally applies to trade and other receivables.

Financial assets not classified as measured at amortised cost or FVTOCI as are measured at FVTPL. Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

### ***iii. Equity Investments***

All equity investments in the scope of Ind AS 109 are measured at fair value.

Equity instruments which are held for trading are measured at fair value through profit and loss.

For all other equity instruments, the Group may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income. The Group makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in other comprehensive income. This cumulative gain or loss is not reclassified to statement of profit and loss on disposal of such instruments.

Investments representing equity interest in subsidiaries are carried at cost less any provision for impairment

### ***iv. Derecognition***

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognized (i.e., removed from the balance sheet) when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (i) the Group has transferred substantially all the risks and rewards of the asset, or (ii) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay. Any gain or loss on derecognition is recognised in profit or loss. When the Group has retained substantially all the risks and rewards of ownership of the transferred asset, the Group continues to recognise the transferred asset in its entirety and recognises a financial liability for the consideration received.

#### **v. Impairment of financial assets**

The Group recognizes loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the Statement of Profit and Loss.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information. The Group considers a financial asset to be in default when the asset is unlikely to be realised in full.

#### **Credit Impaired Financial Assets**

At each reporting date, the group assesses whether financial assets carried at amortised cost and debt securities at FVTOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default; or
- it is probable that the debtor will enter bankruptcy or other financial reorganization

#### **Presentation of allowance for ECL in the balance sheet**

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. **Write Off** The gross carrying amount of a financial asset is written off when the group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

### **B) Financial liabilities and Equity instruments**

#### **i. Initial recognition and measurement**

All financial liabilities are recognized initially at fair value, net of directly attributable transaction costs, if any.

The Group's financial liabilities includes borrowings, trade and other payables including financial guarantee contracts and derivative financial instruments.

## ***ii. Subsequent measurement***

### ***a. Borrowings***

Borrowings are subsequently measured at amortised cost. Any differences between the proceeds (net of transaction costs) and the redemption/repayment amount is recognised in profit and loss over the period of the borrowings using the effective interest rate method.

### ***b. Trade and other payables***

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid.

### ***c. 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.

### ***d. Financial guarantee contracts***

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified entity fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

## ***iii. Derecognition***

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss

## ***iv. Equity instrument***

Equity instruments are any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Debt or equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

## **2.17) Fair value measurement**

The Group measures its financial instruments 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 in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the 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:

- a) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- b) Level 2 — Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e. derived from prices).
- c) Level 3 — Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

For assets and liabilities that are recognized in the Consolidated Financial Statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group 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.

### **2.18) Segment Reporting**

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's chief operating decision maker to make decisions for which discrete financial information is available. The business activity of the Group falls within one broad business segment viz; "business of wholesale and retail trade of Architectural Hardware and Glass fittings, Kitchen Hardware, Accessories and Appliances". There is no income and profit from any other segment as prescribed in IND-AS 108.