Annual Report
2025-26

Unilever

Hindustan Unilever Foundation

Empowered Communities, **Secure Futures.**

Water security
empowering communities

Water is a common resource and must be governed by local communities.

Organisation Overview

HUF believes that India has the science and solutions to help solve the water crisis in our lifetime.


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Encouragingly, India has also demonstrated proactive leadership in addressing the challenge of water stress.

— BP Biddappa
Chairman

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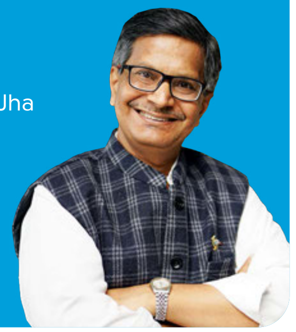
We believe our work is more important than ever before.

— Dr Shraman Jha
CEO



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People. Progress. Possibilities.

When communities are empowered to lead, water systems endure.

Statutory Reports and Financial Statements

About the cover

A collage of the farming community members across HUF-supported programmes. They have benefited from the good water-efficient agricultural practices.

You can find more information about Hindustan Unilever Foundation online at **www.huf.co.in.**

About the Organisation

The Hindustan Unilever Foundation (HUF), established in 2010 by Hindustan Unilever Limited, is a not-for-profit subsidiary dedicated to addressing India's pressing water challenges. We focus on strengthening community-led water governance, thereby helping enhance farm-based livelihoods.

We collaborate with Civil Society Organisations (CSOs) to champion community-driven solutions. Over the years, we have built a strong ecosystem of grassroots partners, engaging with communities, governments and experts to enable lasting water security.

We also recognise that water security must be approached through an ecosystem lens, and understood in relation to the life and livelihoods it creates and sustains.We seek to strengthen water stewardship that is community-led, institutionally anchored and environmentally sustainable.

HUF's work is rooted in the belief that water security is an ongoing process that is participatory, locally grounded and systems-oriented.

Over the past 16 years, HUF has partnered with organisations across India, reaching thousands of villages across India. Communities are leading efforts in water budgeting, climate-smart agriculture and nutrition security, demonstrating how collective ownership can build resilient systems. Livelihood pathways are further strengthened through farmer collectives and agri-entrepreneurship, helping translate water security into economic resilience.

Through this journey, our role has evolved into that of a partner and facilitator, enabling communities through civil society organisations that anchor solutions in local contexts.

Impact Till Date

*Since inception: Represents cumulative & collective impact across all programmes supported by HUF; independently assured up to 2024-25.

** FY 2024 – 25: Represents assured KPI values for the year; collective impact across initiatives.

Water Potential Created

4.5 Trillion Litres

632 Billion Litres

Additional Agriculture and Biomass Production Achieved

2.7 Million Tonnes

0.3 Million Tonnes

Person-days Generated

125.2 Million Person-days

6.5 Million Person-days

Key Enablers

Driving behavioural shift to improve water use efficiency

We encourage sustainable agriculture through on-farm demonstrations that clearly measure and showcase outcomes. When water-efficient practices are visibly linked to improvements in productivity and resilience, farmers are more confident in adopting them, enabling sustained behavioural change over time.

Convergence with Flagship Government Programmes

We work towards strategic convergence with flagship government programmes to unlock public resources and address water vulnerability at scale. Our selection of states and districts allows us to maximise impact while remaining closely aligned with region-specific water and agricultural challenges.

Supporting Women in Pivotal Roles

We actively promote women's participation in key roles such as paraprofessionals, lead farmers and representatives in local governance. Their leadership has been instrumental in improving water conservation outcomes, fostering more equitable water use, strengthening community engagement and improving overall programme effectiveness.

Building Local Cadres of Paraprofessionals

We invest in developing local cadres of water and agriculture paraprofessionals to support sustainable impact and farmer engagement. This helps retain technical knowledge within communities, address rural unemployment and strengthen last-mile implementation.

Deploying Technology-Enabled Tools

We leverage technologies such as GIS-based watershed mapping and simulation-based water games to enhance water literacy and decision-making. These tools enable data-driven planning, deepen community understanding of water systems and support more effective water management at scale.

Ethos in Action

Our Core Purpose

HUF recognises the urgency and significance of India's water crisis, having just 4% of the world's fresh water reserves but 18% of the global population. With informed intent and shared purpose, HUF supports on-the-ground civil society organisations and the community to help build a water-secure nation.

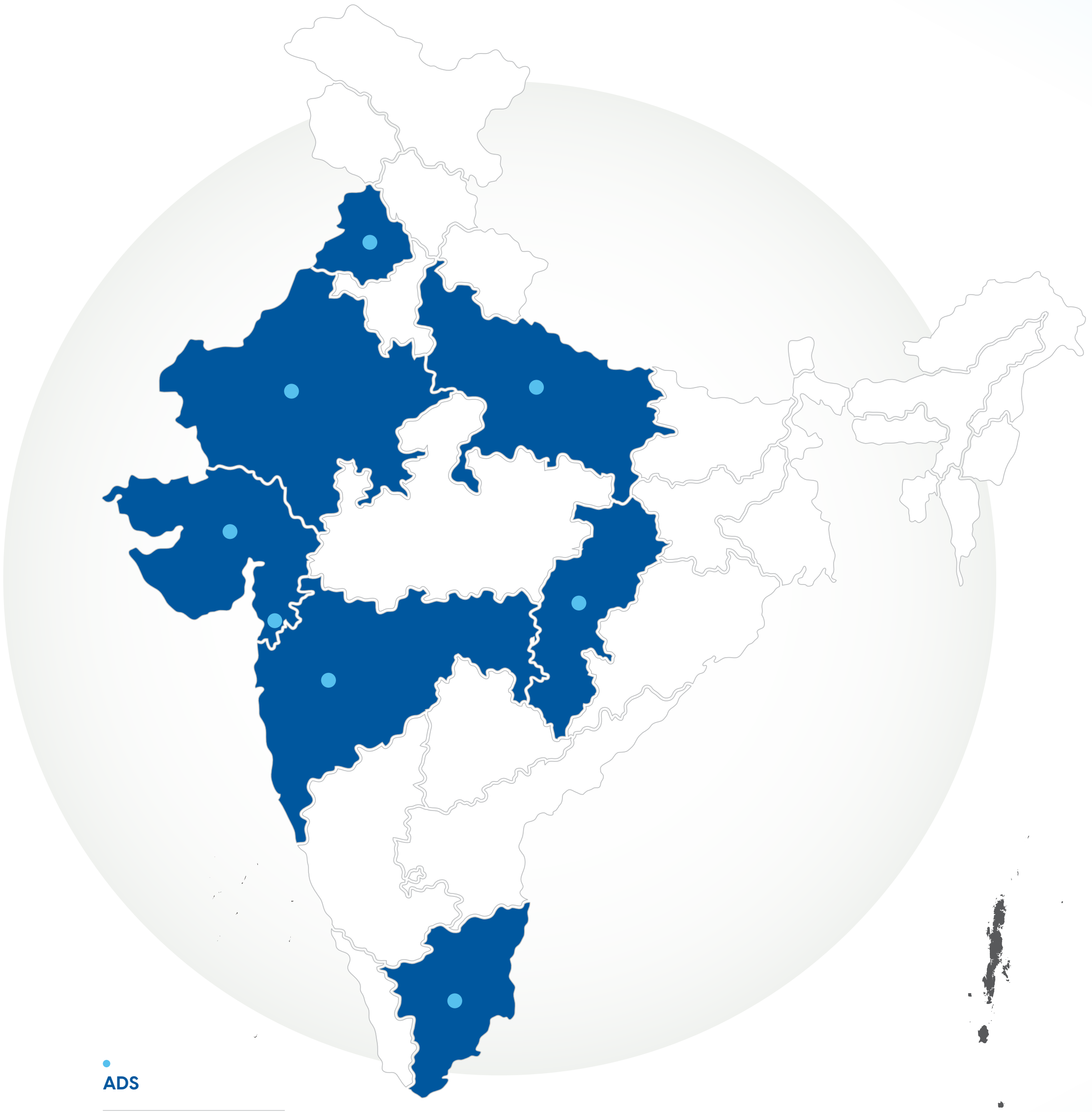
Our Partners

By cultivating a robust network of partners deeply engaged with local communities, HUF and its partners have made significant efforts to address water security risks across various regions to improve water resilience for the farmer communities it serves.

- Access Development Services (ACCESS)
- Centers for International Projects Trust (CIPT)
- Development Support Centre (DSC)
- People's Action for National Integration (PANI)
- Professional Assistance for Development Action (PRADAN)
- Sanjeevani Institute for Empowerment and Development (SIED)
- Society for Upliftment of Villagers and Development of Himalayan Areas (SUVIDHA)
- Transform Rural India (TRI)
- Voluntary Association of Agricultural General Development Health and Reconstruction Alliance story (VAAGDHARA)
- Watershed Organisation Trust (WOTR)
- BAIF Development Research Foundation (BAIF)
- Parmath Samaj Sevi Sansthan (PSSS)

HUF's Reach

HUF's water conservation initiative partners with civil society organisations and multiple co-funders (including government bodies).



ADS
Jaipur (rural)
Rajasthan

BAIF
Khamgaon, Silvassa and Gandhidham
Maharashtra, Gujarat, Dadra and Nagar Haveli and Daman and Diu

CIPT
Amritsar, Jalandhar, Hoshiarpur, Kapurthala, Shaheed Bhagat Singh Nagar, Firozpur, Moga, Bathinda, Ludhiana, Sangrur, Fatehgarh Sahib, Patiala and Malerkotla
Punjab

DSC
Aravalli, Mehsana and Sabarkantha
Gujarat

PANI
Gonda and Shravasti
Uttar Pradesh

PRADAN
Ramanathapuram, Pudhukottai, and Sivagangai
Tamil Nadu

PSSS
Etah and Hamirpur
Uttar Pradesh

SIED
Dhule
Maharashtra

SUVIDHA
Budaun
Uttar Pradesh

TRI
Bastar, Dantewada, Kanker, Kondagaon, Rajnandgaon and Sukma
Chhattisgarh

VAAGDHARA
Banswara
Rajasthan

WOTR
Gadhchiroli
Maharashtra

Disclaimer

The map of India should not be used for navigation or legal purposes, it is intended as a graphical element to the design layout. It does not warrant the map or its features to be spatially or temporally accurate or fit for a particular use. Hindustan Unilever Foundation does not claim the correctness or authenticity of the same.

Chairman's Statement

Water has become one of the defining challenges of our time. A recent report by the United Nations[*] warns of a looming era of 'water bankruptcy', where demand and environmental degradation have outpaced natural recharge to such an extent that many water resources may not recover without transformative action.

> **At Hindustan Unilever Foundation, we realise that while initiatives are important, community involvement is not just a requirement but a powerful tool for sustainable water management.**

BP Biddappa

Today, more than half of the world's aquifers are being depleted faster than they can replenish, while major global cities such as Tehran, Jakarta and Rio de Janeiro continue to face mounting water stress.

This challenge is particularly acute in South Asia. With its large and growing population, the region is highly vulnerable to water insecurity. India, in particular, accounts for one of the highest levels of groundwater usage globally, surpassing both China and the USA. Even traditionally water-abundant regions, such as the Gangetic basin, are witnessing a steady decline in groundwater levels.

Encouragingly, India has also demonstrated proactive leadership in addressing this challenge. National programmes, such as the *Jal Jeevan Mission* have significantly expanded rural water infrastructure and are increasingly evolving into source sustainability. The introduction of water budgeting through digital platforms like Varuni at the block level marks a significant shift, enabling local communities to better understand water availability while promoting prudent use.

This belief in community-driven solutions lies at the core of the Hindustan Unilever Foundation's work. Since 2010, HUF has partnered with civil society organisations to advance community-led water management across water-stressed regions of India.

Over the years, our partnerships have empowered communities across thousands of villages to take ownership of solutions, whether through water budgeting, adoption of climate-smart agriculture, or integration of market-linked practices. These efforts are designed not only to address immediate water challenges but also to ensure long-term sustainability beyond the lifecycle of individual projects. Cumulatively, HUF's initiatives have helped secure water access while strengthening livelihoods and enhancing ecosystem resilience.

Our role at HUF remains that of an enabler and catalyst, supporting communities with insights, partnerships and proven practices to make water security both sustainable and locally owned. Collectively and cumulatively with the support of our partners, we have created water potential of 4.5 trillion litres and we remain committed to building this momentum 'in the years ahead.

[*] https://news.un.org/en/story/2026/01/1166800

CEO's message

Now in our 17th year, HUF remains driven by a clear conviction: communities and farmers are vital partners in solving India's water challenges. The co-creation and ownership of solutions are central to our approach.

> **Our focus, centred around empowering communities and farmers, remains driven by three simple yet powerful pillars: 'Know More' about our precious water resources, 'Save More' through scientific conservation methods and 'Use Less' water in agriculture.**

Dr Shraman Jha

Anchored in our pillars, Know More, Save More, Use Less we advance scientific, locally rooted water stewardship that is both pragmatic and effective.

We believe our work is more important than ever. Many global and national reports highlight the urgency of water security challenges, particularly across densely populated regions such as the Indian subcontinent.

It is encouraging to see the conversation around water quality, availability and timing gaining momentum. Insights from international and national institutions continue to reinforce an important truth, while local and geopolitical factors shape water realities, no society can afford to overlook the stewardship of its water resources. India must chart its own path towards sustainable water security.

HUF stands firm and resolute in its commitment. We partner with civil society organisations to scale proven interventions such as water budgeting and climate-resilient agriculture while strengthening communication and awareness around responsible water use. Shared learning and collaboration strengthen governance and enable scalable, lasting impact.

Water security is, ultimately, a collective endeavour. Our future depends on coordinated action and HUF will continue to stand as a committed partner in this journey.

I invite you to explore stories from across the country, stories of collaboration, resilience and progress, where we have worked alongside communities and partners to contribute to a water-secure India.

After all, *जलम जीवनम इति स्मृतम्* – Water is remembered as life itself.

Governance Snapshot

HUF's Board comprises experienced leaders who lead from the front. Their rich experience, expertise and passion add immense value to the cause of water security.

BP Biddappa
Chairman

As climate uncertainty grows, water security is fundamental to India's future. It is heartening to see how communities have risen to this challenge as co-creators and owners of solutions. As Chair of the Hindustan Unilever Foundation, I am committed to supporting on-the-ground civil society organisations that help make communities build a water-secure future across diverse geographies, fostering resilience and prosperity.

Niranjan Gupta
Director

Communities are at the centre of HUF's work, demonstrating leadership and ownership in securing their water futures. With HUF's enabling support, targeted water security interventions have evolved into community driven, locally managed systems that strengthen climate resilience across rural India. By reinforcing local participation while supporting scale and sustainability, HUF has set the course for long term impact.

Sashidhar Vempala
Director

Sustainable and lasting change can only be achieved when we work in partnership with communities. At the Hindustan Unilever Foundation, our water security initiatives endure because communities are not merely participants; they are owners of the solutions.

By strengthening local institutions and placing decision-making in the hands of communities, we enable approaches that continue to deliver impact well beyond project timelines and funding cycles. As climate risks intensify, our focus remains on driving systemic, long-term outcomes, empowering communities, building resilience in local contexts and creating sustainable impact across India.

Dr Shraman Jha
Chief Executive Officer

BhuJal-literally means groundwater. More accurately, *Bhu Garbh Jal* – water drawn from the womb of the earth. A resource that quietly sustains life, provided it is used with care, responsibility and restraint. At HUF, we are committed to safeguarding this vital resource, enabling communities to understand, manage and protect it for the long term.

Empowered Communities, Secured Futures

Water security is not created by infrastructure alone: It is built by people. It emerges from everyday decisions, leadership and the collective stewardship of communities whose lives and livelihoods depend on water.

When communities are empowered to lead, water systems endure. When they take ownership of solutions, resilience becomes intergenerational.

'Empowered Communities, Secured Futures' reflects a fundamental shift in how water security is understood and achieved. Communities are no longer passive recipients of interventions: they are planners, practitioners, entrepreneurs, data stewards and innovators. Communities shape the conservation and sharing of water, the cultivation of land, the growth of food and the strengthening of local economies. In doing so, they secure not just present needs but also future possibilities.

HUF believes that it can help local groups, by investing in leaders from the community and creating systems that allow successful methods to spread across different areas. By cross-fertilising insights between communities, frontline cadre, partners across geographies, HUF amplifies what works on the ground, ensuring solutions remain locally relevant while achieving wider impact.

Across diverse landscapes and livelihoods, this approach comes to life through community-led action:

- Farmers adopt climate-smart practices, guided by soil science and local climate realities, to sustain productivity and protect ecosystems.
- Women-led self-help groups shape local governance, manage resources and anchor inclusive decision-making.
- Frontline cadre provide services such as soil testing, irrigation advisories and agri–water solutions, transforming knowledge into livelihoods.
- Farmer Producer Organisations and agri-entrepreneurs build member-owned enterprises that strengthen incomes from within communities.
- Villagers monitor wells, recharge structures and rainfall, using shared data to transparently manage common water resources.

Together, these efforts reinforce a powerful truth: when communities possess the knowledge, capacity and confidence to manage their water resources, they build futures that are resilient, equitable and sustainable. Empowerment is not an endpoint; it is the pathway and when water security is community-owned, it becomes a lasting legacy.

This year's report highlights community-led initiatives that embody this spirit of ownership, showcasing the determination, leadership and collective action through which communities are securing their own water futures.

Collectivisation and Agri-Entrepreneurship

Collectives and local entrepreneurs run member-owned enterprises that strengthen incomes and enhance market access within communities.

Access Development Services (ACCESS)

HUF, is supporting ACCESS, in addressing groundwater depletion and soil degradation among small and marginal farmers in Jaipur district, Rajasthan.

Located in India's arid and semi-arid belt, Jaipur receives an average annual rainfall of just 564 mm, concentrated within fewer than 20 days. Despite increasing urbanisation, rural Jaipur remains predominantly agrarian and, heavily dependent on groundwater for irrigation.

Farmers in the region continue to cultivate water-intensive crops such as wheat and rely largely on inefficient practices. This has contributed to declining soil health, lower water retention and reduced long-term agricultural sustainability.

The programme promotes water-secure agriculture through a dual strategy:

- Driving behavioural transformation at the farm level, by encourage water-efficient practices, shift cropping patterns and improve soil health.
- Strengthening water infrastructure through government schemes to restore traditional water bodies, develop recharge structures, enhance storage capacity and improve access to technical and input support.

Impact created 2024-2025

7.85
billion litres of water potential created

96,576
person days generated

3,669
tonnes of additional annual agricultural and biomass production achieved

Community in Action

Communities Steering Water Security Solutions

Farmer Producer Organisation (FPO) members play an important role in shaping local water management practices. Through participation in Water User Group (WUG) meetings, they strengthen their understanding of water-saving techniques and improved agricultural practices. Village-level water assessments and water budgeting help farmers collectively plan efficient and equitable water use.

Demonstrations, field days and shared learning platforms expose farmers to practical innovations and visible crop improvements. Hands-on training in water-efficient technologies and natural inputs such as decomposers, *jeevamrit* and vermicompost further strengthens on-farm capabilities and confidence.

Supported by community resource persons, including *Jal Sakhis, Jal Mitras* and FPO teams, farmers are adopting practices such as drip and mini-sprinkler irrigation, soil testing, climate-resilient seeds, bio-inputs and farm ponds. Many participants later implement these practices on their own farms and support peer learning as lead practitioners, strengthening a culture of shared ownership, resilience and sustainability.

Jal Sakhis, Jal Mitras and FPO teams

Collective Action Strengthening Incomes and Market Power

FPO-led collective action has delivered economic benefits while reinforcing responsible water stewardship. Through their FPOs, members access quality inputs at lower costs, reducing dependence on local intermediaries. Collective marketing also enables fair weighing, better price realisation and greater transparency.

At the same time, the adoption of water-efficient and improved farming practices has increased productivity while lowering input costs, strengthening farm incomes.

By moving from fragmented individual sales to coordinated enterprise-led engagement, FPO members have enhanced their bargaining power and retained greater value within the community.

Strengthening FPOs for Long-Term Sustainability

HUF-supported initiatives have strengthened FPOs and community institutions to sustain long-term outcomes. The programme has supported the formation and strengthening of Water User Groups (WUGs), enabling collective water management and village-level water budgeting.

Capacity-building initiatives such as farmer field schools, demonstrations, exposure visits, *jal choupals* and stakeholder meetings have encouraged the adoption of water-saving practices.

By promoting improved soil health, climate-resilient seeds and bio-inputs, while recognising progressive farmers, the programme has helped translate technical knowledge into sustained action. Farmers are also consistently linked with FPOs for better access to inputs and markets, strengthening agri-entrepreneurship and institutional viability.

Case Study

From Struggle to Sustainability: **Banwari Lal Gurjar's FPO-Led Path to Water Security**

A Farmer at the Margins

In Bhamod village of Viratnagar, 54-year-old Banwari Lal Gurjar faced increasing challenges in sustaining his livelihood. Years of chemical-intensive farming had degraded soil health, rising input costs strained farm economics and chronic water scarcity limited productivity. Like many smallholders, he worked in isolation with limited market access, low awareness of FPOs and minimal participation in local water management decisions.

Turning Point: Community Institutions Take the Lead

Banwari Lal's journey changed after he joined the HUF-supported programme and became an active member of the local Water User Group (WUG) and the Banganga FPO. Through regular participation in WUG meetings, he evolved from a passive beneficiary to a co-owner of local water solutions.

Participation in water assessment and budgeting helped him better understand water availability and plan irrigation more efficiently. With technical support, he adopted organic and low-cost soil health solutions such as *Jeevamrit, Neemastra,* waste decomposer and hydrogel, reducing dependence on chemical inputs.

He also shifted from flood irrigation to a mini-sprinkler system and adopted moisture-conservation practices, significantly improving water-use efficiency. The Banganga FPO further supported this transition by providing access to quality inputs at lower costs and enabling transparent market linkages, making sustainable farming more economically viable.

Water Saved, Yields Gained, Incomes Strengthened

The results highlight the impact of community-owned solutions. Banwari Lal significantly reduced water use, with wheat irrigation declining from 2.6 million litres to 1.9 million litres per season and barley irrigation reducing from 2.1 million litres to 1.7 million litres. Despite lower water consumption, productivity improved substantially, with wheat yields increasing from 20 quintals to 32 quintals, alongside higher returns from barley and mustard cultivation.

Wheat yields increased from 20 quintals to 32 quintals

Through collective marketing via the Banganga FPO, he earned an additional ₹300 per quintal on wheat and mustard. Over two years, he sold 270 quintals of wheat and 50 quintals of mustard through the FPO, doubling his annual income from ₹40,000 to ₹80,000. At the institutional level, the FPO reported a 9% increase in procurement, reflecting stronger collective enterprise.

Sustained Impact: Empowerment Beyond the Farm

Banwari Lal Gurjar's journey reflects a shift from individual struggle to collective strength. Reduced costs, improved incomes and better market access have strengthened his financial stability and enabled long-term planning.

This stability has allowed him to invest in his children's education, improve living conditions and move towards a more secure future. Today, he actively encourages other farmers in Bhamod to join WUGs and FPOs, supporting wider adoption of water-smart practices.

Through FPO-led agri-entrepreneurship and strong community institutions, water stewardship has translated into more resilient livelihoods, demonstrating how empowered communities can secure their own futures

Digital Tools

Community members use simple digital tools to visualise water use and make informed, data-backed decisions collectively.

Centers for International Projects Trust (CIPT)

HUF, is supporting CIPT, in transforming Punjab's agriculture system, which is heavily dependent on the paddy-wheat cropping cycle.

This system requires nearly 2,300 mm of water, which substantially exceeds the average annual rainfall leading to severe groundwater depletion and threatening long-term agricultural sustainability.

The initiative aims to support 140,000 farmers in adopting water-efficient technologies and practices across 400,000 hectares, with a target of reducing irrigation water use by 25% while creating a scalable model of water-efficient agriculture.

The programme promotes climate-appropriate interventions such as, short-duration paddy varieties, Direct Seeding of Rice (DSR), Alternate Wetting and Drying (AWD), sensor-based irrigation, as well as both in-situ and ex-situ crop residue management.

It places greater emphasis on direct farmer engagement, encouraging early adopters to emerge as local champions who influence peers within their communities. By leveraging cooperative structures and fostering farmer-led change, the programme is advancing a future-ready, water-secure agricultural system in Punjab.

Impact created 2024-2025

269.1
billion litres of water potential created

425,194
person-days generated

110,877.3
tonnes of additional annual agricultural and biomass production achieved

Community in Action

Digital Tools Enabling Collective Water Stewardship

Across programme geographies, digital tools are transforming how farming communities understand, visualise and manage water. Platforms such as the Digital Farming Network (DFN) are evolving into community-owned knowledge systems, enabling farmers not only to receive information but also to interpret water use patterns, respond to climatic variability and plan collectively.

Visualising Water for Better Decisions

Farmers actively use DFN as a daily digital tool to better understand on-farm water dynamics. Through online training camps conducted by agriculture experts, mobile based advisories and AI-enabled support timely inputs are provided to the farmers . This helps them understand crop-water relationships, irrigation scheduling and climate-responsive practices.

It also enables farmers to align irrigation with fertiliser application, plan water use for different sowing cycles and adapt practices based on real-time weather and field conditions.

Accessible Technology, Stronger Community Ownership

Designed for inclusivity, DFN enables engagement in Punjabi through voice, image and text-based queries, ensuring accessibility across varying literacy levels. Every query is reviewed by domain experts and resolved within 24 hours, providing timely guidance during critical crop stages.

The platform functions as a dynamic knowledge dashboard, regularly updated to reflect crop cycles and seasonal needs. More than 400 IEC resources – including advisories, agri-news, instructional videos and event-based updates – are shared systematically to provide farmers with timely and relevant information.

CRPs, lead farmers and cooperative representatives further support adoption by helping peers navigate the platform and translate digital advisories into practical farm-level action.

Building a Knowledge Ecosystem for Water-Secure Futures

The HUF-supported programme has played a catalytic role in building this digital-community ecosystem. By supporting the design and scale-up of DFN, it has helped bridge field-level realities with accessible and credible digital knowledge.

HUF's contribution extends beyond financial support. Through continuous consultation and co-design, the programme has helped strengthen DFN's interface, content architecture and service delivery systems. Advisories are aligned with trusted sources, including state agricultural institutions and university-recommended practices, ensuring both technical credibility and farmer trust.

Data-Led Communities, Resilient Futures

Today, DFN reaches over 71,500 farmers across 13 districts, serving both smallholders and larger landholders. By democratising access to expert guidance, irrigation planning tools and water-focused advisories, the platform is helping bridge knowledge gaps and drive behavioural change.

Farmers are increasingly shifting from reactive decision-making to planned and efficient water use, adopting improved irrigation practices and contributing to more responsible groundwater management.

Case Study

From Guesswork to Guided Decisions: **How DFN Is Empowering a Farmer in Punjab**

A Farmer at the Crossroads of Tradition and Technology

Dilbaag Singh, a farmer from Melak Akalian village in Moga district, cultivates 4.05 hectares of land. Like many farmers in the region, he traditionally relied on experience and peer advice for crop management decisions, often resulting in precautionary interventions that increased costs without consistent results.

His engagement with the Digital Farmer Network (DFN) marked a turning point in how he accesses knowledge, assesses risks and manages farm inputs.

A Notification That Opened New Doors

Dilbaag's journey with DFN began through its integrated notification system, which alerted him to upcoming online training sessions. By participating in these expert-led sessions, he gained real-time insights into crop health, pest management and stage-specific interventions. Over time, he replaced intuition-based decisions with evidence-based practices, improving both confidence and farm outcomes.

From Habit to Evidence: A Moment That Changed Practice

The value of DFN became evident during a recent pest concern. Using DFN's '*Slaah Mashwara*' (Expert Consultation) feature, Dilbaag shared a photograph of his crop for expert diagnosis.

The response was prompt and precise – no chemical intervention was required at that stage. By acting on this advice, he avoided unnecessary spraying, saving ₹2,471 per hectare. Across his 4.05-hectare farm, this resulted in savings of nearly ₹10,000 from a single informed decision.

Savings That Spoke Louder Than Habit

Beyond the immediate financial gains, the experience marked a deeper behavioural shift. Dilbaag moved away from input-intensive, precautionary practices towards timely and need-based interventions. By relying on expert guidance instead of reactive spraying, he reduced costs, minimised chemical use and contributed to improved soil and ecosystem health.

A New Way of Thinking About the Land

Today, Dilbaag views DFN as an essential farming companion, enabling better planning, efficient use of water and inputs, and informed risk management. His journey demonstrates how accessible digital platforms can empower farmers to take ownership of their decisions, strengthening livelihoods and supporting more sustainable agricultural systems.

This shift from guesswork to informed decision-making reflects the essence of 'Empowered Communities, Secured Futures', where empowered farmers build resilience for both present and future generations.

Community Water Budgeting

Communities lead their own water planning, collectively deciding how to allocate and conserve resources based on shared priorities.

Development Support Centre (DSC)

HUF, is supporting DSC in implementing a sustainable water management programme across the water-stressed districts of Aravalli, Mehsana, and Sabarkantha in North Gujarat.

These arid and semi-arid regions are characterised by erratic rainfall, high seasonal variability and growing pressure on limited groundwater reserves.

Local livelihoods, primarily agriculture and animal husbandry, depend heavily on groundwater sourced from shallow and deep tube wells. Decades of over-extraction have pushed the region into the 'over-exploited' category, with steadily declining groundwater levels and increasing stress on aquifers.

The programme seeks to promote community-led groundwater stewardship by equipping farming communities with knowledge of aquifer systems, data-driven decision-making tools and water-efficient agricultural practices. Aligned with the principles of the *Atal Bhujal Yojana*, the approach is guided by scientific assessments that support groundwater recharge, crop optimisation and the adoption of water-saving technologies.

At its core, the initiative emphasises community participation alongside, government engagement, ensuring a user-centric and equitable approach to aquifer management. By addressing both ecological constraints and socio-economic challenges, the programme is building for long-term resilience.

Spanning 150 villages, the initiative aims to promote sustainable groundwater use while securing livelihoods for future generations.

Impact created 2024-2025

10
billion litres of water potential created

177,331
person-days generated

2,886.5
tonnes of additional annual agricultural and biomass production achieved

Community in Action

From Unmeasured Use to Collective Awareness

In earlier years, the community did not estimate how much water was available or how much was being used, and practices such as over irrigation and large scale cultivation of water intensive crops were common. Decisions were individual, seasonal, and largely disconnected from the realities of groundwater availability.

With village youth stepping forward, the community came together to collectively assess water availability and demand across agriculture and domestic needs. Through a village-level water budgeting exercise led by the *Sujal Samiti*, the community recognised agriculture as the largest water user and excessive irrigation as a key driver of water stress. This prompting a shift toward demand management, improved crop planning, and soil moisture based irrigation. Water was no longer seen as an unlimited input, but as a shared resource requiring collective care and planning.

Putting Numbers to Water: How the Village Built Its Water Budget

The village adopted a community led water budgeting approach, grounding decisions in both local knowledge and practical measurement. Community Resource Persons (CRPs) and *Sujal Samiti* (Village Water Committee) members prepared natural resource maps and water conservation plans, drawing on primary field data and secondary records to estimate water availability and current usage. The resulting water deficit analysis was presented in the Gram Sabha, ensuring transparency, validation, and shared ownership of the findings. Regular reviews by the Sujal Samiti ensured that the water budget remained a living tool updated, discussed, and acted upon collectively.

Decisions Led by the Village, Not the Season

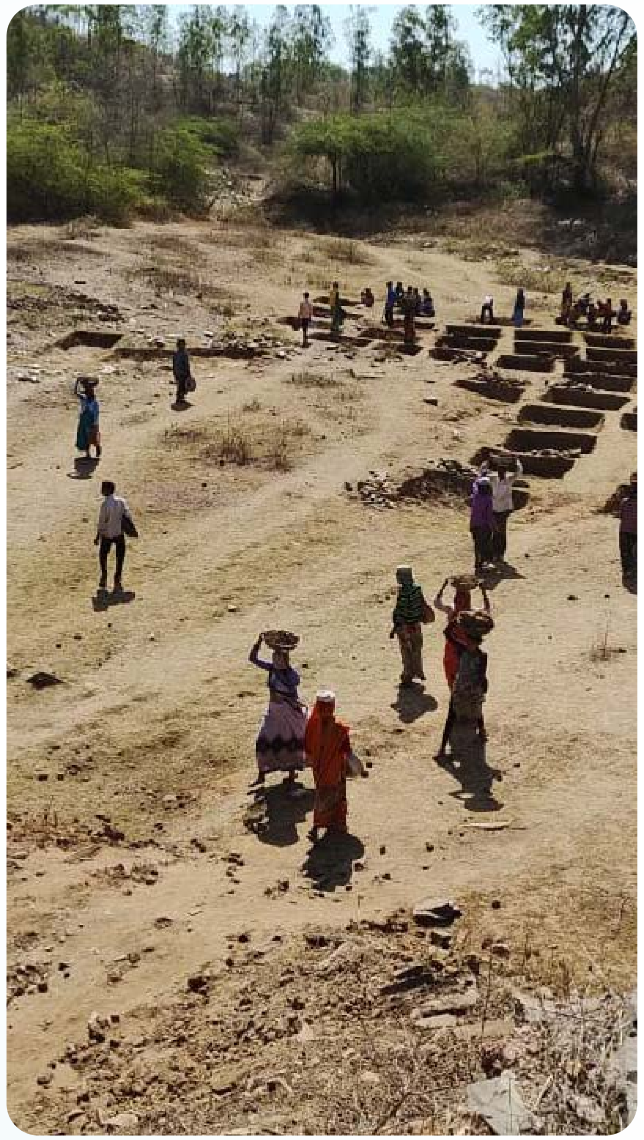
Armed with evidence, the community began making deliberate, collective choices. Crop planning discussions shifted focus toward water efficient patterns, and irrigation decisions increasingly followed soil moisture indicators rather than fixed schedules. This shows that the community is planning ahead, balancing present needs with future security, and ensuring that every allocation decision reflects shared priorities.

The Role of Partnership: How HUF Enabled Community Ownership

The HUF supported programme played a catalytic role in enabling this transformation. Through technical guidance and capacity building provided via DSC, the programme strengthened the community's ability to understand, measure, and manage water resources.

As a result, the community experienced reduced water deficits, increased water savings, and enhanced agricultural productivity outcomes driven not by external prescription, but by local leadership and informed collective action.

The HUF supported programme played a catalytic role in enabling this transformation.



Case Study

Saving Every Drop

When Rain Is Limited, Decisions Matter

Motimori village in Meghraj taluka of Aravalli district relies largely on monsoon rainfall, receiving an average of 700–800 mm annually. Agriculture is predominantly rainfed, with limited irrigation infrastructure.

Historically, farmers followed traditional practices, often growing water-intensive crops without assessing water availability or crop needs. This led to inefficient water use and recurring shortages, especially during critical cropping stages.

A key shift occurred when the community realised that securing their water future required managing demand rather than relying solely on rainfall. For the first time, water use became a subject of collective discussion at the village level. These conversations helped farmers understand that crops need adequate soil moisture rather than excessive irrigation, laying the foundation for change.

From Habit to Informed Action on the Farm

With growing awareness, farmers began adjusting their practices. Irrigation shifted from routine schedules to need-based application guided by soil moisture. Crop choices also evolved, with several farmers adopting less water-intensive varieties.

In agriculture, short-duration varieties have gained traction. These varieties mature earlier and requires less irrigation, helping optimise water use without compromising yields. These changes were driven and validated by farmers themselves, showing that when communities understand and trust data, they take ownership of solutions.

Institutions That Sustained the Shift

The transformation in Motimori was supported by strong local collaboration. Farmers worked closely with the *Sujal Samiti*, DSC field teams and the Gram Panchayat, ensuring alignment and continuity of efforts.

The Road Was Not Always Easy

The journey was not without challenges. Initial resistance to moving away from traditional practices, continued dependence on water-intensive crops and limited awareness of conservation techniques slowed early progress. However, field demonstrations, peer learning and visible improvements helped build trust. As farmers observed positive results in neighbouring fields, adoption gradually increased.

Measurable Gains for Farms and the Village

The shift to demand-side water management has delivered tangible outcomes. Irrigation water use has reduced by 10–15%, while crop productivity has improved. Available water is now shared more equitably, reducing conflict during periods of scarcity.

Equally important is the shift in mindset, from individual consumption to collective responsibility, strengthening the village's long-term water security.

What Motimori Teaches Us

Motimori's experience highlights how simple, community-led interventions in crop planning and irrigation can significantly reduce water demand, even in rainfed regions. Water budgeting helped farmers understand resource constraints and make informed decisions.

By placing planning and decision-making in the hands of the community, the village has strengthened both agricultural productivity and water resilience.

A Farmer Reflects

> "Earlier, we used to apply more water than the crop actually needed. But in reality, crops require soil moisture, not excessive irrigation - Motimori village."

Climate-Smart Agriculture

Farmers use climate-resilient practices and soil insights to make informed, independent decisions that secure their land and livelihoods.

People's Action for National Integration (PANI)

HUF is supporting PANI in implementing climate-smart agriculture in Uttar Pradesh through a community-led programme.

Despite the presence of rivers and canal systems, nearly 70% of irrigation in the state still depends on groundwater. Increasing climate variability has further intensified this dependence, placing additional stress on aquifers and agricultural systems.

The programme strengthens PANI's Mahila Kisan Sangh – Cadre – Farmer Resource Centre framework. A trained frontline cadre drives behaviour change through an Experiment – Demonstrate – Measure – Repeat approach, enabling farmers to observe the benefits of improved practices before adoption.

The programme promotes crop diversification towards climate-appropriate options such as millets, along with practices like direct seeding of rice and short-duration crop varieties. A key innovation is village-level water budgeting, helping communities make more efficient and informed decisions on cropping and water use.

It aims to disseminate learnings through PANI's Saathi Network and across other regions of Uttar Pradesh, supporting wider scale-up of climate-resilient agricultural practices.

Impact created 2024-2025

16.2
billion litres of water potential created

545,102
person-days generated

64,714.5
tonnes of additional annual agricultural and biomass production achieved

Community in Action

Farmer-Led Adoption of Climate- and Water-Smart Practices

Across programme areas, farmers are increasingly managing water, soil and crops with greater agency, showing that resilient futures are built when communities lead. Guided by local evidence, soil insights and peer learning, they are independently adopting climate- and water-smart practices suited to their agro-ecological conditions.

Many have shifted to Direct Seeded Rice (DSR) and the System of Rice Intensification (SRI), recognising their ability to reduce water use and labour dependency. Practices such as mulching in sugarcane, garlic and vegetable cultivation help conserve soil moisture and lower irrigation needs. Zero tillage and raised-bed cultivation improve soil structure and enhance water-use efficiency, while crop diversification into pulses and vegetables reduces climate risk and strengthens income stability.

Access to soil testing through Soil Health Cards and IoT-enabled tools has enabled need-based fertiliser application, giving farmers greater control over soil management. At the community level, water budgeting has emerged as a key planning tool, helping align crop choices with actual water availability. Together, these practices reflect a clear shift from reactive cultivation to informed, autonomous stewardship of natural resources.

Resilient Farms, Sustainable Livelihoods

The farmer-led adoption of these practices is delivering tangible, sustained outcomes. Improved agronomic practices and climate-resilient crop varieties have enhanced productivity, while balanced fertiliser use and organic methods have supported soil health restoration.

Efficient use of water, fertilisers, diesel and labour has reduced input costs, strengthening overall farm economics. Practices such as mulching, intercropping and DSR have significantly improved water-use efficiency and reduced vulnerability to water stress. Farmers report lower crop losses during droughts and floods, greater resilience to climate variability and higher incomes driven by productivity gains and diversified cropping systems.

Systems That Enable Community Ownership and Continuity

Tools such as soil testing, water budgeting and well mapping have translated scientific insights into practical, locally relevant decisions. Community-led water governance, combined with access to climate-resilient seeds and technologies, has enabled farmers to plan collectively, optimise resource use and manage water more efficiently.

By nurturing grassroots leadership through Community Resource Persons and agri-entrepreneurs, and linking farmers to government schemes and irrigation solutions, the programme has strengthened local systems capable of sustaining outcomes beyond project timelines.

Most importantly, it has driven lasting behavioural change, empowering farmers to make informed, autonomous decisions and secure their land, livelihoods and futures in the face of a changing climate.

Community-led water governance, combined with access to climate-resilient seeds and technologies, has enabled farmers to plan collectively, optimise resource use and manage water more efficiently.

Case Study

Data, Decisions, and Dignity: A Water-Smart Farming Transition

From Water Stress to Climate Risk

Across several Gram Panchayats in Gonda and Shravasti districts, agriculture has traditionally centred on water-intensive paddy cultivation, heavily dependent on groundwater. With increasing climate variability, farmers have faced rising input costs, declining soil health and frequent crop losses, putting both livelihoods and water security at risk.

Farmer-Led Shift to Climate- and Water-Smart Practices

Through the programme, farmers were introduced to practices such as Direct Seeded Rice (DSR), Paddy SRI, green manuring, zero tillage in wheat and systematic soil testing. What began as demonstration-led exposure evolved into confident, independent adoption, with farmers selecting practices aligned to their water availability, soil conditions and economic priorities.

Data-Driven Planning Through Water Budgeting and Soil Testing

Participatory water budgeting proved to be a turning point. By collectively assessing water availability, farmers began planning crops based on realistic resource availability rather than tradition or uncertainty. Soil testing further strengthened this shift by enabling need-based fertiliser application, improving soil health while reducing costs.

Practices such as mulching reduced irrigation demand, while diversification into pulses and other crops improved income stability and reduced climate risk.

Tangible Gains in Productivity, Costs, and Resilience

Within a single agricultural cycle, farmers reported clear improvements—reduced irrigation cycles, improved yields, lower input costs and greater resilience to erratic rainfall. More importantly, decision-making shifted from inherited practices to data-driven, informed choices, placing farmers in control of their land and resources.

Community-Wide Water Security Outcomes

The impact extended beyond individual farms to the wider community. Between 2024–25 and 2025–26, water budgeting contributed to improved water security across Gram Panchayats. The number of highly water-deficit Gram Panchayats (over 100%) declined from 346 to 153, with several moving to lower deficit categories and 31 reaching surplus status.

Farmers as Champions of Change

Today, farmers are not only practising climate- and water-smart agriculture; they are championing it. By demonstrating results on their own fields and motivating peers, they are accelerating the adoption of resilient practices and strengthening community ownership of water resources and agricultural futures.

Frontline Cadre Using GIS Mapping and Location Context

Local service providers deliver critical agri–water insights, turning community knowledge into community-run solutions

Professional Assistance for Development Action (PRADAN)

HUF is supporting PRADAN in reviving traditional water conservation systems across the drought-prone districts of Ramanathapuram and parts of Pudukkottai and Sivagangai in Tamil Nadu.

Once vital for domestic and agricultural water needs, these interconnected tank systems have deteriorated over decades due to neglect, siltation and invasive weeds, reducing storage capacity and intensifying rural distress.

As tank irrigation declined, large tracts of cultivable land were left fallow, often overtaken by Prosopis juliflora, whose removal is both costly and labour-intensive. With diminishing agricultural returns, migration among farmers has become increasingly common. However, restoring these tank systems remains as one of the most efficient and sustainable pathways to strengthening water security in the region.

To address this, Hindustan Unilever Foundation (HUF), in partnership with PRADAN, is implementing a science-led, locally relevant approach to rejuvenating interconnected tank cascades. The initiative brings together CSR resources, government programmes and NGO expertise to enable long-term, systems-level impact.

A Centre of Excellence (CoE) will further anchor research, advocacy and scale-up efforts across tank ecosystem in Tamilnadu.

Impact Created 2024-2025

4.4
billion litres of water potential created

5,433
person-days generated

Community in Action

Building Trust Through GIS-Informed, Local Service Delivery

Frontline cadre function as trusted local service providers translating community knowledge and GIS-based mapping insights into practical agri-water advisories. By combining location-specific data with on-ground understanding, they guide crop planning, irrigation scheduling and water distribution in a transparent and equitable manner.

Through regular field visits and continuous engagement with farmers, these cadres ensure that advisories are collectively understood and implemented. This has helped rebuild trust in shared systems, as farmers experience more equitable water access and improved outcomes. Inclusive participation of women, youth and tail-end farmers has further strengthened confidence in community-led governance.

Navigating Constraints to Restore Collective Decision-Making

Frontline cadre operate in environments shaped by prolonged water stress, weakened local governance and unequal access to irrigation. Initial resistance stemmed from low trust, entrenched individual practices and competing demands within shared systems.

A trained water manager, known as the Sethakarar, has been appointed to regulate water flow, ensuring equitable distribution, and coordinated irrigation timing across fields. At the same time, the programme used local knowledge and GIS-based mapping insights to guide water allocation, cropping decisions, and irrigation scheduling

Water Decisions Owned by the Community

The introduction of cadre-led advisories has transformed how communities make agricultural and water-related decisions. Farmers now align crop choices with mapped water availability rather than uncertain rainfall patterns and synchronise irrigation schedules to ensure equitable distribution across fields.

This shift from reactive, individual decision-making to coordinated planning has reduced conflicts, improved efficiency and strengthened shared stewardship of local resources, placing control firmly in the hands of the community.

Programme Support to Strengthen Community Ownership

HUF-supported interventions strengthened cadre capacities through training, participatory platforms and GIS-tools. This has ensured locally-driven and sustainable agri-water services.

Rather than top-down delivery, it supports community-led planning and, management of water futures, aligned with 'Empowered Communities, Secured Futures'.

Case Study

GIS-Enabled Cadre Entrepreneurs **Reviving the Azhiyathamozhi Kanmai**

A Village Dependent on a Single Water Source

Azhiyathamozhi village in Kallikudi Panchayat RS Mangalam block in Ramanathapuram district, depends on Azhiyathamozhi Kanmai for agriculture and domestic needs. The tank serves 32.5 hectares of ayacut* and around 70 farming households.

For over 15 years, a damaged sluice disrupted gravity-based irrigation, affecting tail-end farmers and forcing reliance on costly diesel pumps. This increased raised irrigation expenses and weakened confidence in shared water systems and traditional governance.

ayacut of **32.5** hectares

nearly **70** farming households

Cadre Entrepreneurs and GIS-Informed Governance

The HUF-supported programme addressed these challenges through a dual approach of restoring infrastructure and strengthening community-led governance through cadre entrepreneurs. Along with sluice reconstruction and bund strengthening, the traditional *Setham* system was revived by appointing of a trained Sethakarar as a local cadre entrepreneur responsible for water management.

Using GIS-based mapping and location-specific insights, the cadre entrepreneur translated technical information into practical, community-led decisions. This enabled equitable water allocation, coordinated irrigation scheduling and crop planning based on actual water availability rather than uncertain rainfall.

Rebuilding Trust Through Inclusive, Local Engagement

Regular field visits, community meetings and inclusive consultations with women, youth and tail-end farmers ensured transparency and shared understanding. By demonstrating fair water distribution and grounding decisions in both data and local experience, the cadre entrepreneur rebuilt trust and strengthened collective decision-making around the kanmai.

Restored Water Access and Resilient Livelihoods

The results have been transformative. The Kanmai reached full storage capacity, restoring gravity irrigation across the entire 32.5-hectare ayacut, including tail-end fields. For the first time in years, farmers collectively planned cultivation cycles and brought the full command area under cultivation.

Dependence on diesel pumps declined sharply, reducing irrigation costs and associated emissions. Equitable water distribution prevented disputes and improved efficiency, while data-informed planning enabled more resilient irrigation practices.

Paddy yields increased to approximately 7.9 tonnes per hectare, with total production reaching around 260 tonnes. The improved water regime also enabled diversification, including fish rearing.

Most importantly, the revival of the Setham system, enabled through GIS-informed cadre entrepreneurship, has reinstated collective responsibility for water governance. Farmers now manage their tank, cropping patterns and irrigation schedules as a community.

This demonstrates how local service providers can translate shared knowledge and spatial data into sustainable, community-run solutions.

*The command area (farmland) that receives water for irrigation

Water Data Monitoring

Villagers track and interpret their own groundwater data, ensuring transparent, community-led stewardship of shared water resources.

Sanjeevani Institute for Empowerment and Development (SIED)

HUF has supported SIED to address water and income insecurity helping farmers build more resilient livelihoods.

In Dhule, Maharashtra the efforts aim to integrate traditional knowledge with modern water management practices, to improve irrigation access, enhance farmers' capabilities, and empower them through collective market-based institutions.

Agriculture remains the primary livelihood for most tribal households. In recent years, many farmers have shifted towards input-intensive cash crops, mirroring larger farmers. While this has delivered short-term financial gains, it has also increased pressure on limited water resources, making farming systems unsustainable over the long term.

To address these challenges, the programme focuses on strengthening both water and income security through water budgeting, regenerative soil practices and improved market linkages. It aims to improve irrigation access, build farmers' ability to monitor water and input use, as well as encourage informed decision-making on crop choices, farming practices and water use.

A strong emphasis is placed on empowering farmers through collective, market-based institutions that enhance bargaining power and income stability. With technical support from the Foundation for Ecological Security (FES) - in collaboration with government departments and Tata Trusts, the programme will cover 36 villages, building a more resilient and sustainable agricultural ecosystem in Dhule.

Impact created 2024-2025

4.1
billion litres of water potential created

257,316
person-days generated

11,971.9
tonnes of additional annual agricultural and biomass production achieved

Community in Action

When Communities Read the Water: Data, Stewardship, and Shared Futures

Across project villages, water security is no longer viewed as an external intervention, it has become a shared community responsibility. Villagers are not just participants but; informed decision-makers who monitor, interpret and act on their own water data. Through community-led systems that track groundwater levels and recharge performance, villages are fostering transparency, accountability and long-term resilience, laying the foundation for intergenerational water sustainability.

Community-Led Water Monitoring and Stewardship

Water level monitoring is led by a Community Resource Person (CRP), a trusted local resident selected through a participatory process. Selection criteria include familiarity with local geography and demographics, minimum secondary-level education, literacy in the local language and strong communication skills. Most importantly, the CRP is someone the community trusts to guide and influence collective action around water use and conservation.

This locally anchored approach ensures that water monitoring remains community-owned and transparent. Villagers rely on real-time groundwater and recharge data collected by the CRP, strengthening shared stewardship of common water resources and reinforcing their role as custodians of local water systems.

Visible Improvements in Water Availability and Recharge

Communities have reported clear improvements in water availability following HUF-supported interventions. Supply-side measures, such as the construction of water harvesting structures and the restoration of traditional water bodies, have significantly improved groundwater recharge.

These improvements are made visible and credible through regular, community-managed monitoring of well water levels.

At the same time, communities have recognised—through their own data—that supply-side solutions alone are not sufficient. Demand-side measures, including efficient water use and informed crop planning, are equally critical. Together, these integrated measures have enabled expanded of double-cropped area, increased agricultural production and higher yields per unit area, directly linking responsible water use to improved livelihoods.

HUF's Role: Enabling Knowledge, Capacity, and Collective Action

HUF's role extends beyond funding, acting as a knowledge and capacity-building partner to strengthen both institutions and communities. Through technical support, documentation and reporting assistance, the programme has embedded data-driven decision-making at the village level.

In partnership with FES, HUF has supported the development of tools such as the Composite Landscape Assessment and Restoration Tool (CLART), which helps identify suitable locations for recharge structures. Well water level monitoring applications place real-time data directly in the hands of communities, while the Crop Water Budgeting Tool (Water Game) enables villagers to collectively assess water availability and plan cropping decisions accordingly.

Hands-on trainings for CRPs ensure that these tools are not only accessible but actively used, fostering local analysis and informed planning.

Securing the Future, One Village at a Time

By placing water data and decision-making authority with communities, the programme has transformed how water is, managed and governed.

These community-led systems reflect the vision of 'Empowered Communities, Secured Futures', where local stewardship of water resources is building long-term resilience and prosperity.

Case Study

How Torankudi Turned Data into Determination

When Water Began to Disappear

Torankudi, a small village in Sakri block, faced chronic water scarcity despite average rainfall. Every summer, women travelled long distances for drinking water, while farmers watched crops fail as groundwater declined. Poor water retention, uncontrolled borewell extraction, and water-intensive cropping and uncontrolled borewell extraction reduced aquifer recharge.

Although groundwater remained the village's primary lifeline, it was largely invisible, unmeasured, and unmanaged. Individual decisions, made without collective understanding of water availability, gradually pushed the village deeper into crisis.

The impacts extended beyond agriculture. Irrigation failures became frequent, livestock faced water shortages, and most farms supported only one rain-fed crop. Seasonal migration became a survival strategy. The paradox lay in the fact that the community depended heavily on groundwater but had no visibility of its availability or depletion.

The Arrival of Water Literacy

In 2023, Sanjeevani Institute for Empowerment and Development (SIED), with financial support from Hindustan Unilever Foundation (HUF), launched a water security programme in Torankudi. Rather than focusing solely on infrastructure, the initiative framed as a shared human behaviour-linked resource.

The programme began with water literacy. Villagers were encouraged to ask simple but important questions: How much water do our wells hold? How much do we use each season? Are we extracting more groundwater than can be replenished?

Learning Through Play, Planning Through Data

To answer these questions, SIED introduced a participatory tool called the 'Water Budget Game'. The exercise proved transformative as villagers participated, debated, and arrived at conclusions.

In the first round, families used water independently. Without coordination, reserves were quickly exhausted. Some farmers consumed more water, while others lacked enough for their crops.

In the second round, shared water data changed decision-making. Villagers estimated groundwater availability, discussed recharge potential, and aligned crop planning with available resources. For the first time, groundwater became visible, measurable, and understood as a common resource requiring collective stewardship.

Through the exercise, villagers learned to prepare seasonal water budgets and balance between extraction and recharge. They also recognised the importance of preserving water surpluses for future uncertainty.

A New Way of Farming and Sharing

As awareness of water availability increased, community behavior began to shift. During planning sessions linked to the exercise, farmers recognised the value of collective decision-making. Information about wells, groundwater levels, and recharge patterns was openly shared. Crop choices began to be guided by water availability, not tradition alone.

Farmers also adopted drip irrigation for better water efficiency. With project support, 44 farmers installed drip irrigation systems. Encouraged by improvements in water efficiency and crop stability, 40 more farmers adopted the same technology independently.

Cropping patterns gradually evolved. Instead of relying on long-duration grain crops, farmers shifted to vegetables like tomatoes, chillies, and brinjal, which required less irrigation and provided more stable income. Water budgeting enabled protective irrigation during the summer, sustaining productivity despite water stress.

The Rise of Community Stewardship

The most significant transformation was social, not technological. Villagers no longer saw groundwater as a resource limited to borewell owners. Through collective monitoring of wells, discussions on recharge, and the preparation of village water budgeting, the community recognised groundwater as a shared inheritance.

Community Water Budgeting

Communities lead their own water planning, deciding how to allocate and conserve resources based on shared priorities.

Society for Upliftment of Villagers and Development of Himalayan Areas (SUVIDHA)

In Budaun, Uttar Pradesh HUF is supporting SUVIDHA to address groundwater depletion and improve water security by promoting water use efficiency.

Located in the lower Ganga–Ramganga inter-basin, Budaun is known for its fertile land, but rapid population growth and rising agricultural demand have strained its water resources. Despite being between two river basins, the district depends heavily on groundwater, with nearly 91% of irrigation sourced from borewells, leading to fast aquifer depletion. Inefficient irrigation practices, erratic rainfall and shifting monsoon patterns have further weakened traditional farming systems.

To address these challenges, the programme focuses on improving groundwater efficiency and reducing dependence on it. A network of 280 Jal Sakhis and Jal Mitras works with lead farmers to set up demonstration farms as learning sites for efficient irrigation without loss of productivity. The initiative also promotes climate-smart paddy practices to conserve water and build resilience. In parallel, Water and Environment Groups (WEGs) have been formed to strengthen community-led water stewardship.

Impact created 2024-2025

10.5
billion litres of water potential created

71,375.5
person-days generated

9,473.6
tonnes of additional annual agricultural and biomass production achieved

Community in Action

From Silent Assets to Shared Priorities

For years, the village pond remained silted, underutilised and excluded from any shared water security plan. With guidance from the Water and Environment Group (WEG) and emerging local leadership, the community gradually moved from passive observation to active ownership.

Through open village meetings, residents collectively identified the causes of seasonal droughts and drainage issues, revealing how fragmented decision-making had weakened resilience over time. For the first time, pond restoration through desilting emerged not as an external intervention but as a community-defined priority for climate resilience.

Planning Together: How the Village Built Its Water Budget

The village adopted a Participatory Rural Appraisal (PRA) approach to develop and regularly update its water budget, grounding planning in local knowledge and collective decision-making. Villagers carried out resource mapping and transect walks to assess water bodies, drainage channels and recharge zones, helping identify storage gaps and bottlenecks. Temporal mapping aligned crop water needs with rainfall patterns and irrigation availability, especially for the high-demand Rabi season.

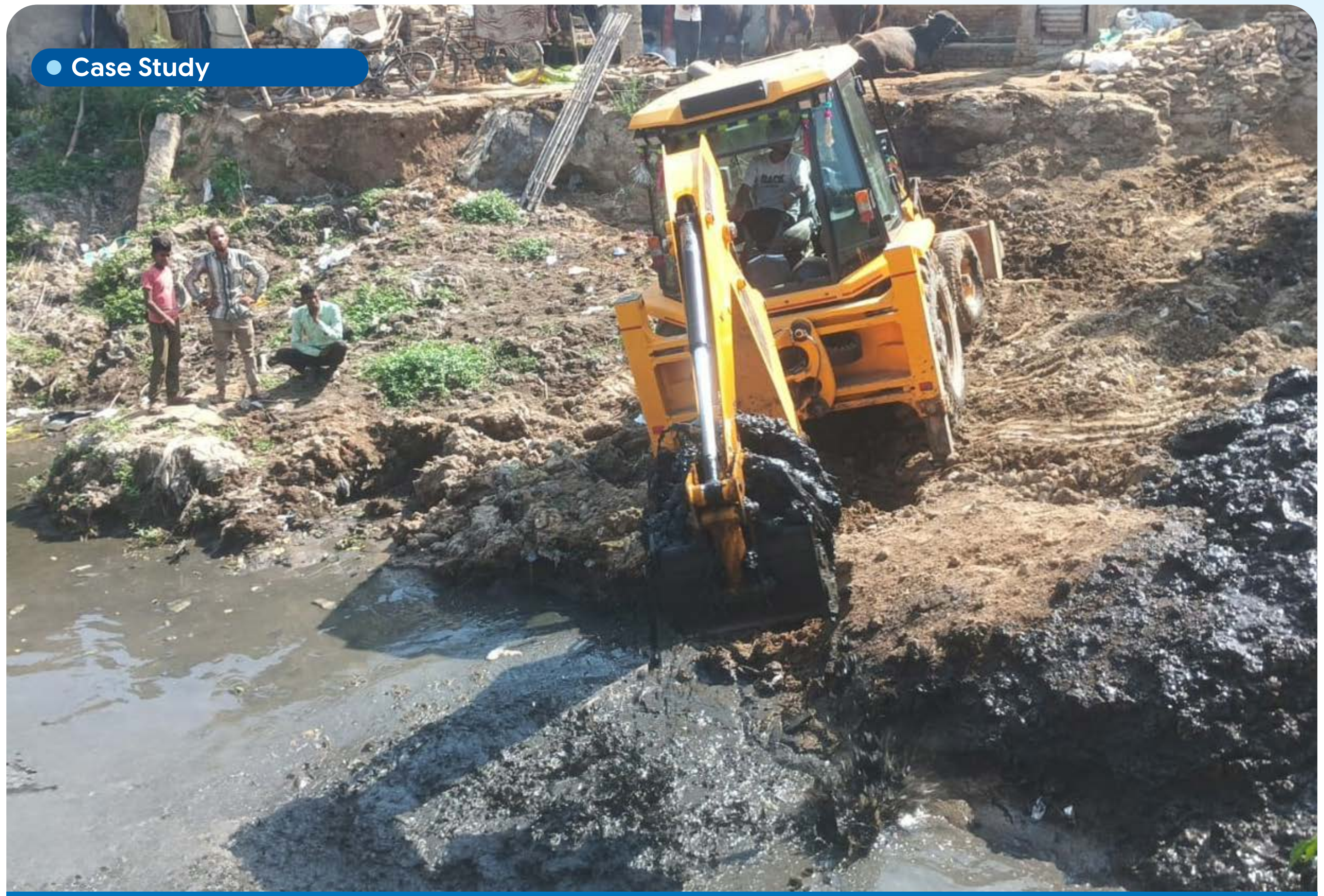
Local knowledge was central, with elders contributing long-term observations on groundwater decline and changing weather patterns to establish practical baselines. These insights were further strengthened with block-level hydrological data, ensuring the water budget was both community-owned and technically robust.

Partnership That Enabled Community Leadership

The HUF-supported programme focused on building awareness, confidence and local capacity. Through the Water and Environment Group (WEG), villagers developed a clearer understanding of water availability, usage patterns and planning processes in practical terms.

The programme combined technical guidance with a structured water budgeting approach while keeping decision-making community-led. Ongoing capacity building strengthened participation, encouraged dialogue and sustained engagement.

As a result, the village shifted from unplanned water use to a more organised, informed and community-driven system of water management. Water planning has become collective, deliberate and forward-looking, with the community taking ownership of its water future through its own budgeting processes.



How a Village Pond **Became the Heart of Climate-Resilient Farming in Daftra**

A Forgotten Resource

In Daftra village, Asafpur block, a once-vital pond that supported daily life had been neglected for over 50 years. Over time, it became silted and was used for greywater disposal from nearly 30 households. Its original storage capacity of about 1,500 cubic metres was significantly reduced, limiting its role as a usable water resource.

Understanding the Challenge

The turning point came with the introduction of Participatory Rural Appraisal (PRA) and community water budgeting under the HUF-supported programme. The assessment showed that Daftra was a water-deficit village, with poor local water management further aggravating the situation.

Community Ownership Sparks Action

The community developed a plan to restore the pond through desilting, structural repairs and reducing greywater inflow. As work progressed, its storage capacity increased to nearly 1,700 cubic metres. Once restored, the pond was able to effectively harvest monsoon rainwater, emerging as a cleaner, safer and more reliable community asset.

The rejuvenation addressed immediate environmental and health concerns while also creating a reliable water source for agriculture.

Linking Water Security to Farm Productivity

The restoration effort was complemented by climate-resilient agricultural practices. Across 123 farm plots, farmers adopted improved techniques such as line sowing, seed drilling, better crop varieties and raised bed cultivation, enhancing productivity while optimising water use.

A Model of Collective Resilience

Daftra's experience shows how community-led planning, supported by technical guidance, can turn long-standing challenges into opportunities for sustainable development. By reclaiming ownership of water resources and aligning agricultural practices with local conditions, the village has built a strong foundation for resilient water governance.

Government Convergence and Community Ownership

Village institutions now mobilise schemes and partnerships independently, ensuring that solutions are locally designed, implemented and sustained.

Transform Rural India (TRI)

HUF is supporting TRI in the implementation of large-scale water security initiative across six aspirational districts in southern Chhattisgarh. Despite receiving moderate to heavy rainfall, much of it is lost to surface run-off, low soil moisture retention and soil degradation, limiting agriculture beyond the monsoon season and constraining rural livelihoods.

To address this, the programme strengthens village institutions and enables communities to manage their own water resources. Community-Based Organisations (CBOs) lead planning and implementation using Integrated Natural Resource Management (INRM) principles.

A key focus is convergence with government schemes such as MGNREGS and NRLM. Instead of working in isolation, these are aligned with community plans to channel public investment into locally relevant soil and water conservation measures. This supports the creation of durable assets like check-dams and ponds while also generating employment.

Impact created 2024-2025

26.9
billion litres of water potential created

1,009,666
person-days generated

8,628.3
tonnes of additional annual agricultural and biomass production achieved

Community in Action

Community Ownership Driving Government Convergence

Village institutions in collaboration with SHGs independently planned and mobilised government resources for water security. A recharge system was implemented under MGNREGS, including a check dam, Staggered Contour Trenches (SCTs) and Continuous Contour Trenches (CCTs). Existing percolation tanks were desilted, and runoff from a seasonal nallah was used to recharge dug wells and borewells.

Works were aligned with local labour demand under MGNREGS, combining livelihood generation with asset creation. Women-led SHGs also took a central role in water-use planning and crop scheduling, ensuring equitable and sustained management.

Confident Community Engagement with Government Systems

Communities actively engaged with government departments throughout the process. Cluster Level Federations (CLFs) supported mobilisation and coordination with Panchayati Raj institutions. Village development plans were submitted to the Gram Sabha and reviewed through Block Level Coordination Committee meetings.

Trainings were conducted on water budgeting, groundwater monitoring and crop planning based on soil moisture. Convergence across government programmes strengthened impact: MGNREGS generated employment through trenching and desiltation, Jal Jeevan Mission (JJM) facilitated the integration of recharge structures with a proposed piped water supply system, and the National Rural Livelihoods Mission strengthened SHGs as institutions for water governance.

Catalysing Community-Owned and Sustainable Water Governance

The HUF-supported programme played a facilitative role, strengthening community capacity for planning, convergence and long-term management. Technical support and institutional linkages enabled communities to lead decision-making.

The result is a model in which communities design, implement and sustain water security interventions, leveraging government schemes and strengthening long-term resilience.

Case Study

Dhanelikanhar Village **Reclaims Its Water, Crops, and Confidence**

A Village on the Brink: Climate Stress and Collapsing Livelihoods

Dhanelikanhar village in Kanker block, Chhattisgarh, experienced declining water availability over three years of erratic monsoons. Unpredictable rainfall reduced soil moisture and rapidly depleted groundwater.

Agriculture was severely affected, with Rabi cultivation falling from 16.2 hectares in 2020 to just 2.0 hectares by 2024 as water sources failed beyond the monsoon. Dug wells, the main irrigation source, retained water for only about 15 days after the rains.

The livelihood impact was severe, households faced food shortages and marginal farmers migrated seasonally for work. Women and the elderly were left to manage households and fetch water from distant sources.

The Turning Point: Convergence Meets Collective Will

Change began when village institutions took the lead in addressing the crisis. The Gram Panchayat, Self-Help Groups (SHGs) and the Water Committee jointly assessed local conditions and prepared a village water management plan.

Importantly, the plan was not externally imposed. It emerged through Gram Sabha discussions, where the community identified priorities, selected sites and aligned interventions with available government schemes.

Building Water Security: Restoring the Landscape, One Structure at a Time

The village implemented a set of technically designed interventions across 25 hectares to improve water retention and recharge, including Staggered Contour Trenches (SCT), Continuous Contour Trenches (CCT), Water Absorption Trenches (WAT), farm ponds and recharge structures along seasonal drainage lines.

These measures reduced runoff, improved groundwater recharge and significantly enhanced soil moisture. A seasonal nallah was also converted into a functional water-harvesting system.

Reviving Rabi, Rebuilding Livelihoods

Improved water availability directly revived agriculture. Wells that earlier dried up by December now retained water until March.

As a result, Rabi cultivation expanded from 6.07 hectares to 16.19 hectares in the 2025–26 season, with 143 farmers resuming winter cropping across 210 households.

With farming opportunities restored, seasonal migration fell by nearly two-thirds, while households saw improved food security and more stable incomes.

Women at the Helm: Inclusive Leadership, Stronger Outcomes

Women played a central role throughout the process, making up over 52% of participating farmers, with SHGs actively involved in planning and decision-making. Eight SHGs, along with the Water Committee and Gram Panchayat, now oversee water-use planning and asset management.

From Distress to Resilience: A Village Leads the Way

Before the intervention, Dhanelikanhar reflected rural distress, marked by dry wells, shrinking cultivation and migration-driven livelihoods. Today, it stands as a model of community-led drought resilience.

Low-cost, locally owned water harvesting structures have reshaped the landscape. Government schemes have converged effectively, while village institutions have led planning, implementation and long-term management.

The village's journey shows that when communities are empowered and systems are aligned to support them, secure futures are not given—they are collectively built.

Women-Led SHG Governance

Women's groups set rules, drive decisions, and steward community assets, strengthening inclusive local governance.

Voluntary Association of Agricultural General Development Health and Reconstruction Alliance story (VAAGDHARA)

HUF is supporting VAAGDHARA to strengthen water security and agricultural resilience in the tribal blocks of the Banswara district, Rajasthan.

The model blends traditional practices like Hangadi Kheti and Halma with modern tools such as water budgeting, rainwater conservation and data-driven village planning.

Located in the upper reaches of the Mahi basin, the region receives 800–1200 mm of annual rainfall, but most of it falls within a short 30–45-day window, leading to 60–70% runoff. This reduces year-round water availability and accelerates soil erosion by stripping fertile topsoil. Despite agriculture being the primary livelihood, irrigation coverage remains limited at 9–29%.

To address these challenges, the programme focuses on strengthening local water governance through Gram Sabha-led planning and implementation of water conservation structures. It promotes water-smart agriculture through trained *Jal Doots and Jal Swarajis* who drive water literacy, conservation practices and revival of traditional Hangadi kheti (multi-cropping).

Impact created 2024-2025

7
billion litres of water potential created

372,188.9
person-days generated

4,138
tonnes of additional annual agricultural and biomass production achieved

Community in Action

From Participation to Ownership: Women Driving Water Security

Across programme villages, SHG women are emerging as independent managers of water-related assets, marking a shift from participation to ownership. Through regular SHG platforms, they identify local water challenges, prioritise solutions and mobilise financial and labour contributions to restore and protect water structures.

They co-create proposals, manage funds linked to government schemes, coordinate community labour and oversee on-ground implementation. By supervising works, organising shramdaan and ensuring day-to-day operations, SHG women actively steward water assets as shared community resources, strengthening agricultural livelihoods through local planning and maintenance.

Inclusive Decisions, Stronger Futures

SHGs are increasingly driving confident and inclusive local governance. Women's groups engage directly with Panchayat institutions, present community priorities in Gram Sabha forums and link local water needs to public programmes such as Mahatma Gandhi NREGS.

These decisions are taken collectively within SHGs and placed through formal democratic processes with transparency and accountability. Beyond infrastructure outcomes, SHG-led initiatives are influencing livelihood patterns by reducing seasonal migration, enabling Rabi cultivation and stabilising household incomes.

Through these efforts, women are shaping not only water governance but also the economic resilience and dignity of their communities.

Enabling Leadership Through the HUF-Supported Programme

The HUF-supported programme has played a catalytic role in enabling women-led governance. Through awareness building, capacity development and institutional strengthening, it has reinforced SHGs and Gram Swaraj Samuh platforms as spaces for informed decision-making.

Women have gained practical knowledge of sustainable water management and a clearer understanding of governance processes, enabling them to engage confidently with Panchayats and align community priorities with government schemes. Rather than directing decisions, the programme has created conditions for women to lead–as informed decision-makers, custodians of community resources and drivers of long-term water security.

Case Study

When a Quiet Voice Reclaimed a Village's Water

From Shared Concern to Collective Resolve

In 2024, during a Gram Swaraj Group meeting in Bijalpur village under Gram Panchayat Godawada Narang, discussions centred on rising water scarcity. Among those present was 46-year-old farmer Daya Bai, whose family of five depended on eight bighas of rain-fed land with no assured irrigation, leading to seasonal migration and underutilised fields.

A check dam built in 2013, once critical for irrigation, had become heavily silted and ineffective despite its potential to support multiple households. Within SHG meetings, this shared challenge evolved into collective reflection, leading women to ask: what if the check dam could be revived?

This idea was translated into action. In the next Gram Swaraj meeting, the women collectively developed and submitted a formal proposal to deepen the structure through the Gram Panchayat at the Gram Sabha on 26 January. What began as a discussion on water scarcity became a moment of leadership, with women stepping forward to reclaim a vital community asset.

Work Begins: Water Security Becomes Community Work

The proposal was approved under the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), and work began soon after. Over nearly two months, around 70 families from nearby habitations found local employment, generating about 2,200 person-days of work.

At a time when migration would typically peak, this work provided a strong alternative livelihood option. The deepening of the check dam became a collective effort, with Daya Bai and other Saksham Samuh (SHG) members closely involved in coordinating labour, arranging drinking water and supporting daily operations.

Community members also contributed through voluntary Halma, jointly cleaning and strengthening the structure. What was once a neglected asset was transformed into a symbol of shared ownership and collective action.

When the Rains Came, So Did Change

With the arrival of the monsoon, the impact became immediately visible. The check dam filled and, for the first time in years, retained water for an extended period, providing both irrigation and renewed confidence.

That year, many families who would typically migrate stayed back to cultivate their land. During the Rabi season, 62 bighas of land connected to the check dam were brought under cultivation.

Fourteen farmers representing 15 families, including Daya Bai, grew crops such as gram, wheat, maize, peas and lentils. Land that once depended solely on rainfall now had reliable water access, leading to higher production and improved household incomes.

Beyond Crops: Wider Impacts on Water and Livelihoods

The benefits extended beyond agriculture. Water retained in the check dam supported groundwater recharge, raising water levels in nearby wells, hand pumps and borewells. Irrigation became more efficient, and livestock had better access to water.

Migration patterns also shifted significantly, with families that earlier migrated for six months now migrating for only about two months, allowing more time on their own land and with their families.

A Woman at the Centre of Change

At the heart of this transformation is Daya Bai–not as a beneficiary but as a leader. She continues to engage with other women through the Saksham Samuh, encouraging collective action and sustainable practices.

Her journey reflects how leadership can emerge quietly through dialogue, persistence and shared purpose.

Sustainable Infrastructure and Integrated Livelihoods

Strengthening climate-resilient water and natural resource infrastructure that communities collectively manage to support diversified, stable and sustainable long-term livelihoods.

Watershed Organisation Trust (WOTR)

HUF is supporting WOTR in implementation of a comprehensive water stewardship and livelihood enhancement programme in the Etapalli block of Gadchiroli, an aspirational district characterised by predominantly tribal communities, fragile socio-economic conditions and chronic water stress.

Gadchiroli faces erratic rainfall, declining groundwater and limited water-harvesting infrastructure, making rain-fed paddy cultivation both high-risk and economically unviable.

To address these challenges, the programme spans 30 villages, focusing on strengthening water security and enabling sustainable livelihood diversification. Communities are being trained in integrated water resource management, climate-resilient agriculture and natural resource practices, alongside efforts to develop and restore water infrastructure for agriculture and allied activities.

A key pillar is livelihood diversification, with farmers adopting integrated systems such as horticulture, orchards, fisheries and poultry to improve resilience and incomes. The programme is driven at the grassroots by *Wasundhara Sevaks*—trained local youth who lead planning, implementation and mobilisation.

Strong collaboration with the district administration ensures convergence with schemes such as *Jalyukt Shivar*, *Galmukt Dharan and Galyukt Shivar* and MGNREGS, while the revival of traditional water bodies (*Bodis/Mama Talaw*) is improving water retention and soil moisture. Together, these efforts are fostering inclusive, community-led development and long-term resilience in Gadchiroli.

The programme will achieve the following

9.6
billion litres of water potential to be created

4,212
tonnes of agricultural yield

430,600
person-days of employment

Community in Action

When Water Returns, Livelihoods Flow

Community Stewardship of Sustainable Infrastructure

Community institutions, led by the Gram Sabha, play a central role in managing and maintaining water-related infrastructure that supports integrated rural livelihoods. Village-level plans have been collectively developed for the management of both private and community ponds, with a shared focus on conserving water for livestock during the lean summer months.

Today, around 60–70% of farmers in the village have access to these ponds, which also support irrigation needs during the Kharif season.

Beyond irrigation, these water bodies are increasingly being used for fish farming, creating an additional and reliable livelihood stream for households. Communities recognise that regular desilting and deepening of ponds improves productivity, and there is strong willingness among farmers to invest in these efforts, including financial contributions towards improving irrigation infrastructure and maintaining shared assets. At the same time, communities have expressed the need for technical guidance in fisheries management, seen as a pathway to enhance local incomes and livelihood resilience.

Collective Decisions Action to Strengthen Water-Linked Livelihoods

During the year, the Gram Sabha has prioritised water conservation as a critical foundation for long-term livelihood sustainability. Collective decisions have focused on expanding water conservation initiatives across the village, leveraging support from both government schemes and social organisations.

However, due to delays and quality concerns in certain government-led interventions, the community has chosen to strengthen partnerships with social organisations capable of delivering timely and effective outcomes.

Farmers have collectively recognised that reliable access to water translates directly into higher and more diversified incomes and improved living standards.

At the same time, the programme's engagement with government stakeholders has helped improve access to public schemes and entitlements for intended beneficiaries, reinforcing institutional accountability and supporting long-term sustainability.

Enabling Role of the HUF-Supported Programme

The HUF-supported programme played a catalytic role in enabling communities to plan, invest in, and govern sustainable infrastructure and livelihood systems. Through exposure visits, farmer training programmes, village-level institutional strengthening, and frequent regular field interactions, the programme motivated encouraged community members to take direct ownership of water conservation and livelihood enhancement efforts.

As a result, households have been able to increasingly diversify their income sources through complementary activities such as poultry farming, goat rearing, fisheries, alongside agriculture. These integrated livelihood systems have contributed to measurable improvements in household incomes and overall living standards.

Simultaneously, the programme-led engagement with government stakeholders has helped ensure that improved access to public schemes and entitlements reach for the intended beneficiaries, thereby reinforcing institutional accountability and supporting long-term sustainability.

Case Study

From Rain Dependence to Resilient Livelihoods
Building Sustainable Water Infrastructure in Etapalli, Gadchiroli

Reimagining Infrastructure Through Community Partnership

In FY 2025–26, a large-scale water conservation initiative was undertaken to improve water capture, storage and utilisation. Rather than creating new infrastructure, the programme focused on revitalising existing natural resource assets by deepening 96 traditional ponds, locally known as bodis. Previously underutilised due to shallow depth, these structures were transformed into climate-resilient water assets.

Completed within three dry-season months, the initiative created an additional storage capacity of 2,18,870 TCM through an investment of ₹1.36 crore, supported by a community contribution of ₹9.5 lakh. Strong community participation reflected a growing sense of collective ownership and responsibility for sustainable water management.

By capturing excess monsoon rainfall and redistributing it over time, these structures help convert unpredictable rainfall into a more reliable water resource.

Strengthening Livelihoods Through Integration

The impact of the intervention extends beyond improved water storage. Reliable irrigation during critical crop stages is expected to raise paddy yields from 15–20 quintals per hectare to 20–25 quintals per hectare, while significantly reducing the risk of crop failure. It is also enabling farmers to complete the Kharif cycle and gradually explore Rabi cultivation and vegetable farming.

The initiative has also strengthened allied livelihoods. With water availability increasing from 4–5 months to nearly 9–10 months annually, fisheries are shifting from a seasonal activity to a more stable, year-round income source. Improved water retention has enhanced fish survival rates and created opportunities for higher earnings. Greater access to water is also enabling increased participation of women in fish rearing and irrigated agriculture, supporting income diversification and strengthening economic agency within the community.

Looking Ahead

As climate risks intensify, such models offer a clear pathway for building resilient rural economies by combining investment in natural resource infrastructure with community ownership and integrated livelihood development.

For regions like Gadchiroli, this is more than a climate adaptation measure–it represents a shift towards sustainable, self-reliant and economically resilient rural communities.

HUF-PRABHAT

Under the Prabhat water pillar, HUF is supporting civil society organisations to strengthen community water security around HUL manufacturing locations. While HUF designs the overall programme framework, on-ground execution is led by the Prabhat team with support from supply chain and employee relations teams.

prabhat
'A community initiative of Hindustan Unilever Limited'

Among its core implementing partners, BAIF Development Research Foundation (BAIF) and Parmath Samaj Sevi Sansthan (PSSS) have played a key role in improving water access and farmer livelihoods.

In collaboration with HUL factory locations in Khamgaon, Silvassa and Gandhidham, BAIF has covered 36,319 hectares and benefited 18,619 families. The programme has also created 613 water structures, improving 943 hectares of catchment area.

Farmer capacity building remains central, with 3,791 farmers trained through demonstration plots and input support across 3,556 hectares. In addition, 17 para-professionals have been developed to support implementation, maintain infrastructure and provide ongoing advisory services, ensuring long-term sustainability.

Similarly, PSSS, operating around HUL factory sites in Etah and Hamirpur, has focused on decentralised, community-centred water stewardship. It has helped form and strengthen 20 Pani Panchayats, enabling participatory planning and local ownership of water resources.

Twenty women's groups, involving over 250 rural women, are actively engaged in water governance, village decision-making and climate resilience, ensuring women's leadership remains central to the programme.

To improve water availability, 17 water harvesting structures have been developed, rooftop rainwater harvesting systems, spillways and rejuvenated ponds. In addition, 3,000 saplings have been planted to support ecological restoration and groundwater recharge.

Together, these efforts demonstrate how community-centric water management can enhance agricultural productivity, strengthen livelihoods and build long-term resilience.

Climate-Smart Agriculture and Soil Testing

Farmers use climate-resilient practices and soil insights to make informed, autonomous decisions that secure their land and livelihoods.

BAIF Development Research Foundation (BAIF)

Impact created 2024-2025

7.2
billion litres of water potential created

40,629
person-days generated

923.8
tonnes of additional annual agricultural and biomass production achieved

Community in Action

Farming with Foresight

Farmers Taking the Lead in Climate-Smart Choices

Across programme villages, farmers are adopting climate-smart and water-efficient practices, making informed decisions based on what they observe working in their own fields rather than relying on external recommendations.

Following results from demonstration plots in paddy and high-value vegetables, many have independently scaled up practices such as improved seed varieties, water-efficient tillage, seed treatment, line sowing, integrated nutrient management and drip and sprinkler irrigation guided by scientific scheduling.

Visible gains in productivity and reduced climate risk have driven rapid peer-to-peer learning, with adoption expanding to 1,104 farmers through 229 demo plots during the year covering Kharif and Rabi season, noting a ~5 times of demo to adoption ratio.

Measurable Gains: Yield, Soil Health, and Income Stability

The transition to climate-smart agriculture has delivered clear, measurable benefits. Farmers reported yield increases of 35–40%, with a combined production of 763 quintals from paddy and vegetables.

Improved soil management has also been critical, with regular soil testing and crop-specific nutrient advisories enabling a shift from indiscriminate fertiliser use to precise, need-based application. This has reduced input costs while improving soil health.

Better water and soil practices have strengthened resilience to erratic rainfall and dry spells, leading to more stable incomes and improved crop quality. Through Farmer Field Schools (FFS), farmers have further deepened their understanding of soil–crop–water relationships, strengthening their ability to make independent, informed decisions.

From Support to Self-Reliance: The Role of the HUF-Supported Programme

The HUF-supported programme has provided technical guidance, initial funding and continuous on-ground engagement to ensure effective implementation. Regular field visits, monitoring and feedback loops have helped farmers refine practices based on real-time conditions.

Beyond technical inputs, it has invested in capacity building through training sessions, exposure visits and knowledge-sharing platforms, fostering a strong culture of peer learning among farmers.

Importantly, the programme has supported a shift in identity—from beneficiaries to decision-makers—strengthening resilient, climate-smart agricultural systems.

Empowered Communities, Secured Futures

By combining climate-resilient practices with improved soil and water management, farmers are regaining control over their land and livelihoods. Their ability to interpret soil health data, optimise water use and adapt to climate variability reflects growing empowerment.

Case Study

Madhu Savan Patara's
Journey with Improved Vegetable Cultivation

Farming Against the Odds

Madhu Savan Patara, a tribal marginal farmer from Khedpa village on the Maharashtra–Dadra & Nagar Haveli border, has long faced the challenges of farming in a difficult landscape. The region's hilly, rocky terrain, poor soil quality and high erosion have made agriculture uncertain and highly rainfall-dependent.

Like most families in the village, he traditionally cultivated paddy, earning a modest and unstable income, but remained determined to improve his situation and explore new opportunities.

A Turning Point: Learning Beyond the Village

Madhu's journey took a new direction when he joined the Prabhat Programme, supported by Hindustan Unilever Foundation (HUF) and implemented by BAIF. An exposure visit organised under the programme introduced him to new farming possibilities.

Encouraged by what he observed, Madhu actively participated in training sessions, village meetings and field demonstrations. Regular interactions with the Community Resource Person (CRP) helped him develop a strong understanding of scientific vegetable cultivation and standard Packages of Practices (PoPs).

Putting Knowledge into Practice

With targeted support from the programme, Madhu began vegetable cultivation for the first time. He received essential inputs including a mandap kit, drip irrigation system, vermicompost unit and mulching sheets.

He adopted recommended practices such as proper land preparation, seed treatment, use of organic manure and bio-fertilisers, timely weeding and scientific irrigation scheduling. With regular guidance from the BAIF team, he implemented these practices with confidence and consistency.

Harvesting Results: Income, Confidence, and Ownership

The results were remarkable. From just 0.48 hectares, Madhu harvested 4.8 tonnes of bitter gourd (₹87,350), 0.85 kg of chilli (₹19,750) and 5.7 tonnes of watermelon (₹81,500).

His total net income reached ₹188,600, significantly higher than his earlier earnings from paddy cultivation. Demonstrating strong ownership, he also contributed ₹13,400 towards programme costs and maintenance.

Chilli cultivation continues on his farm, offering sustained income in the coming season.

Beyond Earnings: A Farmer Becomes a Change-Maker

Beyond financial gains, Madhu's journey has built confidence, technical knowledge and pride in his work. Today, he makes informed farming decisions and actively shares his learning with fellow farmers.

His success has also inspired others in the village to adopt improved practices and explore crop diversification, creating a ripple effect beyond his own farm.

Village Ownership

Village institutions now mobilise schemes and partnerships independently, ensuring that solutions are designed, implemented, and sustained locally.

Parmath Samaj Sevi Sansthan (PSSS)

Impact created 2024-2025

9.9
billion litres of water potential created

90,067
person-days generated

861.6
tonnes of additional annual agricultural and biomass production achieved

Community in Action

How Pani Panchayat Is Securing Community-Led Water Futures

Pani Panchayat: A People-Owned Institution for Water Security

The Pani Panchayat is a community-led water governance institution that places decision-making in the hands of villagers. Built on inclusive representation of SC/ST members, women, smallholders and the landless, it ensures diverse voices shape water planning, use and conservation.

Community members collectively lead planning, execution and monitoring of water interventions. Sites are selected using scientific criteria aligned with local needs and technical feasibility. The institution also mobilises resources through convergence with the Gram Panchayat and government departments, alongside community contributions through *shramdaan* and local inputs.

As a result, the community acts as the custodian of its water security system, ensuring local ownership, accountability and long-term responsibility for shared resources.

Learning Together, Leading Sustainability

Members of the Pani Panchayat continuously build their capabilities through structured training, exposure visits and peer-to-peer learning, ensuring knowledge remains within the community.

Decisions are guided by water budgeting and data-based planning, helping align water availability with crop choices and seasonal priorities. The community has also adopted bio-farming practices such as Jeevamrit across more than 60.7 hectares, improving soil health and reducing dependence on external inputs.

Recharge structures in the upper catchment have further strengthened groundwater sustainability, contributing to long-term water security.

Partnership That Enabled Community Control

The HUF-supported programme has supported the formation and strengthening of Pani Panchayat institutions while reinforcing community leadership.

By providing technical frameworks for water budgeting, feasibility assessments and planning, it has enabled villagers to make informed, evidence-based decisions.

Support for water harvesting and recharge infrastructure has addressed critical gaps, while capacity-building initiatives have strengthened local leadership and sustainability practices. Monitoring, documentation and impact assessment systems have also been established, enabling communities to track progress and adapt over time.

Together, these efforts have created a scalable model of water stewardship rooted in strong local ownership.

The community has adopted bio-farming practices such as *Jeevamrit* across more than 60.7 hectares, improving soil health while reducing dependence on external inputs.

Case Study

From Local Action to Lasting Impact: **Pani Panchayat in Patanpur Village**

A Community Steps Forward

Patanpur village in Maudaha block of Hamirpur district demonstrates community-led water security in action. Its Pani Panchayat embodies shared ownership and equitable decision-making, reflecting the vision of 'Empowered Communities, Secured Futures'.

Leadership Driving Local Solutions

Under the leadership of Chairman Mr. Sahab Singh and Secretary Mr. Santosh Kumar, the Pani Panchayat established a strong system for community-led planning, implementation and monitoring.

Guided by technical assessments, the committee facilitated the construction of pipe spillways and Point Source Recharge (PSR) structures, significantly improving groundwater recharge and water availability across the village.

Convergence That Multiplied Impact

The Panchayat demonstrated strong institutional capacity by working closely with government departments, especially the Irrigation Department. Together, they repaired and strengthened the Badi Bandhi under the Maudaha Dam system, improving water retention and benefiting farmland.

In parallel, resources mobilised through the Gram Panchayat supported the construction of multiple *Jal Rodhak Bandh* structures, further enhancing local storage capacity.

Building for the Long Term

Situated within an upper-catchment watershed, Patanpur has adopted a forward-looking approach to sustainability. The community has invested in additional recharge structures to secure future water availability.

Farmers have also shifted towards climate-resilient agriculture, cultivating low water-requirement crops such as gram, mustard and pea. Following capacity-building efforts, bio-farming practices have expanded significantly, with Jeevamrit now used across more than 60.7 hectares. A committee member, Mr. Munnalal, has emerged as a local champion in vermicomposting, inspiring wider adoption among farmers.

A Model of Community-Owned Water Security

Patanpur's journey demonstrates how strong community ownership, effective local leadership and strategic convergence with government systems can transform a water-stressed village into a resilient, self-reliant ecosystem.

It stands as a reminder that when communities lead, water security becomes not only achievable but sustainable.

Glimpses of the Year

Strengthening Practice Through Shared Standards and Learning

HUF hosted a two-day workshop , bringing together partners ranging from field practitioners to sustainability experts. The sessions focused on co-creating clarity around water potential, impact measurement and agricultural resilience. We explored the updated SOP framework, with emphasis on both demand-side and supply-side methodologies. Discussions included detailed approaches to water-saving calculations and a panel on CSR and impact delivery.

Building Bridges Across Teams and Purpose-Outbound 2026

HUF and partner functions came together for Ripples 2.0, an immersive visit to HUL's Doom Dooma Factory (DDF) in the North-East. The visit included interactions with community initiatives such as Ankur School and Suprabhat ITI. It provided valuable insights into the integration of sustainable manufacturing and social impact. The experience fostered meaningful dialogue, strengthened collaboration and highlighted the interdependence between responsible industry practices and community development.

HUF Wins National Water Award for Community Impact

Hindustan Unilever Foundation (HUF) was recognised as the winner in the 'Water for Community – CSR Initiatives by Industry' category at the ASSOCHAM National Water Awards 2025. This recognition underscores our commitment to water stewardship and community impact. A key contributor was the Evergreen in East programme, implemented with partner PRADAN in the Chota Nagpur plateau of West Bengal. Focused on water conservation and sustainable agriculture, the initiative has benefited over 30,000 farmers.

From the Field to the Global Stage: HUF at World Water Week 2025

HUF marked its debut at World Water Week 2025, hosted by the Stockholm International Water Institute (SIWI). The platform enabled the organisation to share field-level insights on water security with a global audience. The participation reflected HUF's commitment to scaling local solutions to global conversations. Engaging discussions, strong participation, and diverse perspectives made this a significant milestone, reinforcing the organisation's role in advancing sustainable water management.

Strengthening Sectoral Capability Through Digital and Community-Led Learning

PANI (UP) engaged with CIPT (Punjab) in a focused cross-learning initiative. The exchange highlighted the effectiveness of cascading training systems, digital platforms and community-centred engagement in strengthening farmer capabilities. Initiatives such as the Digital Farmer Network (DFN) and Kisan Library demonstrated how access to information can enhance decision-making and improve farm incomes.

Exchanging Regional Knowledge to Build Water and Agriculture Capability

Partners ADS and VAAGDHARA (Rajasthan) visited PANI (UP) for a cross-learning exchange. The visit facilitated knowledge-sharing on region-specific practices and technologies in water and agriculture. Key learnings included the traditional Halma practice from Banswara, the use of hydrogel in Jaipur and the Machan model in Uttar Pradesh.

Advancing Sectoral Effectiveness Through Demonstration, Governance, and Market Linkages

SUVIDHA (Uttar Pradesh) visited DSC (Gujarat) to understand demonstration-led learning, effective water management and community-owned infrastructure. The exchange also highlighted the role of FPOs in strengthening market linkages and value chains. The experience reinforced that resilient livelihoods are built through the integration of water governance, agriculture and market systems, supported by collective action.

HUF's Future Outlook

Scale With Purpose

We will expand proven solutions to drive wider awareness and unlock digital capabilities to enable access to effective strategies that address regional water challenges at scale.

Collaborate for Greater Impact

By aligning, with government priorities, we aim to scale our impact through infrastructure development, more streamlined funding mechanisms and supportive policy frameworks.

Foster Innovation

We will support and invest in innovative solutions that advance water conservation and management, improving access, efficiency and long-term sustainability.

Empower Community Leadership

We will continue to strengthen local leadership by enabling communities to actively govern and sustain water initiatives through active engagement and participative decision-making.

Report of Board of Directors

To the Members,

Your Directors are pleased to present the 16th Report of Hindustan Unilever Foundation (the Company) along with Audited financial statements for the financial year ended 31st March, 2026.

Financial Results

The financial performance of your company for the year under review is given below:

(₹ in lakhs)

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Total Income	4,997.51	5,252.08
Less: Total Expenditure	5,032.54	5,243.17
(Deficit)/ Surplus for the year	(35.03)	8.91

Operational Review

The Company, a subsidiary of Hindustan Unilever Limited (HUL), is a not-for-profit Company that anchors water awareness, access and management related community development and sustainability initiatives of HUL.

The Company operates the 'Water for Public Good' programme, with a specific focus on water conservation, building local community institutions to govern water resources and enhancing farm-based livelihoods through adoption of judicious water practices. The Company supports and amplifies scalable solutions that can help address water challenges and help communities in the hinterland to find solutions to safeguard water resources.

Till now, the Company's programmes have reached over 19,000 villages in 14 states and 2 union territories across India in partnership with NGO partners and multiple co-funders. The Company also supports several knowledge initiatives in water conservation, governance and behaviour change.

New Initiatives in 2025-26

During the financial year 2025-26, the Company initiated a field implementation project to support the developmental priorities of Gadchiroli region, Maharashtra, with water at centre of life and livelihood for the communities.

A holistic water-led livelihood development programme in the Etapalli block in district of Gadchiroli, Maharashtra was initiated with the Watershed Organisation Trust (WOTR) as the implementation partner. The project aims to work closely with the government to drive intensive work on water security, agriculture and aligned livelihoods, built on context and location-specific structures and income enhancement measures.

By the end of financial year 2024-25, the cumulative and collective achievements through partnered programmes of the Company include:

- **Water Conservation:** Over 4.5 trillion litres of water potential created[1].
- **Crop Yield**: Additional agriculture production of over 2.7 million tonnes has been generated[1].
- **Livelihoods**: Over 125.2 million person-days of employment created though water conservation and increased agriculture production[1].

Transfer to Reserves

The Company has not transferred any amount to General Reserve during the year under review.

Report on Performance of Subsidiaries, Associates and Joint Venture Companies

The Company did not have any subsidiary or associate or joint venture company during the year under review.

The Board of Directors (the Board) and Key Managerial Personnel (KMP)

The Board of Directors comprises an appropriate and well-balanced mix of skills and experience to effectively steer the Company's strategic agenda and provide robust governance oversight. The Board composition is in line with the applicable provisions of the Companies Act, 2013 (the Act). As on the financial year ended 31st March, 2026, the Board consists of Mr. Biddappa Ponnappa Bittianda, Director, Mr. Sashidhar Vempala, Director and Mr. Niranjan Gupta, Additional Director and Dr Shraman Jha, Chief Executive Officer (CEO) and Whole-time KMP under Section 203 of the Act.

[1] *Annually assured by an independent external agency.*

During the year under review, the below-mentioned changes have occurred in the composition of the Board, during the year under review:

1. Mr. Ritesh Tiwari (DIN: 05349994) resigned as a Director of the Company with effect from 31st October, 2025.
2. Mr. Niranjan Gupta (DIN: 07806792) was appointed as an Additional (Non-Executive) Director on the Board of the Company with effect from 1st November, 2025 to hold office up to the ensuing Annual General Meeting ('AGM') of the Company.
3. Mr. Srinandan Sundaram (DIN: 07670417) resigned as a Director of the Company with effect from 31st December, 2025.

The Board placed on record, its sincere appreciation for the contributions made by Mr. Ritesh Tiwari and Mr. Srinandan Sundaram during their tenure as Directors of the Company.

Except as mentioned above, there was no change in the composition of the Board and KMP, during the year under review.

Being eligible, Mr. Niranjan Gupta has offered his candidature for being appointed as the Director of the Company. The Board recommends the appointment of Mr. Niranjan Gupta as Director of the Company and the resolution proposing the aforesaid appointment pursuant to Section 152 of the Act and all other applicable provisions (including any modifications or re-enactments thereof), if any, of the Act also forms part of the Notice of the AGM.

Retirement by rotation and subsequent re-appointment

In accordance with the provisions of Section 152 and other applicable provisions, if any, of the Act read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any modifications or re-enactments thereof), one-third of the total Directors, shall retire by rotation at every AGM and accordingly, Mr. Sashidhar Vempala (DIN: 08221413), Director of the Company shall retire by rotation at the forthcoming AGM and being eligible, has offered his candidature for re-appointment.

The Board recommends the re-appointment of Mr. Sashidhar Vempala as a Director of the Company, liable to retire by rotation and the resolution proposing the aforesaid appointments pursuant to Section 152 of the Act and all other applicable provisions (including any modifications or re-enactments thereof), if any, forms part of the Notice of the AGM.

Board Meetings

The Board of Directors meets at regular intervals to discuss and decide on Company's operations, engagement with Project partners, Projects proposed to be undertaken and strategy apart from other Board businesses. The Board Meetings are pre-scheduled and a tentative calendar of each of the Board Meeting is circulated to the Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. However, in case of a special and urgent business need, the Board's approval is taken by passing resolution by circulation, as permitted by law, which is noted and confirmed at the subsequent Board Meeting.

The Notice of Board Meeting is given well in advance to all the Directors. Usually, meetings of the Board are held in Mumbai. The Agenda is circulated a week prior to the date of meeting. However, during certain circumstances Agenda is circulated on a shorter notice with due consent of the Directors. The Agenda for the Board Meeting includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision. The Board is also provided with pre-read notes on agenda items in order to provide them with relevant information before meeting to enable effective participation.

During the financial year ended 31st March, 2026, 4 (four) Board Meetings were held on 16th April, 2025, 18th July, 2025, 20th October, 2025 and 10th February, 2026. The interval between any two meetings was well within the maximum allowed gap of 120 days as per the Act and the requisite quorum was present in each meeting.

During the financial year ended 31st March, 2026, the Board also transacted some of the business by passing resolutions by circulation.

Directors' Responsibility Statement

Pursuant to Section 134(3)(c) and 134(5) of the Act, in relation to the audited financial statements of the Company for the year ended 31st March, 2026, the Directors confirm that:

i. in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;

ii. they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the deficit of the Company for that year;

iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. they have prepared the annual accounts on a going concern basis; and

v. they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

Particulars of Loans, Guarantees, Investments or Security given in connection to the loan

There have been no loans, guarantees or investments made by the Company or security given by the Company in connection to any loan in accordance with the provisions of Section 186 of the Act during the year under review.

Related Party Transactions/ Contracts / Arrangements

The Company received donations from related parties for the purpose of Corporate Social Responsibility activities and the same were appropriated accordingly during the year under review.

Deposits

The Company has not accepted any public deposits under Chapter V of the Act (including any modifications or re-enactments thereof) during the year under review.

Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return of the Company in Form MGT-7 for financial year 2025-26, is available on the Company's website at www.huf.co.in. Further a copy of Annual Return shall be filed with the Registrar of Companies.

Statutory Auditors and Audit Report

M/s. Walker Chandiok & Co LLP, Chartered Accountants (Firm Registration No: 001076N/ N500013), were appointed as the Statutory Auditors of the Company for a term of 5 (five) consecutive years commencing from the conclusion of 14th AGM upto the conclusion of 19th AGM to be held in the year 2029.

M/s. Walker Chandiok & Co LLP have confirmed that they are not disqualified from continuing as Statutory Auditors of the Company and satisfy the prescribed eligibility criteria.

The report given by Statutory Auditors on the Financial Statements of the Company for the financial year ended 31st March, 2026 forms part of this Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Statutory Auditors in their report.

There were no incidences of reporting of frauds by Statutory Auditors of the Company under Section 143(12) of the Act read with Companies (Accounts) Rules, 2014.

Conservation of Energy, Technology Absorption & Foreign Exchange Earnings and Outgo

The requirements under Section 134(3)(m) of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014 relating to energy conservation, technology absorption and exchange earnings and outgo are concerned, are not applicable to the Company.

Environment, Safety, Health and Quality

The Company is committed to excellence in safety, health, environment and quality management. It accords the highest priority to the health and safety of its employees and other stakeholders as well as protection of environment. The management of the Company is strongly focused on continuous improvement in these areas which are fundamental to the sustainable growth of the Company.

Declarations and Confirmations

i. The Company has adequate internal financial control system in place with reference to the financial statements which operates effectively. According to the Board of Directors of the Company, elements of risks that threaten the existence of the Company are very minimal. Hence, no separate Risk Management Policy is formulated.

iv. There were no significant and material orders passed by the Regulators or Courts or Tribunals during the year under review impacting the going concern status and Company's operations in future.

iii. No proceedings are made or pending under the Insolvency and Bankruptcy Code, 2016 and there is no instance of one-time settlement with any Bank or Financial Institution.

iii. The requirement to disclose the details of the difference between the amount of the valuation done at the time of one-time settlement and the valuation done while taking a loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

v. There were no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this Report.

viii. The Company is not required to maintain cost records as specified by the Central Government under Section 148(1) of the Act read with the Companies (Cost Records and Audit) Rules, 2014 (including any modifications or re-enactments thereof), during the year under review.

vi. The Company had no employees during the year under review and hence, provisions relating to the constitution of Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are not applicable to the Company.

vii. The Company has complied with the Maternity Benefit Act, 1961 to the extent applicable.

ix. The Company has generally complied with all the applicable provisions of Secretarial Standard–1 and Secretarial Standard–2 relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively issued by the Institute of Company Secretaries of India during the year under review.

x. The Company has not issued any shares with differential voting rights, sweat equity shares and equity shares under Employees Stock Option Scheme during the year under review.

xi. The Company has not transferred any amount to the Investor Education & Protection Fund ('IEPF') and no amount is lying in Unpaid Dividend Account of the Company during the year under review.

xii There were no instances of non-exercise of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 (including any modifications or re-enactments thereof) to be furnished.

Acknowledgements

The Directors take this opportunity to express gratitude to all the stakeholders for their mutual support and co-operation.

On behalf of the Board

Biddappa Ponnappa Bittianda
Chairman & Director
DIN: 06586886

Sashidhar Vempala
Director
DIN: 08221413

Mumbai, 28th April, 2026

Financial Statements

Independent Auditor's Report

To the Members of Hindustan Unilever Foundation

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Hindustan Unilever Foundation ('the Company'), which comprise the Balance Sheet as at 31 March 2026, the Statement of Income and Expenditure (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 ('Ind AS') specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2026, and its deficit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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 ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the Financial Statements and Auditor's Report thereon

4. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the report of Board of Directors, but does not include the financial statements and our auditor's report thereon.

   Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Financial Statements

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these 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 the Ind AS specified under Section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

7. Our objectives are to obtain reasonable assurance about whether the 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 Standards on Auditing 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 financial statements.

8. As part of an audit in accordance with Standards on Auditing, specified under Section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

   - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 Board of Directors' 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 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; and

   - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

9. We communicate with management 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.

Report on Other Legal and Regulatory Requirements

10. Based on our audit, we report that the Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under Section 197(16) of the Act is not applicable.

11. This report does not include a statement on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order 2020 ('the Order'), issued by the Central Government of India in terms of Section 143(11) of the Act since in our opinion and according to the information and explanations given to us, the Order is not applicable.

12. As required by Section 143(3) of the Act based on our audit, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the possible effects of matters stated in paragraph 12(h)(vi) below on reporting in relation to audit trail as required under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

    c) The financial statements dealt with by this report are in agreement with the books of account;

    d) in our opinion, the aforesaid financial statements comply with Ind AS specified under Section 133 of the Act;

    e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act;

f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 12(b) above on reporting under Section 143(3)(b) of the Act and paragraph 12(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2026 and the operating effectiveness of such controls, refer to our separate report in Annexure I wherein we have expressed an unmodified opinion; and

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. the Company does not have any pending litigation which would impact its financial position as at 31 March 2026.

ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2026.;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2026.;

iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in Note 26 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person or entity, including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The management has represented that, to the best of its knowledge and belief, as disclosed in Note 26 to the financial statements, no funds have been received by the Company from any person or entity, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The Company has not declared or paid any dividend during the year ended 31 March 2026.

vi. As stated in Note 23 to the financial statements, based on our examination which included test checks, except for instances mentioned below, the Company, in respect of financial year commencing on 1 April 2025, has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the respective software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with for the period where audit trail is enabled and operated. Furthermore, except for instances mentioned below, the audit trail has been preserved by the Company as per the statutory requirements for record retention where the audit trail feature was enabled:

a) In accounting software used for maintaining purchase orders is operated by a third-party software service provider. In absence of an independent auditor's report in relation to controls at the third-party service provider, we are unable to comment if the audit trail feature of the said software was enabled and operated for all relevant transactions recorded in the software at the database level.

b) In respect of its primary accounting software, the audit trail for changes to the application layer by a super user has been enabled and preserved w.e.f. 1 May 2024.

c) In respect of the accounting software used for journal entries, the audit trail at the database level has been preserved for the preceding 180 days.

Furthermore, the daily back-up of audit trail (edit log) in respect of its primary accounting software, an accounting software for maintaining purchase orders and the accounting software for journal entries have been maintained on the servers physically located in India as mentioned in Note 23 to the financial statements.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No:001076N/N500013

Rohan Jain
Partner
Membership No:139536
UDIN:26139536DUYKBS3540

Place: Mumbai
Date: 28 April 2026

Annexure I

to the Independent Auditor's Report of even date to the members of Hindustan Unilever Foundation on the financial statements for the year ended 31 March 2026

Independent Auditor's Report on the internal financial controls with reference to the financial statementsunder Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of Hindustan Unilever Foundation ('the Company') as at and for the year ended 31 March 2026, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to 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 ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2026, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No:001076N/N500013

Rohan Jain
Partner
Membership No:139536
UDIN:26139536DUYKBS3540

Place: Mumbai
Date: 28 April 2026

Balance Sheet

as at 31st March, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Note	As at 31st March, 2026	As at 31st March, 2025
ASSETS			
Non - current assets			
Property, plant and equipment	3	-	-
Non - current tax assets	4	-	0.25
TOTAL NON-CURRENT ASSETS (A)		**-**	**0.25**
Current assets			
Financial assets			
Cash and cash equivalents	5	129.93	170.69
Other current assets	6	7.51	5.65
TOTAL CURRENT ASSETS (B)		**137.44**	**176.34**
TOTAL ASSETS (A) + (B)		**137.44**	**176.59**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	7A	1.00	1.00
Other equity	7B	87.71	122.74
TOTAL EQUITY (A)		**88.71**	**123.74**
Liabilities			
Current liabilities			
Financial liabilities			
Trade payables	8		
Total outstanding dues of micro enterprises and small enterprises		1.17	1.60
Total outstanding dues of creditors other than micro enterprises and small enterprises		15.24	10.89
Other current liabilities	9	32.32	40.36
TOTAL CURRENT LIABILITIES (B)		**48.73**	**52.85**
TOTAL EQUITY & LIABILITIES (A) + (B)		**137.44**	**176.59**
Basis of preparation, measurement and material accounting policies	2		

The accompanying notes 1 to 28 form an integral part of these financial statements

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

For and on behalf of Board of Directors of Hindustan Unilever Foundation
CIN: U93090MH2010NPL201468

Rohan Jain
Partner
Membership No. 139536

Place: Mumbai
Date : 28th April, 2026

Biddappa Ponnappa Bittianda
Director
DIN No. 06586886

Place : Mumbai
Date : 28th April, 2026

Niranjan Gupta
Additional Director
DIN No: 07806792

Place : Mumbai
Date : 28th April, 2026

Shraman Jha
Chief Executive Officer

Place : Mumbai
Date : 28th April, 2026

Statement of Income and Expenditure

for the year ended 31st March, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Note	Year ended 31st March, 2026	Year ended 31st March, 2025
INCOME			
Donations received	10	4,997.50	5,249.55
Other income	11	0.01	2.53
TOTAL INCOME		**4,997.51**	**5,252.08**
EXPENDITURE			
Donations paid	12	4,299.96	4,508.06
Employee benefits expense	13	495.37	488.27
Other expenses	14	237.21	246.84
TOTAL EXPENSES		**5,032.54**	**5,243.17**
SURPLUS / (DEFICIT) FOR THE YEAR (A)		**(35.03)**	**8.91**
OTHER COMPREHENSIVE INCOME FOR THE YEAR (B)		**-**	**-**
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR (A+B)		**(35.03)**	**8.91**
Earnings / (Loss) per equity share (Face value of ₹10 each)			
Basic (in ₹)	18	(350.28)	89.10
Diluted (in ₹)	18	(350.28)	89.10
Basis of preparation, measurement and material accounting policies	2		

The accompanying notes 1 to 28 form an integral part of these financial statements

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

For and on behalf of Board of Directors of Hindustan Unilever Foundation
CIN: U93090MH2010NPL201468

Rohan Jain
Partner
Membership No. 139536

Place: Mumbai
Date : 28th April, 2026

Biddappa Ponnappa Bittianda
Director
DIN No. 06586886

Place : Mumbai
Date : 28th April, 2026

Niranjan Gupta
Additional Director
DIN No: 07806792

Place : Mumbai
Date : 28th April, 2026

Shraman Jha
Chief Executive Officer

Place : Mumbai
Date : 28th April, 2026

Statement of Changes in Equity

for the year ended 31st March, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	Note	As at 31st March, 2026	As at 31st March, 2025
Balance as at the beginning of the year	7A	**1.00**	**1.00**
Changes in equity share capital during the year		-	-
Balance as at the end of the year	7A	**1.00**	**1.00**

B. OTHER EQUITY

	Note	Retained Earnings	Total
As at 1st April, 2024		**113.83**	**113.83**
Surplus/(Deficit) for the year ended 31st March, 2025		8.91	8.91
As at 1st April, 2025		**122.74**	**122.74**
Surplus/(Deficit) for the year ended 31st March, 2026		(35.03)	(35.03)
As at 31st March, 2026	**7B**	**87.71**	**87.71**

Refer Note 7B for nature and purpose of reserve

The accompanying notes 1 to 28 form an integral part of these financial statements

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

For and on behalf of Board of Directors of Hindustan Unilever Foundation
CIN: U93090MH2010NPL201468

Rohan Jain
Partner
Membership No. 139536

Biddappa Ponnappa Bittianda
Director
DIN No. 06586886

Niranjan Gupta
Additional Director
DIN No: 07806792

Shraman Jha
Chief Executive Officer

Place: Mumbai
Date : 28th April, 2026

Place : Mumbai
Date : 28th April, 2026

Place : Mumbai
Date : 28th April, 2026

Place : Mumbai
Date : 28th April, 2026

Statement of Cash Flows

for the year ended 31st March, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
A CASH FLOWS FROM OPERATING ACTIVITIES:		
Surplus / (Deficit) for the year	(35.03)	8.91
Adjustments for :		
Interest Income	(0.01)	(2.53)
Cash flows generated from / (used in) operations before working capital changes	**(35.04)**	**6.38**
Changes in working capital :		
Decrease / (Increase) in other current assets	(1.86)	1.21
Increase/ (Decrease) in trade payables	3.92	7.91
Increase / (Decrease) in other current liabilities	(8.04)	7.73
Cash flows generated from / (used in) operations	**(41.02)**	**23.23**
Income tax refund	0.25	0.64
Net cash flows generated / (used in) from Operating activities - [A]	**(40.78)**	**23.87**
B CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest Income on bank deposits	0.01	2.53
Net cash flows generated from Investing activities - [B]	**0.01**	**2.53**
C CASH FLOWS FROM FINANCING ACTIVITIES:		
Net cash flows generated/(used in) from Financing Activities - [C]	-	-
Net increase / (decrease) in Cash and Cash equivalents - [A+B+C]	**(40.76)**	**26.40**
Add: Cash and cash equivalents at the beginning of the year	170.69	144.29
Cash and cash equivalents at the end of the year (Refer note 5)	**129.93**	**170.69**

Note : The above Statement of Cash Flows has been prepared under the indirect method as set out in the Ind AS 7, 'Statement of Cash Flows'.

The accompanying notes 1 to 28 form an integral part of these financial statements

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

For and on behalf of Board of Directors of Hindustan Unilever Foundation
CIN: U93090MH2010NPL201468

Rohan Jain
Partner
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Biddappa Ponnappa Bittianda
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Shraman Jha
Chief Executive Officer

Place: Mumbai
Date : 28th April, 2026

Place : Mumbai
Date : 28th April, 2026

Place : Mumbai
Date : 28th April, 2026

Place : Mumbai
Date : 28th April, 2026

Notes
to the financial statements for the year ended 31st March, 2026

NOTE 1 COMPANY INFORMATION

Hindustan Unilever Foundation (the "Company") is established to pursue the main objects - viz., to promote and implement the Social Responsibility Agenda - to work in the area of social, economic and environmental issues such as women empowerment, water harvesting, health and hygiene awareness, conservation and management of environment and natural resources in India, and enable the less privileged segments of the society to improve their livelihood by enhancing their means and capabilities to meet the emerging opportunities. The Company has been incorporated on 30th March, 2010 as a private Company and has been granted a license under Section 25 of the erstwhile Companies Act, 1956 (Section 8 of the Companies Act, 2013) by Government of India, vide its letter No. Reg. Dir / 68/ S.25(1)/ STA/ 9/ 09/ 10764 dated 26th February, 2010. The Company is registered under Section 12AA of the Income Tax Act, 1961 vide Registration no. 43786 granted w.e.f. 1st April, 2010 vide letter dated 21st January, 2011. The Company is also registered for exemption under Section 80G of the Income Tax Act, 1961 vide Registration no. DIT(P)/ MC/80G/1059/2011-12 letter dated 25th July, 2011 with effect from 8th February 2011.

NOTE 2 BASIS OF PREPARATION, MEASUREMENT AND MATERIAL ACCOUNTING POLICIES

2. Basis of preparation and measurement

(a) Basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs (MCA) pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other accounting principles generally accepted in India.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle, paragraph 66 and 69 of Ind AS 1 and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013.

An asset is classified as current when it is:

a. Expected to be realised or intended to be sold or consumed in normal operating cycle; or

b. Expected to be realised within twelve months after the reporting period; or

c. 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 classified as current when:

a. It is expected to be settled in normal operating cycle; or

b. It is due to be settled within twelve months after the reporting period; or

c. It does not have the right at the end of the reporting period to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Based on the nature of activities and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The financial statements are presented in Indian Rupee (INR), the functional currency of the Company. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency').

The expenses in statement of income and expenditure are net of reimbursements (individually not material) received from Group Companies.

The Company has decided to round off the figures to the nearest lakhs. Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0.00" in the relevant notes to these financial statements.

The financial statements of the Company for the year ended 31st March, 2026 were approved for issue in accordance with the resolution of the Board of Directors on 28th April, 2026.

(b) Basis of measurement

These financial statements are prepared under the historical cost convention except for certain class of financial assets/ liabilities that are measured at fair value.

The accounting policies adopted are the same as those which were applied for the previous financial year.

2.2 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED BY THE COMPANY

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2026, MCA has notified amendments to Ind AS 1 - Presentation of Financial Statements, Ind AS 7 - Statement of Cash Flows, Ind AS 107 – Financial Instruments: Disclosures and Ind AS 12 - Income Taxes, which are applicable to the Company w.e.f. 1st April 2025. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

2.3 MATERIAL ACCOUNTING POLICIES

The material accounting policies used in preparation of the financial statements have been included in the relevant notes to the Financial Statements.

Notes

to the financial statements for the year ended 31st March, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 3 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Income and Expenditure during the year in which they are incurred.

Gains or losses arising on retirement or disposal of assets are recognised in the Statement of Income and Expenditure.

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

An item of property, plant and equipment is de-recognised upon disposal or where no future economic benefits are expected from its use or disposal. Gains or losses arising on de-recognition of property, plant and equipment are recognised in the statement of income and expenditure.

Depreciation is calculated on pro rata basis on straight-line method based on estimated useful life prescribed under Schedule II of the Companies Act, 2013. The useful life is as follows:

Asset	Useful life
Office equipment	5 years

	As at 31st March, 2026	As at 31st March, 2025
Office equipment		
Gross block		
Balance as at the beginning of the year	3.44	3.44
Additions	-	-
Disposals	-	-
Balance as at the end of the year	**3.44**	**3.44**
Accumulated depreciation		
Balance as at the beginning of the year	(3.44)	(3.44)
Additions	-	-
Disposals	-	-
Balance as at the end of the year	**(3.44)**	**(3.44)**
Net block	**-**	**-**

(a) The Company has not revalued any of its property, plant and equipment.

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 4 NON - CURRENT TAX ASSETS

Current tax is the expected tax payable/receivable on the taxable income/loss for the year using applicable tax rates for the relevant period, and any adjustment to taxes in respect of previous years.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on net basis.

Interest received on income tax refunds is recognised as other income.

The Company is exempt from Income Tax under Section 12AA of the Income Tax Act, 1961 and hence no provision for taxation is required for current year tax expense. As, the Company is exempt from Income Tax, no deferred tax (asset or liability) is recognised in respect of timing differences.

	As at 31st March, 2026	As at 31st March, 2025
Non - current tax assets (TDS receivable)	-	0.25
	-	**0.25**

NOTE 5 CASH AND CASH EQUIVALENTS

Cash and cash equivalents are cash, balances with bank and short-term deposits (three months or less from the date of placement) and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

	As at 31st March, 2026	As at 31st March, 2025
Balances with banks		
In current accounts	129.93	170.69
	129.93	**170.69**

NOTE 6 OTHER CURRENT ASSETS

	As at 31st March, 2026	As at 31st March, 2025
Other assets	7.51	5.65
	7.51	**5.65**

NOTE 7A EQUITY SHARE CAPITAL

	As at 31st March, 2026	As at 31st March, 2025
Authorised		
500,000 (31st March, 2025 : 500,000) equity shares of ₹10 each	50.00	50.00
Issued, subscribed and fully paid up		
10,000 (31st March, 2025 : 10,000) equity shares of ₹10 each fully paid	1.00	1.00
	1.00	**1.00**

Notes

to the financial statements for the year ended 31st March, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

a) Reconciliation of the number of shares

Equity Shares:	Year ended 31st March, 2026		Year ended 31st March, 2025	
	Number of shares	Amount	Number of shares	Amount
Balance as at the beginning of the year	10,000	1.00	10,000	1.00
Add : Issued during the year	-	-	-	-
Balance as at the end of the year	**10,000**	**1.00**	**10,000**	**1.00**

b) Rights, preferences and restrictions attached to shares

Equity shares: The Company has only one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. As the Company is a private company limited by shares formed under Section 8 of the Companies Act,2013, no dividend is to be proposed and paid to the shareholders. In the event of winding up or dissolution of the Company, after the satisfaction of all its debts and liabilities, any property whatsoever shall be given or transferred to some other institution(s) having object similar to the objects of the Company, to be determined by the members of the Company at or before the time of dissolution or in default thereof by the High Court.

c) Shares held by Holding Company and Subsidiary of Holding Company in aggregate

	As at 31st March, 2026	As at 31st March, 2025
Equity shares of ₹10 held by :		
7,600 (31st March, 2025 : 7,600) shares are held by Hindustan Unilever Limited, the Holding Company	0.76	0.76
2,400 (31st March, 2025 : 2,400) shares are held by Unilever India Exports Limited, Subsidiary of Holding Company	0.24	0.24

d) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at 31st March, 2026	As at 31st March, 2025
Number of shares of ₹10 each held by:		
Hindustan Unilever Limited, the Holding Company	7,600	7,600
% of Holding	76%	76%
Unilever India Exports Limited, Subsidiary of the Holding Company	2,400	2,400
% of Holding	24%	24%

e) Details of shareholdings by the Promoter's of the Company

Sr. No.	Promoter Name	As at 31st March, 2026		As at 31st March, 2025		% Change in the year
		Number of shares	% of total shares	Number of shares	% of total shares	
1	Hindustan Unilever Limited	7,600	76%	7,600	76%	-
2	Unilever India Exports Limited	2,400	24%	2,400	24%	-
	TOTAL	**10,000**	**100%**	**10,000**	**100%**	**-**

(All amounts in ₹ lakhs, unless otherwise stated)

Sr. No.	Promoter Name	As at 31st March, 2025		As at 31st March, 2024		% Change in the year
		Number of shares	% of total shares	Number of shares	% of total shares	
1	Hindustan Unilever Limited	7,600	76%	7,600	76%	-
2	Unilever India Exports Limited	2,400	24%	2,400	24%	-
	TOTAL	**10,000**	**100%**	**10,000**	**100%**	**-**

NOTE 7B OTHER EQUITY

a) Summary of Other Equity balance:

	Retained Earnings
Opening balance as at 1st April, 2024	**113.83**
Surplus for the year	8.91
Opening balance as at 1st April, 2025	**122.74**
Deficit for the year	(35.03)
As at 31st March, 2026	**87.71**

b) Nature and purpose of reserves:

Retained earnings: Retained earnings are the excess/(shortage) of income over expenditure that the Company has received till date.

	As at 31st March, 2026	As at 31st March, 2025
Balance at the beginning of the year	122.74	113.83
Add: (Deficit)/ Surplus for the year	(35.03)	8.91
Balance at the end of the year	**87.71**	**122.74**

NOTE 8 TRADE PAYABLES

Trade payables are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest rate method. Refer Note 21 for accounting policy on Trade payables

	As at 31st March, 2026	As at 31st March, 2025
Total outstanding dues of micro enterprises and small enterprises	1.17	1.60
Total outstanding dues of creditors other than micro enterprises and small enterprises	15.24	10.89
	16.41	**12.49**

Notes
to the financial statements for the year ended 31st March, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Disclosure as required by Micro, Small and Medium Enterprises Development Act, 2006

	As at 31st March, 2026	As at 31st March, 2025
a (i) Principal amount remaining unpaid	1.17	1.60
a (ii) Interest amount remaining unpaid	-	-
b. Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	0.03	-
c. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
d. Interest accrued and remaining unpaid	-	-
e. Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

Ageing for trade payables from the due date of payment for each of the category as at 31st March, 2026 is as follows:

	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues - Micro and small enterprises	1.17	-	-	-	-	1.17
Undisputed dues - Others	15.17*	-	0.07	-	-	15.24
Disputed dues - Micro and small enterprises	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
TOTAL	**16.34**	**-**	**0.07**	**-**	**-**	**16.41**

*includes unbilled payables of ₹9.43 lakhs

Ageing for trade payables from the due date of payment for each of the category as at 31st March, 2025 is as follows:

	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues - Micro and small enterprises	1.60	-	-	-	-	1.60
Undisputed dues - Others	10.73*	0.16	-	-	-	10.89
Disputed dues - Micro and small enterprises	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
TOTAL	**12.33**	**0.16**	**-**	**-**	**-**	**12.49**

*includes unbilled payables of ₹3.47 lakhs

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 9 OTHER CURRENT LIABILITIES

	As at 31st March, 2026	As at 31st March, 2025
Statutory dues (including provident fund, Tax Deducted at Source and others)	32.32	40.36
	32.32	**40.36**

NOTE 10 DONATIONS RECEIVED

Donations are recognised as income in the Statement of Income and Expenditure in the year in which the collections are actually received. Donation is received and applied for objects as mentioned in Memorandum of Association of the Company. Refer note 1.

	As at 31st March, 2026	As at 31st March, 2025
Donation received (Refer Note 15)	4,997.50	5,249.55
	4,997.50	**5,249.55**

NOTE 11 OTHER INCOME

Interest income is recognised using the effective interest rate (EIR) method. Interest on income tax refund is recognised on a cash basis

	Year ended 31st March, 2026	Year ended 31st March, 2025
Interest income		
On others	0.01	0.06
On bank deposits	-	2.47
	0.01	**2.53**

NOTE 12 DONATIONS PAID

Donation paid is accounted upon disbursement.

	Year ended 31st March, 2026	Year ended 31st March, 2025
Donations paid	4,299.96	4,508.06
	4,299.96	**4,508.06**

Notes
to the financial statements for the year ended 31st March, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 13 EMPLOYEE BENEFIT EXPENSE

Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries and performance incentives, are charged to Statement of Income and Expenditure on an undiscounted, accrual basis during the period of service rendered by the employees in the financial year.

Defined contribution plans

Provident Fund contributions are made to a trust administered by the Holding Company, Hindustan Unilever Limited and are charged as an expense to the Statement of Income and Expenditure.

	Year ended 31st March, 2026	Year ended 31st March, 2025
Salaries and bonus	475.12	467.26
Contribution to provident fund (Refer Note 15 and 17)	20.25	21.01
	495.37	**488.27**

NOTE 14 OTHER EXPENSES

All expenses are accounted for on accrual basis and provision is made for all known losses and liabilities

	Year ended 31st March, 2026	Year ended 31st March, 2025
Travelling expenses	36.50	33.79
Payment to auditors		
- Statutory audit (excluding taxes)	1.17	1.17
Professional fees	158.22	201.49
Miscellaneous expenses	41.32	10.39
	237.21	**246.84**

NOTE 15 RELATED PARTY DISCLOSURES

A Enterprises exercising control

Ultimate Holding Company : Unilever PLC

Holding Company : Hindustan Unilever Limited

B Enterprise exercising significant influence

Unilever India Exports Limited

C Fellow subsidiaries with whom the Company had transactions during the year

Unilever Industries Private Limited

Lakme Lever Private Limited

Unilever India Limited

D Key Managerial Personnel

Chief Executive Officer : Shraman Jha

E Post Employment Benefit Plans

The Union Provident Fund

(All amounts in ₹ lakhs, unless otherwise stated)

F Disclosure of transactions between the Company and Related parties and the status of outstanding balance as per Ind AS 24 Related Party Disclosures

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Holding Company		
Donation received	4,430.00	4,584.35
Donation returned	120.00	175.65
Reimbursement of expenses to holding company	82.94	46.28
Fellow Subsidiaries		
Donation received		
Unilever India Exports Limited	265.00	283.00
Unilever Industries Private Limited	185.00	240.00
Lakme Lever Private Limited	75.00	62.65
Unilever India Limited	162.50	79.55
Post Employment Benefit Plans		
Contributions during the year (Employer's contribution only)	19.65	20.41

Key Management Personnel compensation

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Short-term employee benefits	156.97	162.85
Post-employment defined benefit	8.39	8.07
Total	**165.36**	**170.92**

NOTE 16 DEFINED BENEFIT PLANS

Gratuity assets are being controlled by separate independent Trusts for Hindustan Unilever Limited (the "Holding Company") and its subsidiaries including the Company. These trusts maintain their assets at the group level and do not have assets identifiable specifically for the Company. Thus all the disclosures required by Ind AS 19 "Employee Benefits" have been made in the Holding Company's Financial Statements.

In respect of certain employees, provident fund contributions are made to a trust administered by the Holding Company. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and the Code of Wages,2019 of India and shortfall, if any, shall be made good by the Company. The liability in respect of the shortfall of interest earnings of the Fund is determined on the basis of an actuarial valuation.

The Company also provides for retirement/post-retirement benefits in the form of gratuity, compensated absences (in respect of certain employees) and long term service awards. The Company's Gratuity Fund Scheme is considered as defined benefit plans and the gratuity fund assets are being controlled by separate independent trust for entire Hindustan Unilever Limited and its subsidiaries including Hindustan Unilever Foundation. The group's liability is determined on the basis of an actuarial valuation using the projected unit credit method as at Balance Sheet date, made by independent actuaries.

As per Ind AS 19 Employee Benefits, in respect of group plans that share risks between various enterprises under common control, the net defined benefit cost is recognised in the separate financial statements of the group enterprise that is legally the sponsoring employer for the plan. Hence, the gratuity plan assets, liabilities towards gratuity, leave encashment and long term service awards are recognised in the books of the holding company for the group. Actuarial gains and losses in respect of the defined benefit plans are recognised in the Statement of Profit and Loss of the parent company in the year in which they arise.

Notes
to the financial statements for the year ended 31st March, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 17 DEFINED CONTRIBUTION PLANS

Refer note 13 for accounting policy on defined benefit plans

During the year, the Company has recognised the following amounts in statement of income and expenditure.

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Employer's Contribution to provident fund	19.65	20.41
Employer's contribution to pension funds	0.60	0.60
	20.25	**21.01**

NOTE 18 EARNINGS/(LOSS) PER SHARE

Basic earnings per share is computed by dividing the net excess/(shortfall) for the year attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year and for all years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net excess/(shortfall) for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year if any, is adjusted for the effects of all dilutive potential equity shares.

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
(Deficit) / Surplus for the year (A)	(35.03)	8.91
Weighted average number of equity shares outstanding (B)	10,000.00	10,000.00
(Loss) / Earnings per share (face value of ₹10 per share)		
- Basic (₹)	(350.28)	89.10
- Diluted (₹)	(350.28)	89.10

NOTE 19 GOING CONCERN

The Company has adequate resources to meet its obligations over the next 12 months. Further, the board of directors does not intend to liquidate the Company. Accordingly, the financial statements are prepared on a going concern basis.

NOTE 20 CONTINGENT LIABILITIES

There are no contingent liabilities as at as at 31st March, 2026 (Nil for 31st March, 2025).

NOTE 21 FINANCIAL INSTRUMENTS

The Company has disclosed financial instruments such as cash and cash equivalents & trade payables at amortised cost because the carrying amounts are a reasonable approximation of the fair values due to their short-term nature.

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 22 ACCOUNTING RATIOS

Name of the Ratio	Numerator	Denominator	FY 26	FY 25	% variance	Reason for variance
Current ratio (in times)	Current assets	Current liabilities	2.82	3.34	-15%	Refer note below

Note: Reason for variance of ratios with significant change (i.e. change of 25% or more as compared to the financial year 2024-25) have been explained.

The following ratios are not applicable to the entity since the Company is a Not for Profit Organization or does not have the relevant transactions

1. Debt Equity ratio
2. Debt Service coverage ratio
3. Inventory Turnover Ratio
4. Trade receivables turnover ratio
5. Net capital turnover ratio
6. Return on Investment
7. Net Profit Ratio
8. Return on Capital Employed
9. Return on equity
10. Trade payables turnover ratio

NOTE 23

The proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requires companies, which uses accounting software for maintaining its books of accounts, to use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of accounts along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company has used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software. Further, where the audit trail (edit log) facility was enabled and operated, the audit trail feature has not been tampered with. Furthermore, the audit trail has been preserved by the Company as per the statutory requirements for record retention except in case of an accounting software used for journal entries, wherein the audit trail at database level has been preserved for the preceding 180 days and in respect of its primary accounting software wherein changes to the application layer by a super user which has been enabled and preserved w.e.f. 1 May 2024.

The back-up of audit trail (edit log) has been maintained on the servers physically located in India for financial year ended 31st March 2026. However, the daily back-up of audit trail (edit log) in respect of its primary accounting software, an accounting software for maintaining purchase orders and an accounting software for journal entries has been maintained on the servers physically located in India from 3 March 2025, 19 October 2024 and 19 December 2024 onwards, respectively.

Notes

to the financial statements for the year ended 31st March, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 24 DISCLOSURE OF STRUCK OFF COMPANIES

The Company does not have any transactions with companies struck off under Section 248 of the Companies Act, 2013.

NOTE 25

No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:

(a) Crypto Currency or Virtual Currency

(b) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder

(c) Registration of charges or satisfaction with Registrar of Companies

(d) Relating to borrowed funds:

- i. Wilful defaulter
- ii. Utilisation of borrowed funds & share premium
- iii. Borrowings obtained on the basis of security of current assets
- iv. Discrepancy in utilization of borrowings
- v. Current maturity of long term borrowings

NOTE 26

No funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person or entity, including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries. Additionally, no funds have been received by the Company from any person or entity, including foreign entities ('the 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.

NOTE 27

Figures for the previous year have been regrouped/rearranged, wherever considered necessary, to conform to current period's classification. The impact of such reclassification/ regrouping is not material to the financial statements.

NOTE 28 SUBSEQUENT EVENT

The Company has evaluated all subsequent events through 28th April 2026, the date on which these financials are authorized for issuance. No adjusting or significant non-adjusting event has occurred between 31 March 2026 and the date of authorisation of these financial statements that would have a material impact on these financial statements or that would warrant additional disclosures.

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

Rohan Jain
Partner
Membership No. 139536

Place: Mumbai
Date : 28th April, 2026

For and on behalf of Board of Directors of Hindustan Unilever Foundation
CIN: U93090MH2010NPL201468

Biddappa Ponnappa Bittianda
Director
DIN No. 06586886

Place : Mumbai
Date : 28th April, 2026

Niranjan Gupta
Additional Director
DIN No: 07806792

Place : Mumbai
Date : 28th April, 2026

Shraman Jha
Chief Executive Officer

Place : Mumbai
Date : 28th April, 2026

For furtner information
please visit our website: huf.co.in

Women in an HUF-supported program in Uttar Pradesh participate in a water-budgeting exercise, helping them understand water use, availability and saving.

Hindustan Unilever Foundation
Registered Office:
Unilever House
B. D. Sawant Marg, Chakala
Andheri (East), Mumbai - 400 099
CIN: U93090MH2010NPL201468