



HINDOOSTAN
MILLS

February 09, 2017

The General Manager,
Department of Corporate Services – Listing,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

Scrip Code: 509895

Dear Sir,

Re: Un-audited Financial Results and “Limited Review” for the 3rd Quarter ended December 31, 2016

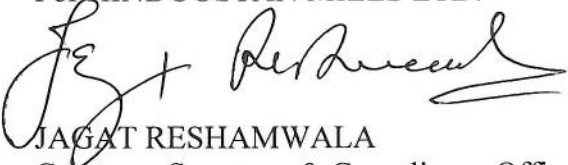
In terms of Regulation 33 SEBI (Listing Obligation And Disclosure Requirement) Regulations, 2015, we are enclosing herewith Un-audited Financial Results for the 3rd Quarter ended December 31, 2016 together with “Limited Review” report by the Auditors, as reviewed by the Audit Committee and approved by the Board of Directors at its Meeting held on February 09, 2017 for your information.

The Meeting of the Board of Directors commenced at 11.30 AM and concluded at 2.00 PM.

Kindly take the matter on record.

Thanking you,

Yours faithfully,
For HINDOOSTAN MILLS LTD.



JAGAT RESHAMWALA

Company Secretary & Compliance Officer

Encl: As above.

Hindustan Mills Ltd.

Sir Vithaldas Chambers, 16 Mumbai Samachar Marg, Fort, Mumbai 400 001. India
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CIN : L17121MH1004PLC000105



HINDOOSTAN MILLS

Statement of Unaudited Results for the Quarter ended 31st December, 2016

₹ in lakhs

Sr. No.	Particulars	Quarter Ended			Year to Date		Year Ended
		31.12.2016 (Unaudited)	30.09.2016 (Unaudited)	31.12.2015 (Unaudited)	31.12.2016	31.12.2015	31.03.2016 (Audited)
	Income from Operations						
1	(a) Net Sales/Income from Operations (Net of Excise duty)	3,260.88	4,306.39	3,628.32	11,325.06	11,606.32	15,604.28
	(b) Other Operating Income	92.65	73.39	73.42	269.80	208.30	321.25
	Total Income from Operations (Net)	3,353.53	4,379.78	3,701.74	11,594.86	11,814.62	15,925.53
2	Expenses						
	a) Cost of Materials Consumed	2,098.02	2,551.56	2,227.40	7,136.59	7,361.14	9,814.60
	b) Purchase of Stock - in -Trade	85.82	135.67	118.98	402.17	473.67	659.45
	c) Changes in Inventories of Finished goods , Work in progress and Stock in Trade	62.63	411.51	77.85	265.09	(283.33)	(244.97)
	d) Employee Benefits Expense	455.50	454.94	377.75	1,365.87	1,111.38	1,521.56
	e) Depreciation and Amortisation Expenses	313.63	310.86	292.90	920.37	881.23	1,181.82
	f) Other Expenses	726.73	767.91	848.10	2,387.14	2,496.23	3,438.09
	Total Expenses	3,742.33	4,632.45	3,942.98	12,477.23	12,040.32	16,370.55
3	Profit / (Loss) from Operations before Other Income, Finance cost and Exceptional Items (1-2)	(388.80)	(252.67)	(241.24)	(882.37)	(225.70)	(445.02)
4	Other Income	40.16	69.77	173.98	160.52	266.81	347.47
5	Profit / (Loss) from Ordinary activities before Finance costs and Exceptional items (3+4)	(348.64)	(182.90)	(67.26)	(721.85)	41.11	(97.55)
6	Finance costs	56.98	68.48	84.93	200.13	258.24	331.34
7	Profit / (Loss) from ordinary activities after Finance Costs but before Exceptional items (5-6)	(405.62)	(251.38)	(152.19)	(921.98)	(217.13)	(428.89)
8	Exceptional items	(3.52)	(64.98)	-	(68.50)	144.54	222.54
9	Profit/(Loss) from Ordinary Activities before Tax (7+8)	(409.14)	(316.36)	(152.19)	(990.48)	(72.59)	(206.35)
10	Tax expense						
	- Current Tax	-	-	-	-	(17.00)	-
	- Short Provision of Tax of earlier year	-	-	-	-	(13.25)	(19.03)
11	Net Profit/(Loss) from Ordinary Activities after Tax (9+10)	(409.14)	(316.36)	(152.19)	(990.48)	(102.84)	(225.38)
12	Extraordinary Items	(9.32)	-	-	(9.32)	-	-
13	Net Profit / (Loss) for the period (11-12)	(418.46)	(316.36)	(152.19)	(999.80)	(102.84)	(225.38)
14	Paid-up Equity Share Capital (Face value ₹10/-each)	166.45	166.45	166.45	166.45	166.45	166.45
15	Reserve excluding Revaluation Reserves as per Balance Sheet of previous accounting year	-	-	-	-	-	8,195.13
16	Earnings Per Share						
	- Basic and Diluted EPS (Before Extraordinary Items) (in ₹)	(24.58)	(19.01)	(9.14)	(59.51)	(6.18)	(13.54)
	- Basic and Diluted EPS (After Extraordinary Items) (in ₹)	(25.14)	(19.01)	(9.14)	(60.07)	(6.18)	(13.54)
	See accompanying note to the Financial Results						
		(Not Annualised)	(Not Annualised)	(Not Annualised)	(Not Annualised)	(Not Annualised)	(Annualised)



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CIN : L2700MH004PLC00095

HINDOOSTAN MILLS LIMITED
Segmentwise Revenue, Results and Capital Employed

₹ in lakhs

Sr.No.	Particulars	Quarter Ended			Year To Date		Year Ended
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
		31.12.2016	30.09.2016	31.12.2015	31.12.2016	31.12.2015	31.03.2016
1	Segment Revenue						
	a) Textile	2,835.15	3,820.06	3,365.14	10,118.05	10,615.37	14,156.20
	b) Engineering Products	285.34	354.48	207.11	823.41	633.83	1,048.53
	c) Composite Products	233.04	205.24	129.49	653.40	565.42	720.80
	Gross Sales/Income from Operations	3,353.53	4,379.78	3,701.74	11,594.86	11,814.62	15,925.53
2	Segment Results (Loss)/ Profit before Tax, Interest & Unallocable overheads						
	a) Textile	(401.95)	(255.92)	(188.56)	(834.95)	56.61	(2.36)
	b) Engineering Products	8.36	63.36	(7.21)	77.24	17.80	84.53
	c) Composite Products	(6.65)	(31.04)	(30.42)	(90.74)	(97.82)	(169.58)
	Total	(400.24)	(223.60)	(226.19)	(848.45)	(23.41)	(87.41)
	Interest Expenses	(56.99)	(68.47)	(84.92)	(200.13)	(258.23)	(331.33)
	Unallocable overheads net of unallocable income	48.09	(24.29)	158.91	58.10	209.05	212.39
	Total (Loss)/ Profit before Tax	(409.14)	(316.36)	(152.20)	(990.48)	(72.59)	(206.35)
3	Capital Employed						
	(Segment Assets - Segment Liabilities)						
	a) Textile	7,462.43	7,969.48	8,606.57	7,462.43	8,606.57	8,659.25
	b) Engineering Products	965.34	1,038.99	1,071.38	965.34	1,071.38	1,170.75
	c) Composite Products	1,471.55	1,461.17	1,287.32	1,471.55	1,287.32	1,257.92
	c) Unallocable	(432.23)	(420.32)	302.83	(432.23)	302.83	(46.14)
	Total Capital Employed in the Company	9,467.09	10,049.32	11,268.10	9,467.09	11,268.10	11,041.78

Notes :

- The above results alongwith segment reporting, have been reviewed and recommended for adoption by the Audit Committee and approved by the Board of Directors at its meeting held on 9th February, 2017.
- There was an incident of fire in the month of December 2016 in one of the production departments causing damage to stocks of value Rs. 48.60 lakhs. The incident also led to certain damage to machinery and infrastructure which would entail repairs to be carried out at an estimated expense of Rs. 137.84 lakhs. The Company has filed a claim for the amounts with the Insurance Company. Provision has been made in the financial results for the minimum amount of loss to be borne by the Company of Rs. 9.32 lakhs, being 5% of the claim amount, as per policy terms. The same is included under 'extraordinary item'. Adjustment, if any, in the final claim amount admitted by the Insurance Company will be accounted for as and when the same is settled.
- Exceptional Items :

Particulars	Quarter Ended	Quarter Ended	Quarter Ended	Year to date	Year to date	Year Ended
	31.12.2016	30.09.2016	31.12.2015	31.12.2016	31.12.2015	31.03.2016
Profit on sale of Fixed Assets (Net)	-	-	-	-	144.54	258.45
Fixed Asset written off	(3.52)	-	-	(3.52)	-	(2.58)
Irrecoverable Advance Written off	-	-	-	-	-	(33.33)
Inventory (Property under development) written off **	-	(1.00)	-	(1.00)	-	-
Loss on Property development (Net)**	-	(63.98)	-	(63.98)	-	-
Total	(3.52)	(64.98)	-	(68.50)	144.54	222.54

** The Company had entered into an Agreement with a Property Developer (Developer) in 1993 pursuant to which the development rights for construction of Residential Flats on the plot of Land belonging to the Company were transferred for consideration comprising of monetary compensation and allotment of specified constructed area to the Company subject to payment of the Cost of construction for such allotted area.

The settlement of accounts between the Company and the Developer under the said Agreement had been a subject of Arbitration since the year 2002 as there were claims and counter claims. The Company had made a provision of Rs. 63.98 lacs in the accounts for the quarter ended 30th September 2016 as amount payable to the Developer in terms of the 'Majority Arbitration Award' dated October 20, 2016 and the same was shown as an 'Exceptional Item'.

Subsequently, the property developer has challenged the said Arbitration Award in the Hon'ble Bombay High Court. As per the legal advice, the Company does not consider that any further provision needs to be made in this regard.

- The Company has recognized interest subsidy, as per New Textile Policy 2012, as Other Income of Rs. 144.95 lakhs on accrual basis for the period July, 2015 to 31st December, 2016 (including Rs. 19.94 lakhs for the current quarter). The Government Resolution in this regard for release of subsidy is pending to be issued.
- The Memorandum of Settlement between Hindoostan Mills Limited and the Karad Taluka Girani Kamagar Sangh, Karad (the Sangh) expired on 31st December, 2015. The "Charter of Demands" has been submitted by the Union to the Management. The negotiations between the Management and the Sangh are in progress and accordingly, the Company has made a provision on an estimated basis which shall be adjusted in the year in which the negotiations are concluded.
- Taxation:**
 - In view of losses for the quarter ended 31st December 2016, no provision for Income Tax and Minimum Alternate Tax under Section 115JB of Income Tax Act, 1961 is required to be made.
 - Net Deferred Tax Asset on account of unabsorbed depreciation/ carried forward losses has not been recognised considering the requirement of certainty/ virtual certainty, as stated in Accounting Standard (AS 22) "Accounting for Taxes on Income".
- There was no investor complaint pending at the beginning of the quarter. During the quarter ended 31st December 2016, the Company received no complaint and hence no complaint is pending as at 31st December 2016.
- Figures of the earlier periods have been regrouped / recast / reclassified wherever necessary.



A.J. Thackersey
A.J. Thackersey
Executive Director

M. A. PARIKH & CO.
CHARTERED ACCOUNTANTS

**Auditor's Report On Quarterly Financial Results of the Company Pursuant to Regulation 33
of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To,
The Board of Directors of Hindoostan Mills Limited

1. We have reviewed the accompanying statement of 'Un-audited financial results' of Hindoostan Mills Limited for the quarter ended 31st December, 2016 hereinafter referred to as 'Statement'. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on this Statement based on our limited review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, "Engagements to Review Financial Statements" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For M. A. Parikh & Co.
Chartered Accountants
Firm Reg. No. 107556W



Mukul Patel

Partner
Name: Mukul Patel
Membership No: 32489

Place: Mumbai
Date: 9th February, 2017