



**HINDOOSTAN  
MILLS**

February 05, 2020

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

**Scrip Code: 509895**

Dear Sir,

**Re: Outcome of Board Meeting held on February 05, 2020**

**1. Un-Audited Financial Results and “Limited Review” for the Quarter and Nine Months ended December 31, 2019**

In terms of Regulation 33 SEBI (Listing Obligation And Disclosure Requirement) Regulations, 2015 and modifications, if any, we are enclosing herewith Un-Audited Financial Results for the Quarter and Nine Months ended December 31, 2019, 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 05, 2020 for your information and record.

**2. RESIGNATION OF CHAIRMAN EMERITUS**

The Board has accepted resignation of Mr. Sudhir Thackersey as Chairman Emeritus with effect from 05-02-2020.

The Meeting of the Board of Directors commenced at 12.00 Noon and concluded at 3.20 P.M.

Kindly take the matter on record.

Thanking you,

Yours faithfully,  
For HINDOOSTAN MILLS LTD.,

**Kaushik Kapasi**  
Company Secretary & Compliance Officer

Encl: As above.

**Hindoostan Mills Ltd.**

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CIN : L17121MH1904PLC000195  
www.hindoostan.com

A THACKERSEY GROUP COMPANY



# HINDOOSTAN MILLS

## Statement of Unaudited Results for the Period ended 31st December, 2019

₹ in lakhs

Sr. No.	Particulars	Quarter Ended			Year to Date		Year Ended
		31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
I	<b>Revenue</b>						
	(a) Net Sales/Income from Operations	3,380.81	3,469.11	4,131.04	10,521.67	11,818.64	16,096.84
	(b) Other Operating Income	39.00	41.97	51.58	114.20	153.86	146.90
	Total Revenue from operations	3,419.81	3,511.08	4,182.62	10,635.87	11,972.50	16,243.74
	Other Income	37.99	39.57	52.45	119.30	144.69	248.24
	<b>Total Revenue</b>	<b>3,457.80</b>	<b>3,550.65</b>	<b>4,235.07</b>	<b>10,755.17</b>	<b>12,117.19</b>	<b>16,491.98</b>
II	<b>Expenses</b>						
	a) Cost of Materials Consumed	2,253.26	2,355.39	2,609.99	7,146.30	7,773.26	10,518.65
	b) Purchase of Stock - in -Trade	125.44	83.86	258.02	561.29	712.30	1,134.88
	c) Changes in Inventories of Finished goods , Work in progress and Stock in Trade	(26.23)	70.21	195.71	(200.70)	(113.05)	(262.11)
	d) Employee Benefits Expense	440.77	412.58	387.34	1,238.69	1,172.38	1,537.67
	e) Finance Cost	29.67	27.73	37.99	89.53	154.57	198.23
	f) Depreciation and Amortisation Expenses	152.27	144.01	217.56	446.01	674.71	858.33
	g) Other Expenses	615.71	628.07	813.56	1,896.41	2,301.00	3,154.25
	<b>Total Expenses</b>	<b>3,590.89</b>	<b>3,721.85</b>	<b>4,520.17</b>	<b>11,177.53</b>	<b>12,675.17</b>	<b>17,139.90</b>
III	Loss before Tax (Refer Note No. 5)	(133.09)	(171.20)	(285.10)	(422.36)	(557.98)	(647.92)
IV	Less : Tax expense						
	- Deferred Tax	(2.46)	1.40	(2.94)	(1.41)	(6.33)	(2.25)
V	Loss for the period from continuing operations	(130.63)	(172.60)	(282.16)	(420.95)	(551.65)	(645.67)
VI	Profit/Loss before tax from discontinued operation (Refer Note No. 5)	9.32	(23.42)	(46.10)	(157.28)	(439.50)	(533.78)
VII	Less : Tax expense of discontinued operation	-	-	-	-	1.39	1.38
VIII	Profit/Loss for the period from discontinuing operations (including impairment loss - Refer Note No. 2)	9.32	(23.42)	(46.10)	(157.28)	(440.89)	(535.16)
IX	Loss for the Period	(121.31)	(196.02)	(328.26)	(578.23)	(992.54)	(1,180.83)
X	Other Comprehensive Income						
	- Items that will not be reclassified subsequently to profit & loss	1.98	2.09	(4.43)	6.15	(13.50)	7.92
XI	Total Comprehensive Income	(119.33)	(193.93)	(332.69)	(572.08)	(1,006.04)	(1,172.91)
XII	Paid-up Equity Share Capital (Face value ₹10/-each)	166.45	166.45	166.45	166.45	166.45	166.45
XIII	Earnings Per Equity Share from continuing operation						
	- Basic	(7.85)	(10.37)	(16.95)	(25.29)	(33.14)	(38.79)
	- Diluted	(7.85)	(10.37)	(16.95)	(25.29)	(33.14)	(38.79)
XIV	Earnings Per Equity Share from discontinuing operation						
	- Basic	0.56	(1.41)	(2.77)	(9.45)	(26.49)	(32.15)
	- Diluted	0.56	(1.41)	(2.77)	(9.45)	(26.49)	(32.15)
XV	Earnings Per Equity Share from continuing and discontinuing operation						
	- Basic	(7.29)	(11.78)	(19.72)	(34.74)	(59.63)	(70.94)
	- Diluted	(7.29)	(11.78)	(19.72)	(34.74)	(59.63)	(70.94)
	See accompanying notes to the Financial Results						

(Not Annualised) (Not Annualised) (Not Annualised) (Not Annualised) (Not Annualised) (Not Annualised) (Not Annualised) (Not Annualised)



### Hindoostan Mills Ltd.

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**HINDOOSTAN MILLS LIMITED**  
Unaudited Segment Information for the Period ended 31st December 2019

₹ in lakhs

Sr.No.	Particulars	Quarter Ended			Year To Date		Year Ended
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
		31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019
<b>1</b>	<b>Segment Revenue</b>						
	a) Textile	3,161.52	3,277.76	3,865.54	9,903.05	11,019.38	14,899.00
	b) Engineering Products	258.29	233.32	317.08	732.82	953.12	1,344.74
	c) Composite Products - Discontinued operation	-	-	-	-	84.81	84.81
	<b>Gross Sales/Income from Operations</b>	<b>3,419.81</b>	<b>3,511.08</b>	<b>4,182.62</b>	<b>10,635.87</b>	<b>12,057.31</b>	<b>16,328.55</b>
<b>2</b>	<b>Segment Results - Loss before Tax, Interest &amp; Unallocable overheads</b>						
	a) Textile	(134.06)	(194.04)	(285.88)	(442.20)	(529.86)	(703.61)
	b) Engineering Products	4.59	19.78	8.71	21.54	30.69	107.51
	c) Composite Products - Discontinued operation	(8.43)	(6.24)	(52.14)	(165.05)	(438.97)	(543.00)
	<b>Total</b>	<b>(137.90)</b>	<b>(180.50)</b>	<b>(329.31)</b>	<b>(585.71)</b>	<b>(938.14)</b>	<b>(1,139.10)</b>
	d) Interest Expenses	(29.67)	(27.73)	(37.99)	(89.53)	(154.57)	(198.23)
	e) Interest Expenses - Discontinued operation	(1.09)	(17.24)	(0.89)	(18.40)	(0.89)	(3.06)
	f) Unallocable overheads net of unallocable income	26.05	30.79	30.05	87.83	95.76	146.41
	g) Unallocable overheads net of unallocable income - Discontinued operation	18.84	0.06	6.94	26.17	0.36	12.28
	<b>h) Total Loss before Tax (Refer Note No. 5)</b>	<b>(123.77)</b>	<b>(194.62)</b>	<b>(331.20)</b>	<b>(579.64)</b>	<b>(997.48)</b>	<b>(1,181.70)</b>
<b>3</b>	<b>Segment Assets</b>						
	a) Textile	6,852.55	7,277.45	7,408.63	6,852.55	7,408.63	7,773.77
	b) Engineering Products	890.17	845.90	960.82	890.17	960.82	976.22
	c) Composite Products - Discontinued operation	299.16	280.22	527.47	299.16	527.47	478.90
	d) Unallocable	380.01	377.06	429.72	380.01	429.72	442.40
	<b>Total Assets</b>	<b>8,421.89</b>	<b>8,780.63</b>	<b>9,326.64</b>	<b>8,421.89</b>	<b>9,326.64</b>	<b>9,671.29</b>
<b>4</b>	<b>Segment Liabilities</b>						
	a) Textile	2,316.51	2,559.93	2,252.66	2,316.51	2,252.66	2,685.28
	b) Engineering Products	298.84	229.28	342.80	298.84	342.80	274.61
	c) Composite Products - Discontinued operation	10.02	6.20	7.64	10.02	7.64	47.49
	d) Unallocable	726.60	736.01	658.94	726.60	658.94	668.14
	<b>Total Liabilities</b>	<b>3,351.97</b>	<b>3,531.42</b>	<b>3,262.04</b>	<b>3,351.97</b>	<b>3,262.04</b>	<b>3,675.52</b>
<b>5</b>	<b>Capital Employed</b>						
	(Segment Assets - Segment Liabilities)						
	a) Textile	4,536.04	4,717.52	5,155.97	4,536.04	5,155.97	5,088.49
	b) Engineering Products	591.33	616.62	618.02	591.33	618.02	701.61
	c) Composite Products - Discontinued operation	289.14	274.02	519.83	289.14	519.83	431.41
	d) Unallocable	(346.59)	(358.95)	(229.22)	(346.59)	(229.22)	(225.74)
	<b>Total Capital Employed in the Company</b>	<b>5,069.92</b>	<b>5,249.21</b>	<b>6,064.60</b>	<b>5,069.92</b>	<b>6,064.60</b>	<b>5,995.77</b>

**Notes :**

- The above unaudited financial results as reviewed by the Audit Committee, have been approved and taken on record at the meeting of the Board of Directors held on 5th February 2020. The limited review as required as per listing agreement has been carried out by the Statutory Auditors of the Company.
- The Board of Directors at their meeting held on 5th June, 2018 had decided to discontinue the operations of Composite Division effective from 30th June, 2018. Barring unforeseen circumstances, the Management expects to complete the transaction of sale of the assets of the said Division either in whole or substantially the whole or in parts as approved by shareholders. In the meantime, the assets of the said Division as on 31st March 2019 having an aggregate written down value of ₹ 458.60 lakhs have been reclassified as "Assets Held for Sale" valued at their respective written down values or net realizable values whichever are lower. During the quarter ended 30th June 2019, fixed assets aggregating to ₹ 42.51 lacs were sold and Management obtained a fresh valuation report of ₹ 272.13 lakhs for remaining assets and accordingly recognised further impairment loss of ₹ 143.96 lakhs for the quarter ended 30th June, 2019.
- During the Quarter ended 30th September, 2019 the Company has fully repaid its term loan and accordingly company is not eligible for any interest subsidy, as per New Textile Policy 2012. Further, Government resolution with regard to release of Interest subsidy accrued for the period October, 2016 to 30th September 2019 aggregating to Rs. 127.73 lakhs is awaited.



- 4) As reported earlier, in connection with the joint property development transaction entered into by the Company earlier with Caprihans India Ltd., (Caprihans) in the past, the Company had provided ₹ 63.98 lakhs in the Financial Statements for the year ended 31st March, 2017 as the sum payable to Caprihans in terms of the Arbitration Award dated 20th October, 2016. Thereafter, the said Caprihans challenged the said Arbitration Award before the Hon. High Court at Mumbai.

Since then, the Single Judge of the Hon. High Court at Mumbai decided the challenge filed by the said Caprihans vide its judgment dated 3rd June, 2019 interalia holding that:-

- (a) the majority award rejecting Caprihans claim for cost of construction at ₹ 3,100 per sq. ft. is set aside;  
(b) the liability of the Company to pay interest on the unpaid cost of construction is subject matter of fresh Arbitration;  
(c) the cost of litigation claimed by the said Caprihans being discretionary, the decision of the Arbitrators rejecting the same is not required to be interfered.

Against the said judgment of the Ld. Single Judge of the Hon. High Court at Mumbai, the Company has filed an appeal before the Division Bench of the Hon. High Court.

The said Caprihans have also filed an appeal before the Division Bench of the Hon. High Court challenging the judgment of the Ld. Single Judge. The Appeals will come up in due course for hearing.

The Company is of the view that, at this juncture, since the matter is sub judice, the provision of ₹ 63.98 lacs will be adjusted in the year in which finality is reached.

- 5) Loss before Tax Sr. No III) ₹ 133.09 lakhs relates to Continuing operations and Profit before Tax Sr. No (VI) ₹ 9.32 lakhs relates to Discontinued operations aggregating to ₹ 123.77 lakhs is shown in Sr. No (2h) per Segment Results.  
6) In view of losses for the period ended 31st December 2019, no provision for Income Tax and Minimum Alternate Tax under Section 115JB of Income Tax Act, 1961 are required to be made.  
7) There was no investor complaint pending at the beginning of the quarter. During the quarter ended 31st December 2019, the Company has received no complaints and hence no complaint is pending as at 31st December 2019.  
8) Figures for the earlier periods have been regrouped / reclassified wherever necessary.

Mumbai  
Dated : 5th February 2020

  
Rajiv Ranjan  
Executive Director



M. A. PARIKH & CO.  
CHARTERED ACCOUNTANTS

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

To,  
Board of Directors of  
Hindoostan Mills Limited

1. We have reviewed the accompanying statement of unaudited standalone financial Results ("the Statement") of Hindoostan Mills Limited (the Company) for the quarter and nine months ended December 31, 2019 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

**Management's responsibility**

2. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" as prescribed under Section 133 of Companies Act, 2013 ("the Act") read with relevant rules issued there under and other accounting principles generally accepted in India.

**Auditor's responsibility**

3. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" 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 personnel of the Company and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. **Conclusion**

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standard i.e. "Ind AS" prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized 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  
Membership No. 032489  
UDIN: 20032489AAAAAL6433



Place: Mumbai  
Date: 5<sup>th</sup> February, 2020