HINDOOSTAN
MILLS

July 14, 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 July 14, 2020.

1. **Audited Financial Results:**
   In terms of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, we are enclosing herewith Audited Accounts for the Quarter / Year ended March 31, 2020 together with Auditor's Report, as reviewed by the Audit Committee and approved by the Board of Directors at its Meeting held on July 14, 2020.

2. **Sale of Bruce street property**
   In terms of Regulation 30 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, we hereby inform you that the Board has decided to sell the Company's entire share, being $5/8^{th}$ i.e. 62.5% in the Bruce Street property located at 10 Homi Modi Street, Fort, Mumbai – 400001, at Rs.13.50 Crores.

The Meeting of the Board of Directors commenced at 12.25 P.M. and concluded at 2.20 PM.
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 LIMITED

Registered Office : Sir Vithaldas Chambers, 16, Mumbai Samachar Marg, Mumbai - 400 001.

Statement of Audited Results for the Year ended 31st March 2020

₹ in lakhs

Sr. No.		Particulars	Quarter Ended 31.03.2020 (Audited)	Quarter Ended 31.12.2019 (Unaudited)	Quarter Ended 31.03.2019 (Audited)	Year Ended 31.03.2020 (Audited)	Year Ended 31.03.2019 (Audited)
I		**Revenue**					
	(a)	Net Sales/Income from Operations	3,423.98	3,380.81	4,278.20	13,945.65	16,096.84
	(b)	Other Operating Income	48.01	39.00	(6.96)	162.21	146.90
		Total Revenue from operations	3,471.99	3,419.81	4,271.24	14,107.86	16,243.74
		Other Income	109.72	37.99	103.55	229.02	248.24
		Total Revenue	**3,581.71**	**3,457.80**	**4,374.79**	**14,336.88**	**16,491.98**
II		**Expenses**					
	a)	Cost of Materials Consumed	2,014.95	2,253.26	2,745.39	9,161.25	10,518.65
	b)	Purchase of Stock - in -Trade	158.81	125.44	422.58	720.10	1,134.88
	c)	Changes in Inventories of Finished goods , Work in progress and Stock in Trade	195.99	(26.23)	(149.06)	(4.71)	(262.11)
	d)	Employee Benefits Expense	347.49	440.77	365.29	1,586.18	1,537.67
	e)	Finance Cost	30.48	29.67	43.66	120.01	198.23
	f)	Depreciation and Amortisation Expenses	141.69	152.27	183.62	587.70	858.33
	g)	Other Expenses	721.47	615.71	853.25	2,617.88	3,154.25
		Total Expenses	**3,610.88**	**3,590.89**	**4,464.73**	**14,788.41**	**17,139.90**
III		Loss before Tax (Refer Note No. 7)	(29.17)	(133.09)	(89.94)	(451.53)	(647.92)
IV		Less : Tax expense					
		- Deferred Tax	-	(2.46)	4.08	(1.41)	(2.25)
V		Loss for the period from continuing operations	(29.17)	(130.63)	(94.02)	(450.12)	(645.67)
VI		(Loss)/Profit before tax from discontinued operation (Refer Note No. 7)	(3.54)	9.32	(94.28)	(160.82)	(533.78)
VII		Less : Tax expense of discontinued operation	-	-	(0.01)	-	1.38
VIII		(Loss)/Profit for the period from discontinuing operations (including Impairment loss - Refer Note No. 3)	(3.54)	9.32	(94.27)	(160.82)	(535.16)
IX		Loss for the Period	(32.71)	(121.31)	(188.29)	(610.94)	(1,180.83)
X		Other Comprehensive Income					
		- Items that will not be reclassified subsequently to profit & loss	4.66	1.98	21.42	10.81	7.92
XI		Total Comprehensive Income	(28.05)	(119.33)	(166.87)	(600.13)	(1,172.91)
XII		Paid-up Equity Share Capital (Face value ₹ 10/-each)	166.45	166.45	166.45	166.45	166.45
XIII		Earnings Per Equity Share from continuing operation					
	-	Basic	(1.75)	(7.85)	(5.65)	(27.04)	(38.79)
	-	Diluted	(1.75)	(7.85)	(5.65)	(27.04)	(38.79)
XIV		Earnings Per Equity Share from discontinuing operation					
	-	Basic	(0.21)	0.56	(5.66)	(9.66)	(32.15)
	-	Diluted	(0.21)	0.56	(5.66)	(9.66)	(32.15)
XV		Earnings Per Equity Share from continuing and discontinuing operation					
	-	Basic	(1.97)	(7.29)	(11.31)	(36.70)	(70.94)
	-	Diluted	(1.97)	(7.29)	(11.31)	(36.70)	(70.94)
		See accompanying notes to the Financial Results					
			(Not Annualised)	(Not Annualised)	(Not Annualised)	(Annualised)	(Annualised)

HINDOOSTAN MILLS LIMITED

Audited Segment Information for the Year ended 31st March 2020

₹ in lakhs

Sr.No.	Particulars	Quarter Ended			Year Ended	
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
1	**Segment Revenue**					
	a) Textile	3,048.90	3,161.52	3,879.62	12,951.95	14,899.00
	b) Engineering Products	423.09	258.29	391.62	1,155.91	1,344.74
	c) Composite Products - Discontinued operation	-	-	-	-	84.81
	Gross Sales/Income from Operations	**3,471.99**	**3,419.81**	**4,271.24**	**14,107.86**	**16,328.55**
2	**Segment Results - Loss before Tax, Interest & Unallocable overheads**					
	a) Textile	(142.89)	(134.06)	(173.75)	(585.09)	(703.61)
	b) Engineering Products	95.70	4.59	76.82	117.24	107.51
	c) Composite Products - Discontinued operation	22.14	(8.43)	(104.03)	(142.91)	(543.00)
	Total	**(25.05)**	**(137.90)**	**(200.96)**	**(610.76)**	**(1,139.10)**
	d) Interest Expenses	(30.48)	(29.67)	(43.66)	(120.01)	(198.23)
	e) Interest Expenses - Discontinued operation	-	(1.09)	(2.17)	(18.40)	(3.06)
	f) Unallocable overheads net of unallocable income	48.49	26.05	50.65	136.32	146.41
	g) Unallocable overheads net of unallocable income - Discontinued operation	(25.67)	18.84	11.92	0.50	12.28
	h) **Total Loss before Tax** (Refer Note No. 7)	**(32.71)**	**(123.77)**	**(184.22)**	**(612.35)**	**(1,181.70)**
3	**Segment Assets**					
	a) Textile	7,262.12	6,852.55	7,773.77	7,262.12	7,773.77
	b) Engineering Products	1,134.06	890.17	976.22	1,134.06	976.22
	c) Composite Products - Discontinued operation	140.05	299.16	478.90	140.05	478.90
	d) Unallocable	378.71	380.01	442.40	378.71	442.40
	Total Assets	**8,914.94**	**8,421.89**	**9,671.29**	**8,914.94**	**9,671.29**
4	**Segment Liabilities**					
	a) Textile	2,574.09	2,316.51	2,685.28	2,574.09	2,685.28
	b) Engineering Products	540.29	298.84	274.61	540.29	274.61
	c) Composite Products - Discontinued operation	1.74	10.02	47.49	1.74	47.49
	d) Unallocable	715.68	726.60	668.14	715.68	668.14
	Total Liabilities	**3,831.80**	**3,351.97**	**3,675.52**	**3,831.80**	**3,675.52**
5	**Capital Employed**					
	(Segment Assets - Segment Liabilities)					
	a) Textile	4,688.03	4,536.04	5,088.49	4,688.03	5,088.49
	b) Engineering Products	593.77	591.33	701.61	593.77	701.61
	c) Composite Products - Discontinued operation	138.31	289.14	431.41	138.31	431.41
	d) Unallocable	(336.97)	(346.59)	(225.74)	(336.97)	(225.74)
	Total Capital Employed in the Company	**5,083.14**	**5,069.92**	**5,995.77**	**5,083.14**	**5,995.77**

Notes :

1) The above audited 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 14th July, 2020. The limited review as required as per listing agreement has been carried out by the Statutory Auditors of the Company.

2) The Covid-19 pandemic has had a major impact on businesses across the world and the company too has been affected by it.
As a result of the lockdown, which was implemented from March 22, 2020, the company lost sizeable export, and domestic sales during the month which has adversely affected the financial performance of the quarter and year ended March 31,2020.
The company started partial operations with reduced capacity on 9th May 2020 and gradually scaled up the operations to about 30% capacity despite the difficulty in availability of manpower, The Company has taken precautionary measures to safeguard health and safety of employees coming to work. It has also permitted work from home to staff.
Lower consumption and demand in the first quarter of 2020-21 have driven both the raw material and greige fabric prices down by about 10% each. After a dull month in April, while the export sales have picked up from May, the domestic sales continue to be very low. Lower production and sales are expected to negatively impact the revenues and profitability of the Company for Q1 and the entire year 2020-21. Non-fulfillment of existing contracts/agreements by any party will not have significant impact on the business of the company.
While the Company is comfortable on capital and financial resources front, there are delays in receivable collection from buyers as they are extending payment terms. There may be a short-term liquidity crunch due to disturbed Operations of the company.

3) 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 lakhs 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.
Since the markets are seeing a resurgence in the demand for Technical Textiles products, the Company is planning to develop new products in specialty chemicals, technical textiles and ancillary products for which Company requires the machinery of Composite division. Accordingly, the Company has transferred the machinery of Composite division having a Net block of ₹ 138.66 lakhs on 31st March, 2020 from "Assets Held for Sale" to “Property, Plant and Equipment”.
Despite best efforts, the company has not been able to finalize the deal for remaining assets of ₹ 133.47 lakhs and hence it continues to reflect the same as “Assets Held for Sale”.

4) The Board of Directors at their meeting held on 14th July 2020 had decided to sell the Company’s entire share, being 5/8th i.e. 62.5% in the Bruce Street property located at 10 Homi Modi Street, Fort, Mumbai – 400001, at ₹ 1350.00 lakhs.

5) Interest Subsidy:-
(a) Recognition of interest subsidy: Company has been recognising interest subsidy in terms of its eligibility under the New Textile Policy 2012 as Other Income from May, 2014 to September, 2019.
(b) Recovery of subsidy from Government : The aggregate revenue recognised by the Company for the period from October, 2016 to 30th September, 2019 and which is outstanding as on date aggregates to ₹ 127.33 lakhs is on account of government resolution with regards to release of interest subsidy which is awaited.
The said amount is considered good for recovery by the Management.

6) 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.

7) Loss before Tax Sr. No (III) ₹ 29.17 lakhs relates to Continuing operations and Profit before Tax Sr. No (VI) ₹ 3.54 lakhs relates to Discontinued operations aggregating to ₹ 32.71 lakhs is shown in Sr. No (2h) per Segment Results.

8) In view of losses for the year ended 31st March 2020, no provision for Income Tax and Minimum Alternate Tax under Section 115JB of Income Tax Act, 1961 are required to be made.

9) There was no investor complaint pending at the beginning of the quarter. During the quarter ended 31st March 2020, the Company has received no complaints and hence no complaint is pending as at 31st March 2020.

10) Figures for the earlier periods have been regrouped / reclassified wherever necessary.

Sd/-

Mumbai

Dated : 14th July, 2020

Rajiv Ranjan

Executive Director

Hindoostan Mills Limited

Audited Balance Sheet as on 31st March 2020

₹ in lakhs

Sr. No.			Particulars	31.03.2020 (Audited)	31.03.2019 (Audited)
I.			**Assets**		
1			**Non-Current Assets**		
	a.		Property, Plant and Equipment	2,649.88	3,023.23
	b.		Capital Work in Progress	60.37	-
	c.		Investment in Property	11.77	17.67
	d.		Financial Assets		
		i)	Investments	0.67	0.68
		ii)	Other Financial Assets	158.30	136.09
	e.		Other Non-Current Assets	4.42	43.93
				2,885.41	3,221.60
2			**Current Assets**		
	a.		Inventories	2,243.15	2,218.34
	b.		Financial Assets		
		i)	Trade Receivables	2,824.09	3,068.79
		ii)	Cash and Cash Equivalents	61.93	100.33
		iii)	Other Financial Assets	379.75	255.97
	c.		Current Tax Assets (Net)	297.95	296.40
	d.		Other Current Assets	89.19	51.27
	e.		Assets held for sale	133.47	458.60
				6,029.53	6,449.70
			Total	**8,914.94**	**9,671.30**
II.			**Equity and Liabilities**		
1			**Equity**		
	a.		Equity Share Capital	166.45	166.45
	b.		Other Equity	4,008.05	4,608.18
				4,174.50	4,774.63
2			**Liabilities**		
			Non-Current Liabilities		
	a.		Financial Liabilities		
		i)	Other Financial Liabilities	32.70	30.47
	b.		Provisions	524.77	475.90
	c.		Deferred Tax Liabilities (Net)	-	1.41
				557.47	507.78
			Current Liabilities		
	a.		Financial Liabilities		
		i)	Borrowings	908.64	960.44
		ii)	Trade Payables	2,336.74	2,223.21
		iii)	Other Financial Liabilities	690.06	1,044.22
	b.		Other Current Liabilities	170.84	84.88
	c.		Provisions	76.69	76.14
				4,182.97	4,388.89
			Total	**8,914.94**	**9,671.30**

Hindoostan Mills Limited

Statement Cash Flow for Year Ended 31st March 2020

₹ in lakhs

Sr. No.	Particulars	Year Ended 31st March 2020	Year Ended 31st March 2019
		(Audited)	(Audited)
A.	**CASHFLOW FROM OPERATING ACTIVITIES**		
	Loss before tax from continuing operations	(451.53)	(647.92)
	Loss before tax from discontinued operations	(160.82)	(533.78)
		(612.35)	(1,181.70)
	Adjustment for :		
	Depreciation and Amortisation expenses	587.70	858.33
	Depreciation and Amortisation expenses - Discontinued Operations	-	25.88
	Impairment - Discontinued Operations	143.96	356.51
	Finance Cost	120.01	198.23
	Finance Cost - Discontinued Operations	18.40	3.07
	Property, Plant and Equipments Written off	-	15.39
	Property, Plant and Equipments Written off - Discontinued Operations	-	8.19
	Provision for Doubtful Debts and Advances	17.09	46.59
	Provision for Doubtful Debts - Discontinued Operations	-	39.77
	Bad Debts and Debit Balances Written Off	53.76	22.75
	Bad Debts and Sundry Debit Balances Written Off - Discontinued Operations	13.97	9.54
	Lease Income	(97.57)	(50.38)
	Fair Value Gain on MF Valued as FVTPL	-	18.96
	Profit on Sale of Property, Plant and Equipments (Net)	(0.62)	(0.25)
	Profit on Sale of Property, Plant and Equipments - Discontinued Operations	-	5.42
	Profit on Sale of Investments (Net)	-	(20.76)
	Provision for Doubtful Advances no longer required written back	(58.18)	(17.33)
	Provision for Doubtful Advances no longer required written back - Discontinued Operations	(39.76)	(6.50)
	Excess provision no longer required written back	(1.00)	(2.01)
	Excess provision no longer required written back - Discontinued Operations	-	(0.20)
	Sundry Credit Balance Written Back	(15.08)	(31.66)
	Sundry Credit Balance Written Back - Discontinued Operations	-	(0.79)
	Interest and Dividend Income	(16.61)	(18.66)
	Interest Income - Discontinued Operations	(0.49)	(1.61)
		725.58	1,458.48
	Operating Profit before Working Capital Changes	113.23	276.78
	Changes in :		
	Inventories	(24.81)	98.41
	Trade Receivables	257.81	(103.06)
	Other Financial Assets	(146.97)	211.46
	Other Non- Financial Assets	(58.78)	17.42
	Trade Payables	129.62	193.40
	Other Financial Liabilities	(91.23)	(92.25)
	Other Current Liabilities	85.97	(67.84)
	Provisions	60.24	53.78
		211.85	311.32
	Cash Generated from Operations	325.08	588.10
	Direct Taxes paid (Net of Refunds)	(1.55)	(5.45)
	Net Cash Generated From Operating Activities	323.53	582.65

Hindoostan Mills Limited
Statement Cash Flow for Year Ended 31st March 2020

₹ in lakhs

Sr. No.	Particulars		Year Ended 31st March 2020	Year Ended 31st March 2019
			(Audited)	(Audited)
B.	**CASHFLOW FROM INVESTING ACTIVITIES**			
	Purchase of Property, Plant and Equipments		(71.84)	(63.60)
	Sale of Property, Plant and Equipments		45.18	19.18
	Interest and Dividend Received		18.07	21.49
	Lease Income Received		97.57	50.38
	Investments Purchased and Sold (Net)		-	68.53
	Net Cash used in Investing Activities		88.98	95.98
C.	**CASHFLOW FROM FINANCING ACTIVITIES**			
	Interest Paid		(141.16)	(207.19)
	Repayment of Borrowing		(309.75)	(476.29)
	Net Cash used in Financing Activities		(450.91)	(683.48)
	Net Increase in Cash and Cash Equivalents	(A+B+C)	(38.40)	(4.85)
	Cash and Cash Equivalents at the beginning of the year			
	Cash and Cash Equivalents		80.72	57.84
	Other Bank Balances		19.61	47.34
			100.33	105.18
	Cash and Cash Equivalents at the end of the year			
	Cash and Bank Balance		23.95	80.72
	Other Bank Balances			
	Earmarked Balance with Banks		7.95	11.96
	Margin Money Deposit		30.03	5.71
	Other Bank Deposits		-	1.94
	Cash and Cash Equivalents at the end of the Year		61.93	100.33

HINDOOSTAN MILLS LIMITED

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results

<table>
<tr><td colspan="5">Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2020
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]
Rs. In Lakhs</td></tr>
<tr><td>I.</td><td>Sl. No.</td><td>Particulars</td><td>Audited Figures (as reported before adjusting for qualifications)</td><td>Adjusted Figures (audited figures after adjusting for qualifications)</td></tr>
<tr><td></td><td>1.</td><td>Turnover / Total income</td><td>14,336.88</td><td>14,336.88</td></tr>
<tr><td></td><td>2.</td><td>Total Expenditure</td><td>14,788.41</td><td>14,788.41</td></tr>
<tr><td></td><td>3.1.</td><td>Net Profit/(Loss) from Continuing Operations</td><td>(450.12)</td><td>(450.12)</td></tr>
<tr><td></td><td>3.2.</td><td>Net Profit/(Loss) from Discontinued Operations</td><td>(160.82)</td><td>(160.82)</td></tr>
<tr><td></td><td>4.1.</td><td>Earnings Per Share from Continuing Operations (in Rupees per share)</td><td>(27.04)</td><td>(27.04)</td></tr>
<tr><td></td><td>4.2.</td><td>Earnings Per Share from Discontinued Operations (in Rupees per share)</td><td>(9.66)</td><td>(9.66)</td></tr>
<tr><td></td><td>5.</td><td>Total Assets</td><td>8,914.94</td><td>8,914.94</td></tr>
<tr><td></td><td>6.</td><td>Total Liabilities</td><td>4,740.44</td><td>4,740.44</td></tr>
<tr><td></td><td>7.</td><td>Net Worth</td><td>4,174.50</td><td>4,174.50</td></tr>
<tr><td></td><td>8.</td><td>Any other financial item(s) (as felt appropriate by the management)</td><td>-</td><td>-</td></tr>
<tr><td>II. i.</td><td colspan="4">Audit Qualification (each audit qualification separately):</td></tr>
<tr><td></td><td colspan="4">a. Details of Audit Qualification:
The Company has transferred an amount of Rs.0.92 lakhs and Rs.1.46 lakhs for the Financial year 2010-11 and 2011-12 respectively to Investor Education and Protection Fund (IEPF) and filed necessary forms. However pursuant to the provisions of Section 124(6) read with Rule 6 of the Rules, the Company has not transferred all shares (including the benefits on such shares) in respect of which dividend has not been paid or claimed for seven consecutive years or more in the name of Investor Education and Protection Fund (IEPF) and necessary forms have not been filed with the respective authorities. Thus, there is non-compliance of the provisions of Section 124 and other relevant provisions of the Companies Act, 2013. The company has initiated the process</td></tr>
</table>

	for compliance of the said provisions of the Companies Act, 2013 read with its Rules.
	b. Type of Audit Qualification : Qualified Opinion / ~~Disclaimer of Opinion / Adverse Opinion~~
	c. Frequency of qualification: Whether appeared first time / ~~repetitive~~ / ~~since how long continuing~~
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not Applicable
	e. For Audit Qualification(s) where the impact is not quantified by the auditor: Not Applicable
	(i) **Management's estimation on the impact of audit qualification:**
	(ii) **If management is unable to estimate the impact, reasons for the same:**
	(iii) **Auditors' Comments on (i) or (ii) above:**
II. ii.	**Audit Qualification (each audit qualification separately):**
	a. Details of Audit Qualification: The Company has not filed form MGT-14 for appointment of Company Secretary and Compliance Officer of the company and thus violated the provisions of Section 179(3) of the Companies Act, 2013 read with its relevant rules. However, the Company has filed form DIR -12 for the said appointment.
	b. Type of Audit Qualification: Qualified Opinion / ~~Disclaimer of Opinion / Adverse Opinion~~
	c. Frequency of qualification: Whether appeared first time / ~~repetitive~~ / ~~since how long continuing~~
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not Applicable
	e. For Audit Qualification(s) where the impact is not quantified by the auditor: Not Applicable
	(iv) **Management's estimation on the impact of audit qualification:**
	(v) **If management is unable to estimate the impact, reasons for the same:**
	(vi) **Auditors' Comments on (i) or (ii) above:**
II. iii.	**Audit Qualification (each audit qualification separately):**
	a. Details of Audit Qualification: There was delay in appointment of a qualified Company Secretary and Compliance Officer of the Company as per the requirements of Regulation 6(1) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and BSE Limited has levied a penalty of Rs. 23,600/- (including GST) and the same has been paid by the Company.
	b. Type of Audit Qualification : Qualified Opinion / ~~Disclaimer of Opinion / Adverse Opinion~~
	c. Frequency of qualification: Whether appeared first time / ~~repetitive~~ / ~~since how long continuing~~
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's

	Views: Not Applicable	
	e. For Audit Qualification(s) where the impact is not quantified by the auditor: Not Applicable	
	(vii) **Management's estimation on the impact of audit qualification:**	
	(viii) **If management is unable to estimate the impact, reasons for the same:**	
	(ix) **Auditors' Comments on (i) or (ii) above:**	
III.	**Signatories:**	
	Mr. Rajiv Ranjan **Executive Director and CEO**	Sd/-
	Ms. Shraddha Shettigar **Chief Financial Officer**	Sd/-
	Mr. Sujal Shah **Audit Committee Chairman**	Sd/-
	Mr. Mukul Patel Partner, M/s. M. A. Parikh & Co., **Statutory Auditor**	Sd/-
Place: Mumbai		
Date: July 14, 2020		

Auditor's Report on Quarterly Financial Results of Hindoostan Mills Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors,
Hindoostan Mills Limited
Report on Financial results for quarter and year ended 31st March,2020

1. Qualified Opinion

We have audited the accompanying Statement of financial results ("the Statement") of **Hindoostan Mills Limited** ("the Company") for the quarter and year ended 31st March, 2020, being submitted by the company pursuant to the requirement of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 as amended ("Listing Regulations").

In our Opinion and to the best of our information and according to explanation given to us *except for the effect of the matters described in the Basis for Qualified Opinion*, the Statement:

a) is presented in accordance with the requirements of Regulations 33 of the Listing Regulations in this regard; and

b) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net loss and other comprehensive income and other financial information for the year ended 31st March 2020.

2. Basis of Qualified Opinion

In respect of non-compliance with certain provisions of the Act / Security Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations to the extent stated below:

i. The Company has transferred an amount of Rs.0.92 lakhs and Rs.1.46 lakhs for the Financial year 2010-11 and 2011-12 respectively to Investor Education and Protection Fund (IEPF) and filed necessary forms. However pursuant to the provisions of Section 124(6) read with Rule 6 of the Rules, the Company has not transferred all shares (including the benefits on such shares) in respect of which dividend has not been paid or claimed for seven consecutive years or more in the name of Investor Education and Protection Fund (IEPF) and necessary forms have not been filed with the respective authorities. Thus, there is non-compliance of the provisions of Section 124 and other relevant provisions of the Companies Act, 2013. The company has initiated the process for compliance of the said provisions of the Companies Act, 2013 read with its Rules.

ii. The Company has not filed form MGT-14 for appointment of Company Secretary and Compliance Officer of the company and thus violated the provisions of Section 179(3) of the Companies Act, 2013 read with its relevant rules. However, the Company has filed form DIR -12 for the said appointment.

iii. There was delay in appointment of a qualified Company Secretary and Compliance Officer of the Company as per the requirements of Regulation 6(1) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and BSE Limited has levied a penalty of Rs.23,600/- (including GST) and the same has been paid by the Company.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibility under those standards are further described in the Auditors' Responsibility for the Audit of Financial Results 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 ethical requirements that are relevant to our audit of the financial results under the provisions of the Act, and Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our qualified opinion.

3. Management Responsibility for the Statement

The Statement has been prepared on the basis of the annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that give a true and fair view of the net loss and other comprehensive income of the Company and other financial information in accordance with the applicable Indian Accounting Standards (Ind As) prescribed under section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 accounting policies; making judgements and estimates that are reasonable and prudent; and the 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 Statement that give a true and fair view and are free from material misstatements, whether due to fraud or error.

In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matter 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.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

The results for the quarter ended 31st March, 2020 are the derived figures between the audited figures in respect of the current full financial year ended 31st March, 2020 and the published unaudited figures for the nine-months ended 31st December, 2019, which were subjected to a limited review.

4. Auditor's Responsibility

Our responsibility is to express an opinion on the Statements based on our audit of such annual financial statements.

Our objectives are to obtain reasonable assurance as to whether the statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect if a material misstatement therein 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 the Statements.

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

• Identify and assess the risks of material misstatement in the statement, 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 controls 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 Board of Directors.

• Conclude on the appropriateness of Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

• Obtain sufficient appropriate audit evidence regarding the Statements of the Company to express an opinion on the statements.

Materiality is the magnitude of misstatement in the Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatement in the Financial Results.

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

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

For M. A. Parikh & Co.
Chartered Accountants
Firm's registration number: 107556W

MUKUL M. PATEL
Partner
Membership No. 032489
UDIN:20032489AAAABJ6026
Place: Mumbai
Date : 14th July, 2020