

## NEAPS/BSE ONLINE

31<sup>st</sup> January, 2019

The Corporate Relationship Dept.,  
BSE Ltd.,  
Phiroze Jeejeebhoy Towers,  
1<sup>st</sup> Floor, New Trading Ring  
Rotunda, Dalal Street,  
Mumbai - 400 001

The Secretary,  
National Stock Exchange of India Ltd,  
Exchange Plaza, 5th Floor,  
Plot No. C/1, G-Block  
Bandra-Kurla Complex,  
Bandra (E), Mumbai - 400 051

Dear Sirs,

**Sub: Unaudited Financial Results and Limited Review Report for the third quarter and nine months ended 31<sup>st</sup> December, 2018 together with Segment wise Revenue, Results and Capital Employed**

In compliance with the requirements of Regulation 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, enclosed herewith Un-audited Financial Results for the third quarter and nine months ended 31<sup>st</sup> December, 2018 including Segment wise Revenue, Results and Capital Employed of the Company as on 31<sup>st</sup> December, 2018, duly recommended by the Audit Committee and subsequently considered and approved by the Board of Directors in their meeting held on Thursday, 31<sup>st</sup> January, 2019 along with the Limited Review Report of the Statutory Auditors thereon.

The Meeting of Board of Directors was commenced at 1:30 pm and concluded at 5:30 pm.

This is for your reference and record.

For **HSIL Limited**



**(Payal M. Puri)**

**Company Secretary**

**Name:** Payal M. Puri  
**Address:** 301-302, 3<sup>rd</sup> Floor, Park Centra, Sector-30, Gurugram-122001  
**Membership No.** 16068

Encl: As above

HSIL LIMITED

REGD. OFFICE: 2, RED CROSS PLACE, KOLKATA-700 001, Tel: 033-22487407/5668

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Email: hsilinvestors@hindware.co.in

CIN : L51433WB1960PLC024539

PART I

STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2018

(Rs. in crore)

	Particulars	3 months ended 31 December 2018 (Unaudited)	3 months ended 30 September 2018 (Unaudited)	Corresponding 3 months ended in the previous year 31 December 2017 (Unaudited)	Year to date figure for current period ended 31 December 2018 (Unaudited)	Year to date figure for previous period ended 31 December 2017 (Unaudited)	Year ended 31 March 2018 (Audited)
I	Revenue from operations (refer note 5 below)	735.72	622.65	579.45	1,900.78	1,623.69	2,284.51
II	Other income	1.81	5.09	1.02	8.45	3.38	9.71
III	<b>Total income (I+II)</b>	<b>737.53</b>	<b>627.74</b>	<b>580.47</b>	<b>1,909.23</b>	<b>1,627.07</b>	<b>2,294.22</b>
IV	<b>Expenses</b>						
	a) Cost of materials consumed	182.47	147.19	103.35	443.59	289.96	417.44
	b) Purchases of stock-in-trade	151.47	142.48	133.39	379.26	380.55	546.84
	c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(27.66)	(13.74)	0.54	(38.40)	(56.54)	(75.38)
	d) Excise duty	-	-	-	-	35.00	35.00
	e) Employee benefits expense	94.37	81.05	75.57	262.24	223.19	308.87
	f) Finance cost	27.58	16.40	12.87	55.19	35.48	55.76
	g) Depreciation and amortization expense	42.64	34.36	28.93	108.56	82.03	114.04
	h) Power and fuel	102.82	77.86	69.58	258.56	199.41	280.97
	i) Other expenses	124.91	136.43	124.50	392.74	354.37	498.39
	<b>Total expenses (IV)</b>	<b>698.60</b>	<b>622.03</b>	<b>548.73</b>	<b>1,861.74</b>	<b>1,543.45</b>	<b>2,181.93</b>
V	<b>Profit before exceptional items and tax (III-IV)</b>	<b>38.93</b>	<b>5.71</b>	<b>31.74</b>	<b>47.49</b>	<b>83.62</b>	<b>112.29</b>
VI	<b>Exceptional Item</b>						
	- Loss due to fire in Retail Division	-	-	(6.94)	-	(6.94)	(6.54)
	- Provision for impairment of Investments	-	-	2.11	-	2.11	2.11
	- Less: Transfer from business reconstruction reserve	-	-	(2.11)	-	(2.11)	(2.11)
VII	<b>Profit before tax (V-VI)</b>	<b>38.93</b>	<b>5.71</b>	<b>24.80</b>	<b>47.49</b>	<b>76.68</b>	<b>105.75</b>
VIII	<b>Tax expense</b>						
	a) Current tax	8.75	0.24	9.77	10.98	30.16	27.89
	b) Minimum alternate tax	(8.75)	(2.24)	-	(10.98)	-	-
	c) Earlier year tax	3.73	-	-	3.73	-	-
	d) Deferred tax charge/(benefit)	9.70	3.04	(0.55)	11.50	(4.32)	3.11
	<b>Tax expenses (VIII)</b>	<b>13.43</b>	<b>1.04</b>	<b>9.22</b>	<b>15.22</b>	<b>25.84</b>	<b>31.00</b>
IX	<b>Profit for the period (VII - VIII)</b>	<b>25.50</b>	<b>4.67</b>	<b>15.58</b>	<b>32.27</b>	<b>50.84</b>	<b>74.75</b>
X	<b>Other comprehensive income (net of tax)</b>						
	(A)(i) Items that will not be reclassified to profit or loss	0.28	0.28	0.20	0.84	0.61	2.13
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.09)	(0.10)	(0.07)	(0.29)	(0.21)	(0.74)
	(B)(i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to	-	-	-	-	-	-
	<b>Total other comprehensive income (X)</b>	<b>0.19</b>	<b>0.18</b>	<b>0.13</b>	<b>0.55</b>	<b>0.40</b>	<b>1.39</b>
XI	<b>Total comprehensive income for the period (IX+X)</b>	<b>25.69</b>	<b>4.85</b>	<b>15.71</b>	<b>32.82</b>	<b>51.24</b>	<b>76.14</b>
XII	<b>Earnings before interest, depreciation, tax and amortization (EBIDTA) (V+IV (a))</b>	<b>109.15</b>	<b>56.47</b>	<b>73.54</b>	<b>211.24</b>	<b>201.13</b>	<b>282.09</b>
XIII	<b>Paid-up equity share capital ( face value Rs.2/- per share)</b>	<b>14.46</b>	<b>14.46</b>	<b>14.46</b>	<b>14.46</b>	<b>14.46</b>	<b>14.46</b>
XIV	<b>Other equity (excluding revaluation reserve)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,159.80</b>
XV	<b>Earnings per share : (of Rs. 2/- each ) (not annualized)</b>						
	(a) Basic (Rs.)	3.53	0.65	2.16	4.46	7.03	10.34
	(b) Diluted (Rs.)	3.53	0.65	2.16	4.46	7.03	10.34



PART II		(Rs. in crore)					
Segment wise revenue, results, assets and liabilities							
Particulars	3 months ended 31 December 2018 (Unaudited)	3 months ended 30 September 2018 (Unaudited)	Corresponding 3 months ended in the previous year 31 December 2017 (Unaudited)	Year to date figure for current period ended 31 December 2018 (Unaudited)	Year to date figure for previous period ended 31 December 2017 (Unaudited)	Year ended 31 March 2018 (Audited)	
<b>1</b>	<b>Segment revenue from operations (refer note 5 below):</b>						
	a) Building products (refer note 4)	306.67	299.66	253.40	845.90	743.91	1,044.12
	b) Packaging products	317.10	222.92	244.10	767.64	661.87	940.52
	c) Consumer products	91.96	75.42	59.43	222.22	146.92	207.69
	d) Retail business	22.88	25.49	23.74	69.99	72.65	96.18
	e) Others	0.11	0.82	0.06	1.70	1.37	1.48
	<b>Total</b>	<b>738.72</b>	<b>624.31</b>	<b>580.73</b>	<b>1,907.45</b>	<b>1,626.72</b>	<b>2,289.99</b>
	Less : Inter segment revenue	3.00	1.66	1.28	6.67	3.03	5.48
	<b>Total income from operations</b>	<b>735.72</b>	<b>622.65</b>	<b>579.45</b>	<b>1,900.78</b>	<b>1,623.69</b>	<b>2,284.51</b>
<b>2</b>	<b>Segment results: Profit(+)/ loss(-) (before tax and interest from each segment)</b>						
	a) Building products (refer note 4)	39.75	40.30	42.64	111.96	123.35	167.94
	b) Packaging products	33.29	(6.05)	17.69	25.25	49.05	66.61
	c) Consumer products	2.75	0.51	(1.04)	(3.05)	(14.67)	(16.75)
	d) Retail business	(3.19)	(2.59)	(5.29)	(7.17)	(11.81)	(11.68)
	e) Others	(0.68)	0.60	(0.14)	0.43	0.72	0.58
	<b>Total profit before unallocable expenditure</b>	<b>71.92</b>	<b>32.77</b>	<b>53.86</b>	<b>127.42</b>	<b>146.64</b>	<b>206.70</b>
	Less: i) Finance costs	27.58	16.40	12.87	55.19	35.48	55.76
	ii) Loss due to fire in Retail Division	-	-	6.94	-	6.94	6.54
	iii) Other un-allocable expenditure net off un-allocable income	5.41	10.66	9.25	24.74	27.54	38.65
	<b>Total Profit before tax</b>	<b>38.93</b>	<b>5.71</b>	<b>24.80</b>	<b>47.49</b>	<b>76.68</b>	<b>105.75</b>
<b>3</b>	<b>Segment assets</b>						
	a) Building products	1,602.31	1,611.71	1,391.90	1,602.31	1,391.90	1,552.96
	b) Packaging products	1,567.74	1,474.76	1,395.75	1,567.74	1,395.75	1,523.27
	c) Consumer products	218.01	207.07	155.39	218.01	155.39	215.44
	d) Retail business	50.61	47.86	44.50	50.61	44.50	44.25
	e) Others	6.37	7.33	7.51	6.37	7.51	7.32
	f) Unallocated	165.35	145.40	158.44	165.35	158.44	131.66
	<b>Total</b>	<b>3,610.39</b>	<b>3,494.13</b>	<b>3,153.49</b>	<b>3,610.40</b>	<b>3,153.49</b>	<b>3,474.90</b>
	<b>Segment liabilities</b>						
	a) Building products	864.61	882.20	704.97	864.61	704.97	844.94
	b) Packaging products	1,036.68	962.27	858.60	1,036.68	858.60	983.22
	c) Consumer products	142.39	141.44	121.31	142.39	121.31	143.57
	d) Retail business	59.19	54.67	28.43	59.19	28.43	26.80
	e) Others	0.22	0.14	-	0.22	-	0.03
	f) Unallocated (includes intersegment assets)	20.08	(8.14)	(24.19)	20.08	(24.19)	(12.93)
	<b>Total</b>	<b>2,123.17</b>	<b>2,032.58</b>	<b>1,689.12</b>	<b>2,123.17</b>	<b>1,689.12</b>	<b>1,985.68</b>



**Notes**

- (1) The above results for the quarter and nine months period ended 31st December 2018 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 31st January 2019.
- (2) The statutory auditors of the Company have carried out a limited review of unaudited financial results for the quarter and nine months period ended 31st December 2018.
- (3) Effective 1st April 2018 the Company has adopted Ind AS 115 'Revenue from contracts with customer'. There is no material impact on the revenue recognised during the quarter and nine months ended 31st December 2018.
- (4) The commercial operations at newly setup, state of art CPVC, UPVC & SRW pipes and fittings facility started from 9th August 2018, and the figures of Building products division & Company for quarter and nine months ended on 31st December 2018 include sales of Rs.46.82 crore (previous year Rs. Nil) and Rs.70.29 crore (previous year Rs. Nil) respectively and EBIT level gain/(loss) of Rs.(0.87) crore (previous year Rs.1.18 crore) and Rs.(11.00) crore (previous year Rs.1.29 crore) respectively.
- (5) According to the requirement of Ind AS and SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, revenue for the corresponding previous period ended 31st December 2017 and year ended 31st March 2018 were reported inclusive of Excise Duty. The Government of India had implemented Goods and Service Tax ("GST") from 1st July 2017 replacing Excise Duty, Service Tax, and other various indirect taxes. As per Ind AS 115 (previous periods Ind AS 18) the revenue is reported net of GST. Had the previously reported respective period revenue (including nine months ended 31st December 2017) shown net of excise duty, comparative segmentwise revenue of the Company would have been as follows:

Segment revenue from operation:	(Rs. in crore)					
	Quarter ended			Nine months ended		Year ended
	31 December 2018	30 September 2018	31 December 2017	31 December 2018	31 December 2017	31 March 2018
a) Building products	306.67	299.66	253.40	845.90	729.23	1,029.45
b) Packaging products	317.10	222.92	244.10	767.64	641.54	920.20
c) Consumer products	91.96	75.42	59.43	222.22	146.92	207.69
d) Retail business	22.88	25.49	23.74	69.99	72.65	96.18
e) Others	0.11	0.82	0.06	1.70	1.37	1.47
<b>Total</b>	<b>738.72</b>	<b>624.31</b>	<b>580.73</b>	<b>1,907.45</b>	<b>1,591.71</b>	<b>2,254.99</b>
Less : Inter segment revenue	3.00	1.66	1.28	6.67	3.03	5.48
<b>Total income from operations</b>	<b>735.72</b>	<b>622.65</b>	<b>579.45</b>	<b>1,900.78</b>	<b>1,588.68</b>	<b>2,249.51</b>

- (6) The Board of Directors of the Company, in its meeting held on 10th November 2017 had approved a composite Scheme of Arrangement under section 230 to 232, read with section 66 and other applicable provisions of the Companies Act 2013 and the provisions of other applicable laws, amongst the Company, Somany Home Innovation Limited, a wholly owned subsidiary of the Company ("Resulting Company 1") and Brilloca Limited, a wholly owned subsidiary of Resulting Company 1 ("Resulting Company 2") and their respective shareholders and creditors ("Scheme"). The Scheme provides for the demerger of, (i) the Consumer Products Distribution and Marketing Undertaking ("CPDM Undertaking") and Retail Undertaking of the Company into Resulting Company 1, and (ii) the Building Products Distribution and Marketing Undertaking ("BPDM Undertaking") of the Company into Resulting Company 2. The Appointed Date for the Scheme is 1st April 2018 or such other date as directed by the Hon'ble Kolkata Bench of the National Company Law Tribunal ("NCLT"). The Scheme is subject to necessary regulation, approval and sanction by Hon'ble NCLT. The Company had received approval from BSE Limited and the National Stock Exchange of India Limited. The shareholders, secured creditors and unsecured creditors of the company have, in their respective NCLT convened meetings held on 29th September 2018 given requisite consents and approval from NCLT, in this regard, is awaited.
- (7) A portion of the company's Kaharani unit engaged in manufacturing of faucets, a part of building products division, had fire on the night of 12th November 2017. The necessary surveys by the insurance company has been conducted and unit is duly covered by insurance including reinstatement value clause. The insurance company is in process of assessing the quantum of claims for settlement. The company has received an interim insurance claim of Rs.3.44 crore till date. All adjustments pertaining to loss, receipt of interim payments, final settlement due to fire would be accounted for upon its final assessment by the insurance company. In the opinion of management there will not be any material impact on this account on state of affairs and result of the company.
- (8) Previous period figures have been regrouped /re-arranged wherever considered necessary to confirm to the current quarter and nine month's classification.




*Sandeep Sofmany*  
**Sandeep Sofmany**  
 Vice Chairman and Managing Director  
 HSIL Limited

**Independent Auditor's Review Report**

**To  
Board of Directors  
HSIL Limited**

1. We have reviewed the accompanying statement of standalone unaudited financial results of M/s. **HSIL Limited** ("the Company") for the quarter and nine months period ended 31<sup>st</sup> December'2018 ("the Statement"), attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulations"), read with Circular No. CIR/CFD/FAC/62/2016 dated 5<sup>th</sup> July 2016 ("the Circular"). The preparation of the Statement in accordance with the recognition and measurement principles laid down in Ind AS-34, Interim Financial Reporting prescribed u/s 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rule, 2015, as amended and other accounting principles generally accepted in India, read with the Circular, is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to issue a report on the Statement based on our review.
2. 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 statement is free of material misstatements. A review is limited primarily to inquiries of company personnel 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.
3. 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 applicable Accounting Standards i.e. Indian Accounting Standards ('Ind AS') prescribed u/s 133 of the Companies Act, 2013 read with relevant rules issued there under and other recognised accounting practices and policies generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For LODHA & CO.**  
Chartered Accountants  
Firm Registration No. 301051E

  
**(N.K. Lodha)**  
Partner  
Membership No: 85155  
Place: New Delhi  
Date: 31-1-2019

