

18th May, 2017

The Corporate Relationship Dept.,
BSE Ltd.,
Phiroze Jeejeebhoy Towers,
1st 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,

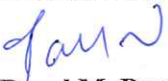
Sub: Pursuant to Regulations 30 and 33 of SEBI (Listing Obligations and Disclosures Requirement) Regulation, 2015, Audited Financial Results for the quarter and year ended 31st March, 2017 and Consolidated Financial Results for the year ended 31st March, 2017.

This is to inform you that Board of Directors of the Company at their meeting held today i.e. 18th May, 2017 has approved the following:

- Audited standalone Financial Results for the fourth quarter and year ended 31st March, 2017 and consolidated Financial Results for the year ended 31st March, 2017 in the prescribed format.
- Auditors Report on Standalone and Consolidated Financial Results of the Company for the financial year ended 31st March, 2017 issued by M/s Walker, Chandiok & Co LLP.
- Statement in the form of declaration that the report of Auditors is with unmodified opinion with respect to Audited Financial Results (Standalone and Consolidated) for the quarter and financial year ended 31st March, 2017.
- Appointment of M/s Lodha & Co.as Statutory Auditors of the Company for a period of 5 years from the conclusion of 57th Annual General Meeting till the conclusion of 62nd Annual General Meeting, subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company.

The Meeting of Board of Directors was commenced at 2:00 pm and concluded at 06:15 pm.
This is for your reference and record.

For **HSIL Limited**


(Payal M. Puri)
Company Secretary

Name: Payal M. Puri
Address: IA 35A, Phase 1 Ashok Vihar, Delhi - 110052
Membership No. 16068

HSIL Limited: As above
(An ISO 9001 14001 OHSAS 18001 Certified Company)

Corporate Office: 301-302, IIIrd Floor Park Centra, Sector-30, NH-8, Gurgaon, Haryana - 122 001. T +91-124-4779200, F +91-124-4292898/99
Registered Office: 2, Red Cross Place, Kolkata, West Bengal - 700 001. T +91-33-22487406/07, F +91-33-22487045

marketing@hindware.co.in | www.hindwarehomes.com | CIN No. - L51433WB1960PLC024539



— India's most awarded & certified bathroom products company —

HSIL LIMITED

REGD. OFFICE: 2, RED CROSS PLACE, KOLKATA-700 001
Website: www.hindwarehomes.com
CIN : L51433WB1960PLC024539

PART I

STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2017 AND CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 MARCH 2017

(Rs. in crore)

Particulars	Standalone					Consolidated	
	3 months ended 31 March 2017	Preceding 3 months ended 31 December 2016	Corresponding 3 months ended in the previous year 31 March 2016	Year to date figures for the current period ended 31 March 2017	Year to date figures for the previous period ended 31 March 2016	Year to date figures for the current period ended 31 March 2017	Year to date figures for the previous period ended 31 March 2016
	(Unaudited) Refer note 3	(Unaudited)	(Unaudited) Refer note 3	(Audited)	(Audited)	(Audited)	(Audited)
I Revenue from operations	636.77	542.94	634.44	2,229.90	2,109.09	2,233.09	2,128.48
II Other income	0.93	1.04	3.59	4.55	14.34	4.55	14.72
III Total income (I+II)	637.70	543.98	638.03	2,234.45	2,123.43	2,237.64	2,143.20
IV Expenses							
a) Cost of materials consumed	90.98	91.47	96.75	370.59	367.03	370.59	375.77
b) Purchases of stock-in-trade	116.37	110.01	117.95	439.40	405.51	440.09	407.25
c) Changes in inventories of finished goods, stock-in-trade and work-in-progress (refer note 4 below)	33.44	(11.83)	34.56	(6.48)	(22.77)	(5.48)	(20.29)
d) Excise duty	42.39	37.64	46.30	154.92	149.74	154.92	149.74
e) Employee benefits expense	83.18	71.66	69.66	286.33	247.45	286.59	250.58
f) Finance cost	9.41	7.55	9.76	33.36	41.05	33.48	41.25
g) Depreciation and amortization expense	25.33	28.16	29.02	110.83	114.43	110.84	114.57
h) Power and fuel	67.57	63.68	54.01	245.29	232.48	244.00	232.48
i) Other expenses	129.46	111.17	119.90	450.55	406.56	455.67	417.68
Total expenses (IV)	598.13	509.51	577.91	2,084.79	1,941.48	2,090.70	1,969.03
V Profit before exceptional items and tax (III-IV)	39.57	34.47	60.12	149.66	181.95	146.94	174.17
VI Exceptional item (refer note 4 below)	-	-	-	-	-	-	-
VII Profit before tax	39.57	34.47	60.12	149.66	181.95	146.94	174.17
VIII Tax expense							
a) Current tax	9.25	12.41	22.58	48.89	33.51	48.89	33.52
b) Deferred tax charge/(benefit)	(0.43)	(0.57)	(0.88)	(2.25)	32.15	(2.24)	32.15
Tax expenses (VIII)	8.82	11.84	21.70	46.64	65.66	46.65	65.67
IX Profit for the period (VII - VIII)	30.75	22.63	38.42	103.02	116.29	100.29	108.50
X Other comprehensive income (net of tax)							
(A)(i) Items that will not be reclassified to profit or loss	1.67	(0.30)	(0.95)	3.10	(0.64)	3.10	(0.67)
(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.34)	0.09	0.62	(0.56)	0.62	(0.56)	0.63
(B)(i) Items that will be reclassified to profit or loss	-	-	-	-	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-	-
Total other comprehensive income (X)	1.33	(0.21)	(0.33)	2.54	(0.02)	2.54	(0.04)
XI Total comprehensive income for the period (IX+X)	32.08	22.42	38.09	105.56	116.27	102.83	108.46
XII Earnings before interest, depreciation, tax and amortization (EBIDTA) [V+IV (f)+IV(g)]	74.31	70.18	98.90	293.85	337.43	291.26	329.99
XIII Earnings per share : (of Rs. 2/- each) (not annualized)							
(a) Basic (Rs.)	4.25	3.13	5.31	14.25	16.09	13.87	15.01
(b) Diluted (Rs.)	4.25	3.13	5.31	14.25	16.09	13.87	15.01

PART II

Segment wise revenue, results, assets and liabilities (refer note 9 below)

Particulars	Standalone					Consolidated	
	3 months ended 31 March 2017	Preceding 3 months ended 31 December 2016	Corresponding 3 months ended in the previous year 31 March 2016	Year to date figures for the current period ended 31 March 2017	Year to date figures for the previous period ended 31 March 2016	Year to date figures for the current period ended 31 March 2017	Year to date figures for the previous period ended 31 March 2016
	(Unaudited) Refer note 3	(Unaudited)	(Unaudited) Refer note 3	(Audited)	(Audited)	(Audited)	(Audited)
1 Segment revenue from operation:							
a) Building products	304.12	245.46	290.85	1,037.65	960.96	1,037.66	960.96
b) Packaging products	260.00	238.95	309.58	969.06	997.27	969.06	997.28
c) Consumer products	42.87	35.23	13.13	127.70	56.93	127.71	56.93
d) Retail business (refer Note 2 below)	30.15	23.72	20.97	95.83	93.36	95.81	93.36
e) Others	0.18	0.07	0.17	1.79	1.52	4.98	20.90
Total	637.32	543.43	634.70	2,232.03	2,110.04	2,235.22	2,129.43
Less : Inter segment revenue	0.55	0.49	0.26	2.13	0.95	2.13	0.95
Total income from operations	636.77	542.94	634.44	2,229.90	2,109.09	2,233.09	2,128.48
2 Segment results: Profit(+) / loss(-) (before tax and interest from each segment) (refer note 4 below)							
a) Building products	47.10	37.55	49.58	165.23	170.97	165.23	170.97
b) Packaging products	24.01	25.70	45.98	99.43	125.04	99.43	125.04
c) Consumer products	(8.82)	(7.45)	(8.48)	(24.33)	(16.44)	(24.33)	(16.44)
d) Retail business (refer Note 2 below)	(0.77)	(4.02)	(5.05)	(14.81)	(16.32)	(14.82)	(16.32)
e) Others	0.01	(0.18)	(0.03)	0.94	0.68	(1.64)	(6.90)
Total profit before unallocable expenditure	61.53	51.60	82.00	226.46	263.93	223.87	256.35
Less: i) Finance costs	9.41	7.55	9.75	33.36	41.04	33.46	41.25
ii) Other un-allocable expenditure net off un-allocable income	12.55	9.58	12.13	43.44	40.94	43.47	40.93
Total Profit before tax	39.57	34.47	60.12	149.66	181.95	146.94	174.17
3 Segment assets							
a) Building products	1,181.45	1,165.73	1,121.71	1,181.45	1,121.71	1,181.45	1,121.71
b) Packaging products	1,485.77	1,394.02	1,327.42	1,485.77	1,327.42	1,485.77	1,327.42
c) Consumer products	113.59	90.89	39.08	113.59	39.08	113.59	39.08
d) Retail business (refer Note 2 below)	46.20	53.21	46.20	46.20	46.20	54.16	46.20
e) Others	6.77	8.30	7.51	6.77	7.51	0.00	7.51
f) Unallocated	253.85	479.49	111.79	253.85	111.79	251.73	114.44
Total	3,087.63	3,191.64	2,653.71	3,087.63	2,653.71	3,086.70	2,656.36
Segment liabilities							
a) Building products	506.21	557.13	396.43	506.21	396.43	506.21	396.43
b) Packaging products	950.62	853.80	842.61	950.62	842.61	950.62	842.61
c) Consumer products	61.65	49.60	21.86	61.65	21.86	61.65	21.86
d) Retail business (refer Note 2 below)	36.08	35.10	44.49	36.08	44.49	36.08	44.49
e) Others	0.00	-	0.00	-	-	-	-
f) Unallocated	83.03	362.83	(39.08)	83.03	(39.08)	85.00	(36.38)
Total	1,637.59	1,858.46	1,266.31	1,637.59	1,266.31	1,639.56	1,269.01



(Rs. in crore)					
STATEMENT OF STANDALONE AND CONSOLIDATED AUDITED ASSETS AND LIABILITIES		Standalone		Consolidated	
Particulars	As at 31 March 2017	As at 31 March 2016	As at 31 March 2017	As at 31 March 2016	
A ASSETS					
1 Non-current assets					
a) Property, plant and equipments	1,476.26	1,481.67	1,476.26	1,481.69	
b) Capital work in progress	151.58	62.53	151.58	62.53	
c) Goodwill	26.94	26.94	26.94	26.94	
d) Other intangible assets	3.91	5.13	4.22	5.47	
e) Financial assets					
i) Investments	35.04	32.62	31.45	29.19	
ii) Loans	18.59	18.03	18.75	18.14	
iii) Other financial assets	0.16	8.66	0.03	8.59	
f) Current tax asset (net)	54.38	28.39	54.37	28.38	
g) Other non-current assets	114.99	42.76	114.98	42.76	
Total non-current assets	1,881.85	1,706.73	1,878.58	1,703.69	
2 Current assets					
a) Inventories	492.50	490.06	492.50	490.06	
b) Financial assets					
i) Investments	104.55	-	104.55	-	
ii) Trade receivables	397.17	387.57	397.55	390.06	
iii) Cash and cash equivalents	139.56	15.52	140.24	16.69	
iv) Bank balance other than (iii) above	4.25	3.32	4.38	3.43	
v) Loans	1.40	1.16	2.41	3.35	
vi) Other financial assets	2.64	-	2.64	-	
c) Other current assets	63.71	49.35	63.85	49.08	
Total current assets	1,205.78	946.98	1,208.12	952.67	
TOTAL ASSETS (A=1+2)	3,087.63	2,653.71	3,086.70	2,656.36	
B EQUITY AND LIABILITIES					
1 Equity					
a) Equity share capital	14.46	14.46	14.46	14.46	
b) Other equity	1,435.58	1,372.94	1,432.68	1,372.89	
Total equity	1,450.04	1,387.40	1,447.14	1,387.35	
2 Non-current liabilities					
a) Financial liabilities					
i) Borrowings	348.43	208.37	348.94	208.88	
ii) Other financial liabilities	34.15	19.12	23.68	19.22	
b) Provisions	9.57	7.81	9.60	7.83	
c) Deferred tax liabilities (net)	207.67	207.59	207.67	207.59	
d) Other non-current liabilities	1.54	0.83	1.54	0.83	
Total non-current liabilities	601.36	443.72	591.43	444.35	
3 Current liabilities					
a) Financial liabilities					
i) Borrowings	503.70	292.17	503.70	292.17	
ii) Trade payables	196.60	153.60	197.02	158.27	
iii) Other financial liabilities	294.60	320.34	301.40	312.27	
b) Other current liabilities	38.36	53.28	43.04	58.75	
c) Provisions	2.97	3.20	2.97	3.20	
Total current liabilities	1,036.23	822.59	1,048.13	824.66	
Total liabilities (2+3)	1,637.59	1,266.31	1,639.56	1,269.01	
TOTAL EQUITY AND LIABILITIES (B=1+2+3)	3,087.63	2,653.71	3,086.70	2,656.36	



Notes:

- (1) The standalone financials results of HSIL Limited ("HSIL" or "Company") for the year and quarter ended 31 March 2017 and 31 March 2016 and consolidated financial results for the year ended 31 March 2017 and 31 March 2016 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 18 May 2017.
- (2) a) The Hon'ble National Company Law Tribunal of Kolkata, West Bengal, vide its order dated 4 May 2017 approved the Composite Scheme of Arrangement (the "Scheme") between the Company and its wholly owned subsidiary Hindware Home Retail Private Limited (HHRPL), their shareholders and creditors. Pursuant to the Scheme, all the properties, assets, rights, claims and obligations of the Retail Business of HHRPL (the "Demerged Undertaking") has been transferred and vested in the Company on a going concern basis with effect from the Appointed Date i.e., 1 April 2015. The Scheme has been accounted for as a business combination of entities under the common control. Accordingly, the financial information in these financial results in respect of prior periods (including earlier published results) has been restated as if the business combination had occurred from the beginning of the financial year ended 31 March 2016.
b) Further, pursuant to the Scheme, the Company has also reorganised and adjusted the cost of equity and preference shares held in HHRPL to an amount equivalent to the remaining net assets of the HHRPL as on the appointed date, post demerger.
- (3) Figures for the quarter ended 31 March 2017 and 31 March 2016 represents the balancing figures between the audited figures for the full financial years and published year to date figures upto third quarters of the respective financial years as restated in accordance with applicable Indian Accounting Standards (Ind AS) and the aforementioned Scheme.
- (4) The Board of Directors of the Company has approved utilisation of Business Reconstruction Reserve (BRR) by Rs.8.39 crore pertaining to write off of old, non-moving and slow inventory done by the Demerged Undertaking during the year and quarter ended 31 March 2017. The aforesaid utilisation against BRR is as per the Scheme of Arrangement approved by the Hon'ble High Court of Calcutta vide its order dated 26 March 2010.
- (5) The Board of Directors have recommended a dividend of 200% i.e. Rs. 4 (previous year Rs. 4) on equity shares of Rs. 2 each for the year ended 31 March 2017, subject to approval of shareholders at the ensuing Annual General Meeting.
- (6) The Company has adopted Ind AS from 1 April 2016 as prescribed under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and accordingly, these standalone and consolidated financial results for all periods presented have been prepared in accordance with the recognition and measurement principles as stated therein.
- (7) Equity reconciliation between financial results as previous under Indian GAAP and Ind AS for the year ended 31 March 2016:

Description	Sub note	(Rs. in crore)	
		Standalone As at 31 March 2016	Consolidated As at 31 March 2016
Equity as per previous Indian GAAP		1,501.06	1,377.94
Add: Adjustment to equity due to business combination (refer note 2 above)		(80.70)	41.79
Ind AS: Adjustments increase/(decrease):			
Impact of proposed dividend and related distribution tax	(i)	34.81	34.81
Impact of fair value of the outstanding derivative contracts	(ii)	20.89	20.89
Impact of fair value of investments designated as fair value through other comprehensive income	(iii)	18.37	18.37
Impact of interest on loan component of the investment in redeemable preference shares of a subsidiary	(iv)	0.11	-
Impact of financial assets and liabilities at amortised cost	(v)	(1.17)	(0.48)
Impact of testing of goodwill for impairment	(vi)	6.74	6.74
Others		(0.66)	(0.66)
Impact of deferred tax liability (net)			
- On revaluation of land done in the earlier years		(102.04)	(102.04)
- On other Ind AS adjustments		(10.01)	(10.01)
Equity as per Ind AS		1,387.40	1,387.35

Sub-notes:

- (i) Under previous GAAP, proposed dividends are recognised as liability in the period to which they relate irrespective of the approval by shareholders. However, under Ind AS, proposed dividend is recognised as liability in the period in which it is declared (on approval of shareholders in a general meeting) or paid.
- (ii) Under previous GAAP, mark-to-market losses on derivative contracts were recognised whereas the gain arising on the said contracts were ignored. However, under Ind AS, all derivatives are measured at fair value through profit and loss and mark-to-market gain/losses are recorded in the relevant period.
- (iii) Under previous GAAP, non-current investments were measured at cost less any diminution in value of investments other than temporary. However, under Ind AS, these financial assets have been classified as fair value through other comprehensive income (FVOCI).
- (iv) Under previous GAAP, the redeemable preference shares (RPS) were stated initially at cost and less any diminution in value of investments other than temporary. However, under Ind AS, the RPS being a compound financial instrument is segregated into loan component and equity component. The loan component is initially recognised at fair value and subsequently measured at amortised cost and the balance is considered as equity.
- (v) Under previous GAAP, the financial assets and financial liabilities were carried at cost. However, under Ind AS, certain financial assets and financial liabilities are initially recognised at fair value and subsequently measured at amortised cost.
- (vi) Under previous GAAP, the goodwill arising on amalgamation was being amortised over a specified period. However, under Ind AS, the same is tested for impairment at each reporting date.

- (8) Reconciliation between financial results as reported under previous Indian GAAP and Ind AS for the quarter and year ended 31 March 2016:

Description	Sub note	(Rs. in crore)		
		Quarter ended 31 March 2016	Year ended 31 March 2016	Year ended 31 March 2016
Net profit as per previous Indian GAAP		38.10	116.70	89.04
Restatements of results (net of tax impact) (refer note 2 above)		(1.46)	(11.19)	8.76
Impact due to reversal of amortisation of goodwill arising on amalgamation	(i)	1.69	6.74	6.74
Impact of fair valuation of derivative contracts	(ii)	1.69	9.73	9.73
Impact of financial assets and liabilities at amortised cost	(iii)	(0.04)	(0.16)	(0.16)
Impact of actuarial gain/loss on defined benefit plans	(iv)	0.67	1.27	1.24
Others		(0.66)	(0.66)	(0.71)
Impact of deferred tax liability (net) on account of the above adjustments		(1.57)	(6.14)	(6.14)
Net profit as per Ind AS		38.42	116.29	108.50
Other comprehensive income (net of tax)		(0.33)	(0.02)	(0.04)
Total comprehensive income		38.09	116.27	108.46

Sub notes:

- (i) Under previous GAAP, the goodwill arising on amalgamation was being amortised over a specified period. However, under Ind AS, the same is tested for impairment at each reporting date.
- (ii) Under previous GAAP, mark-to-market losses on derivative contracts were recognised whereas the gain arising on the said contracts were ignored. However, under Ind AS, all derivatives are measured at fair value through profit and loss and mark-to-market gain/losses are recorded in the relevant period.
- (iii) Under previous GAAP, the financial assets and financial liabilities were carried at cost. However, under Ind AS, certain financial assets and financial liabilities are initially recognised at fair value and subsequently measured at amortised cost.
- (iv) Under previous GAAP, the actuarial gains/losses arising on defined benefit plans was being charged to the statement of profit and loss. However, under Ind AS, the same is recognised in other comprehensive income.
- (9) The Company has reorganised the composition of its internal organisation that has changed the composition of reportable segments. Accordingly, the corresponding segment information for the segments identified has been restated.
Description of identified reportable segments:
a) Building products segment includes sanitaryware, faucet, pipe and other wellness & allied products;
b) Packaging products segment include glass packaging, plastic packaging and caps & closure;
c) Consumer products segment include kitchen appliances, water heaters, air purifiers, water purifiers and air cooler business etc.; and
d) Retail business includes retail furniture, home furnishing, modular kitchens business (vested in the Company pursuant to the Scheme as stated in note 2 above).
- (10) a) For the quarter and year ended 31 March 2017, other income includes Rs.0.08 crore (Previous period Rs.2.84 crore) and Rs.1.77 crore (previous year Rs.10.88 crore) respectively relating to gains on fair valuation (mark-to-market gain) of derivative contracts. Of this Rs.0.08 crore (previous period Rs.0.84 crore) and Rs.1.77 crore (previous year Rs.5.19 crore) for the quarter and year ended 31 March 2017 respectively pertains to Building Products segment and Rs. Nil (previous period Rs.2.00 crore) and Rs. Nil (previous period Rs.5.69 crore) for the quarter and year ended 31 March 2017 respectively pertains to Packaging Products segment.
b) Other operating income for year ended 31 March 2017 includes Rs. Nil (previous year Rs.17.41 crore) relating to amounts received by Packaging Product segment from Government of Telangana towards incentive under Mega Project Scheme.

Place : Gurugram
Date: 18 May 2017



Dr. Rajendra K. Somani
Chairman and Managing Director

Walker Chandiook & Co LLP

Walker Chandiook & Co LLP
(Formerly Walker, Chandiook & Co)
L-41 Connaught Circus
New Delhi 110001
India

T +91 11 4278 7070
F +91 11 4278 7071

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

To the Board of Directors of HSIL Limited

1. We have audited the standalone financial results of HSIL Limited (the 'Company') for the year ended 31 March 2017, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The standalone financial results are the responsibility of the Company's management. Our responsibility is to express an opinion on these standalone financial results based on our audit of the standalone financial statements for the year ended 31 March 2017, our review of standalone financial results of the Company for the nine months period ended 31 December 2016 and upon consideration of the audit/ review opinion of the audit of financial information for the year ended 31 March 2017 and nine months period ended 31 December 2016 of the retail business undertaking of Hindware Home Retail Private Limited which has been demerged pursuant to the scheme of arrangement ('Demerged Undertaking') into the Company pursuant to the National Company Law Tribunal's order dated 4 May 2017 (hereinafter referred to as the 'Scheme'), as carried out by another firm of chartered accountants.
2. These standalone financial results of the Company are based on the standalone financial statements for the year ended 31 March 2017 prepared in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 (the 'Act') and standalone year to date figures up to the end of the third quarter of the financial year, as restated for the effect in accordance with the aforementioned Scheme, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, Interim Financial Reporting, specified



Chartered Accountants

Offices in Bengaluru, Chandigarh Chennai, Gurgaon, Hyderabad, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker Chandiook & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

under Section 133 of the Act, and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016.

3. Attention is drawn to Note 3 to the standalone financial results regarding the figures for the quarter ended 31 March 2017 as reported in these standalone financial results, which are the balancing figures between audited standalone figures in respect of the full financial year and the standalone year to date figures up to the end of the third quarter of the financial year, which have been restated in accordance with the aforementioned Scheme. Also, the figures up to the end of the third quarter prior to giving effect to such restatement, had only been reviewed by us and were not subjected to audit.
4. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
5. In our opinion and to the best of our information and according to the explanations given to us, the standalone financial results:
 - (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016 in this regard; and
 - (ii) give a true and fair view of the standalone net profit (including other comprehensive income) and other financial information in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act for the year ended 31 March 2017.
6. We draw attention to Note 4 to the standalone financial results regarding the utilisation of the Business Reconstruction Reserve ('BRR') created in accordance with a scheme of arrangement (the 'Scheme') approved by the Hon'ble Calcutta High Court. The Scheme provides that the Board of Directors of the Company can utilise the BRR, *inter alia*, to recognise write-off of old non-moving and slow moving inventory. In accordance with the Scheme, the Board of Directors of the Company have credited an amount of Rs. 8.39 crore to the statement of profit and loss towards write off of old non-moving and slow moving inventory. The applicable accounting standards and accounting principles generally accepted in India do not provide for credit of amounts released from reserves to the statement of profit and loss. Had the accounting principles generally accepted in India been followed, the expense in the statement of profit and loss would have been higher by Rs. 8.39 crore and the profit after tax (including other comprehensive income) and the balance of other equity would have been lower by Rs. 5.49 crore. Our audit opinion is not qualified in the respect of this matter.
7. We did not audit the financial information of the Demerged Undertaking included in these standalone financial results, whose financial information reflects total assets of Rs. 46.20 crore and net liabilities of Rs. 7.96 crore as at 31 March 2017 and total revenues of Rs. 95.93



crore for the year ended on that date. The financial information of such Demerged Undertaking has been audited by another auditor whose report has been furnished to us by the management and our opinion on standalone financial results, in so far as it relates to the amounts and disclosures included in respect of such Demerged Undertaking, and our report in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in so far as it relates to the aforesaid Demerged Undertaking is based solely on the report of such other auditor. The financial information of the Demerged Undertaking for the quarter ended 31 December 2016 included in these standalone financial results was reviewed by the other auditor who issued an unmodified review report dated 18 May 2017 on such financial information. Further, the financial information of the Demerged Undertaking for the year ended 31 March 2016 and for the nine month period ended 31 December 2015 included in these standalone financial results was audited/reviewed by another auditor who expressed an unmodified opinion on such financial information vide their audit report dated 20 May 2016 and review report dated 18 May 2017 respectively. Our opinion is not modified in respect of this matter.

8. The Company had prepared separate standalone financial results for the year ended 31 March 2016, based on the standalone financial statements for the year ended 31 March 2016 prepared in accordance with Accounting Standards ('AS') prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and standalone financial results for the nine months period ended 31 December 2015 prepared in accordance with the recognition and measurement principles laid down in AS 25, Interim Financial Reporting, prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and SEBI Circular CIR/CFD/CMD/15/2015 dated 30 November 2015, and other accounting principles generally accepted in India, on which we issued auditor's report dated 23 May 2016. Such standalone financial results for the year ended 31 March 2016 have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have also been audited by us. Further, such standalone financial results for the year ended 31 March 2016 have been restated to include financial information of the Demerged Undertaking in accordance with Note 2 to the standalone financial results, as adjusted for Ind AS transition, which was audited by other auditor. Our opinion is not modified in respect of this matter.

Walker Chandio & Co LLP

For Walker Chandio & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Lalit Kumar
per Lalit Kumar

Partner

Membership No.: 095256



Place: Gurugram

Date: 18 May 2017

Walker Chandiook & Co LLP

Walker Chandiook & Co LLP
(Formerly Walker, Chandiook & Co)
L-41 Connaught Circus
New Delhi 110001
India

T +91 11 4278 7070
F +91 11 4278 7071

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

To the Board of Directors of HSIL Limited

1. We have audited the consolidated financial results of HSIL Limited (the 'Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') for the year ended 31 March 2017, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These consolidated financial results are based on the consolidated financial statements for the year ended 31 March 2017 prepared in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 (the 'Act') and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, which are the responsibility of the Holding Company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of the consolidated financial statements for the year ended 31 March 2017.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.



3. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on separate financial results and on other financial information of the subsidiaries, the consolidated financial results:
- (i) include the financial results for the year ended 31 March 2017, of the following entities:
 - a) Alchemy International Cooperatief U.A.
 - b) HAAS International B.V.
 - c) Halis International Limited
 - d) KS 615 Limited
 - e) Queo Bathroom Innovations Limited
 - f) Hindware Home Retail Private Limited
 - (ii) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016 in this regard; and
 - (iii) give a true and fair view of the consolidated net profit (including other comprehensive income) and other financial information in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act for the year ended 31 March 2017.
4. We draw attention to Note 4 to the financial results regarding the utilisation of the Business Reconstruction Reserve ('BRR') by the Holding Company which was created in accordance with a scheme of arrangement (the 'Scheme') approved by the Hon'ble Calcutta High Court. The Scheme provides that the Board of Directors of the Holding Company can utilise the BRR, *inter alia*, to recognise write-off of old non-moving and slow moving inventory. In accordance with the Scheme, the Board of Directors of the Holding Company have credited an amount of Rs. 8.39 crore to the statement of profit and loss towards write off of old non-moving and slow moving inventory. The applicable accounting standards and accounting principles generally accepted in India do not provide for credit of amounts released from reserves to the statement of profit and loss. Had the accounting principles generally accepted in India been followed, the expense in the statement of profit and loss would have been higher by Rs. 8.39 crore and the profit after tax (including other comprehensive income) and the balance of other equity would have been lower by Rs. 5.49 crore. Our audit opinion is not qualified in the respect of this matter.
5. We did not audit the financial statements of six subsidiaries, whose financial statements reflect total assets of ₹ 6.80 crore and net assets of ₹ 5.27 crore as at 31 March 2017 and total revenues of ₹ 3.26 crore for the year ended on that date, as considered in the consolidated financial results. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, in so far as it relates to the aforesaid subsidiaries are based solely on the report(s) of such other auditors.



Further, we did not audit the financial information of the retail segment of Hindware Home Retail Private Limited (the 'Demerged Undertaking') which has been demerged and vested

into the financial results of the Holding Company in accordance with Note 2 to these financial results, whose financial information reflects total assets of Rs. 46.20 crore and net liabilities of Rs. 7.96 crore as at 31 March 2017, and total revenues of Rs. 95.93 crore for the year ended on that date. The financial information of such Demerged Undertaking has been audited by another auditor whose report has been furnished to us by the management of the Holding Company and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of such Demerged Undertaking, is based solely on the report of such other auditor. Further, the financial information of the Demerged Undertaking for the year ended 31 March 2016 included in these consolidated financial results was audited by the other auditor who expressed an unmodified opinion on such financial information vide its audit report dated 20 May 2016.

Our opinion on the consolidated financial results is not modified in respect of this matter with respect to our reliance on the work done by and the reports of the other auditors.

6. The Holding Company had prepared separate consolidated financial results for the year ended 31 March 2016, based on the consolidated financial statements for the year ended 31 March 2016 prepared in accordance with Accounting Standards ('AS') prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and other accounting principles generally accepted in India, on which we issued auditor's report dated 23 May 2016. These consolidated financial results for the year ended 31 March 2016 have been adjusted for the differences in the accounting principles adopted by the Holding Company on transition to Ind AS, which have also been audited by us. Our opinion is not modified in respect of this matter.

Walker Chandiok & Co LLP

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Lalit Kumar

per **Lalit Kumar**

Partner

Membership No.: 095256



Place: Gurugram

Date: 18 May 2017

NEAPS/BSE ONLINE

18th May, 2017

The Corporate Relationship Dept.,
BSE Ltd.,
Phiroze Jeejeebhoy Towers,
1st 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

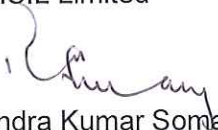
Sub: Declaration on Auditors Report with Unmodified Opinion under Regulation 33(3) (d) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015

Dear Sirs,

I, Rajendra Kumar Somany, Chairman and Managing Director of HSIL Ltd (CIN:L51433WB1960PLC024539) having registered office at 2, Red Cross Place Kolkata - 700 001 hereby declare that in accordance with Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, M/s. Walker Chandiok & Co LLP (Firm's Registration No. 001076N/N500013) Statutory Auditors of the Company, have issued an Audit Report with unmodified opinion on Audited Financial Results of the Company (Standalone and Consolidated) for the quarter and financial year ended on 31 March 2017.

This is for your information and records.

For HSIL Limited


Rajendra Kumar Somany

Chairman and Managing Director

DIN: 00053557

HSIL Limited

(An ISO 9001 14001 OHSAS 18001 Certified Company)

Corporate Office: 301-302, IIIrd Floor Park Centra, Sector-30, NH-8, Gurgaon, Haryana - 122 001. T +91-124-4779200, F +91-124-4292898/99

Registered Office: 2, Red Cross Place, Kolkata, West Bengal - 700 001. T +91-33-22487406/07, F +91-33-22487045

marketing@hindware.co.in | www.hindwarehomes.com | CIN No. - L51433WB1960PLC024539



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