

10th August, 2016

**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: Unaudited Financial Results and Limited Review Report for the first quarter ended 30th June, 2016 together with Segment wise Revenue, Results, 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 first quarter ended 30th June, 2016 including Segment wise Revenue, Results and Capital Employed as on 30th June, 2016, duly recommended by the Audit Committee and subsequently considered and approved by the Board of Directors in their meeting held on Wednesday, 10th August, 2016 along with the Limited Review Report of the Statutory Auditors thereon.

The Meeting of Board of Directors was commenced at 2:00 pm and concluded at 5:10 pm.

This is for your reference and record.

For **HSIL Limited**



(Payal M. Puri)

Company Secretary

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

Encl: As above

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



PART I (Rs. in crore)
STATEMENT OF STANDALONE UNAUDITED RESULTS FOR THE QUARTER ENDED 30 JUNE 2016

	Particulars	3 months ended 30 June 2016 (Unaudited)	Corresponding 3 months ended in the previous year 30 June 2015 (Refer note 2)
1	Income from operations		
	a) Gross sales/Income from operations	494.16	428.56
	b) Other operating income	4.49	4.71
	Total income from operations	498.65	433.27
2	Expenses		
	a) Cost of materials consumed	91.98	84.41
	b) Purchases of stock-in-trade	81.11	49.97
	c) Changes in inventories of finished goods, work- in-progress and stock-in-trade	(0.53)	12.49
	d) Excise duty	38.39	33.71
	e) Employee benefits expense	61.98	51.33
	f) Depreciation and amortisation expense	27.13	26.61
	g) Power and fuel	56.07	57.76
	h) Other expenses	96.26	79.51
	Total expenses	452.39	395.79
3	Profit from operations before other income, finance costs and exceptional items (1-2)	46.26	37.48
4	Other income	2.07	2.36
5	Profit from ordinary activities before finance costs and exceptional items (3+4)	48.33	39.84
6	Finance costs	8.46	10.42
7	Profit from ordinary activities after finance costs but before exceptional items (5-6)	39.87	29.42
8	Exceptional items	-	-
9	Profit from ordinary activities before tax [7+8]	39.87	29.42
10	Tax expense	13.39	9.95
11	Net profit from ordinary activities after tax [9-10]	26.48	19.47
12	Extraordinary items (net of tax expenses Rs. nil)	-	-
13	Net profit for the period [11-12]	26.48	19.47
14	Other comprehensive income (net of tax)	1.63	0.57
15	Total comprehensive income [13+14]	28.11	20.04
16	Operating profit (EBIDTA) [5+2 (f)]	75.46	66.45
17	Paid up equity share capital (face value of Rs. 2/- per share)	14.46	14.46
18	Earnings per share (before and after extraordinary items) (of Rs. 2/- each) (not annualised)		
	(a) Basic (Rs.)	3.66	2.69
	(b) Diluted (Rs.)	3.66	2.69



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PART II

Segment information is as below:

(Rs. in crore)

Particulars	Quarter ended	
	3 months ended 30 June 2016 (Unaudited)	Corresponding 3 months ended in the previous year 30 June 2015 (Refer note 2)
1 Segment revenue:		
a) Building products	251.52	204.51
b) Packaging products	246.35	228.26
c) Others	0.78	0.50
Total	498.65	433.27
Less : Inter segment revenue	-	-
Total income from operations	498.65	433.27
2 Segment results: Profit(+)/ loss(-) (before tax and interest from each segment)		
a) Building products	31.74	28.90
b) Packaging products	25.69	18.23
c) Others	0.57	0.35
Total profit before unallocable expenditure	58.00	47.48
Less: i) Finance costs	8.46	10.42
ii) Other un-allocable expenditure net off un-allocable income	9.67	7.64
Total Profit before tax	39.87	29.42
3 Segment assets		
a) Building products	1,171.01	1,101.68
b) Packaging products	1,307.32	1,348.48
c) Others	7.85	7.81
d) Unallocated	224.68	202.37
Total	2,710.86	2,660.34
Segment liabilities		
a) Building products	410.83	385.90
b) Packaging products	799.08	904.46
c) Others	-	-
d) Unallocated	(113.18)	(148.90)
Total	1,096.73	1,141.46



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Notes:

- (1) Results for the quarter ended 30 June 2016 have been prepared in compliance with the recognition and measurement principles of the Indian Accounting Standards ('Ind AS') notified by the Ministry of Corporate Affairs. Consequently, results for the quarter ended 30 June 2015 have been restated to comply with Ind AS to make them comparable.
- (2) The Audit Committee has reviewed these results and the Board of Directors have approved the above results and its release at their respective meetings held on 10 August 2016. The statutory auditors have carried out the limited review of the results for the quarter ended 30 June 2016. The Ind AS compliant financial results pertaining to the corresponding quarter ended 30 June 2015, have not been subjected to limited review or audit. However, the management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of its affairs.
- (3) Reconciliation between financial results as per previous Indian GAAP and Ind AS for the quarter ended 30 June 2015:

(Rs. in crore)

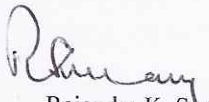
Description	Sub notes	Quarter ended 30 June 2015
Net profit as per previous Indian GAAP		17.35
Impact due to reversal of amortisation of goodwill arising on amalgamation	(i)	1.69
Impact of fair valuation of derivative contracts	(ii)	0.50
Impact of financial assets and liabilities at amortised cost	(iii)	0.47
Impact of actuarial gain/loss on defined benefit plans	(iv)	0.20
Others		(0.06)
Impact of deferred tax liability (net) on account of the above adjustments		(0.68)
Net profit as per Ind AS		19.47

Sub notes:

- (i) Under the previous Indian 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 the previous Indian GAAP, mark-to-market losses on derivatives 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 the previous Indian 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 the previous Indian GAAP, the actuarial gain/ 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.
- (4) Subject to the regulatory and other approvals including the approval from the Hon'ble High Court of Calcutta, as applicable, the Board of Directors of the Company have approved a Composite Scheme of Arrangement under sections 391 to 394 read with sections 100-104 of the Companies Act, 1956 and/or applicable sections of the Companies Act, 2013 between its wholly owned subsidiary, Hindware Home Retail Private Limited ('HHRPL') and the Company and their respective shareholders and creditors, for the demerger of the retail business undertaking of HHRPL and vesting of the same with the Company on a going concern basis and consequent reorganization of the share capital of HHRPL.
- (5) To align with the requirements of Schedule III (Division II) of the Companies Act, 2013 as well as requirements of Ind AS 18 on 'Revenue', the 'Income from operations' have has been disclosed gross of excise duty.

Place : Gurgaon

Date : 10 August 2016


 Rajendra K. Somany
 Chairman and Managing Director



Walker Chandiook & Co LLP

Walker Chandiook & Co LLP
(Formerly Walker, Chandiook & Co)
21st Floor, DLF Square
Jacaranda Marg, DLF Phase II
Gurgaon 122002
India

T +91 124 462 8000
F +91 124 462 8001

Review Report on Quarterly 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 reviewed the accompanying statement of unaudited financial results ('Statement') of **HSIL Limited** (the 'Company') for the quarter ended 30 June 2016. Attention is drawn to the fact that the amounts for the corresponding quarter ended 30 June 2015, including the reconciliation of net profit under Ind AS of the said quarter with net profit reported under previous GAAP, as included in the Statement have not been subject to limited review or audit. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on 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 misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards, as notified under the Companies (Indian Accounting Standards) Rules, 2015 as specified in Section 133 of the Companies Act, 2013 read with SEBI Circular CIR/CFD/CMD/15/2015 dated 30 November 2015 and SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Walker Chandiook & Co LLP
For **Walker Chandiook & Co LLP**

Chartered Accountants

Firm Registration No. 001076N/N500013

Lalit Kumar
per **Lalit Kumar**

Partner

Membership No. 095256



Place: Gurgaon

Date: 10 August 2016

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