

10<sup>th</sup> November, 2017

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 Second quarter and half year ended 30<sup>th</sup> September, 2017 together with Segment wise Revenue, Results, Capital Employed and Statement of Assets & Liabilities**

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 second quarter and half year ended 30<sup>th</sup> September, 2017 including Segment wise Revenue, Results and Capital Employed along with Statement of Assets & Liabilities of the Company as on 30<sup>th</sup> September, 2017, duly recommended by the Audit Committee and subsequently considered and approved by the Board of Directors in their meeting held on Friday, 10<sup>th</sup> November, 2017 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 05:00 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**

(An ISO 9001 14001 OHSAS 18001 Certified Company)

**Corporate Office:** 301-302, III<sup>rd</sup> 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



# HSIL LIMITED

REGD. OFFICE: 2, RED CROSS PLACE, KOLKATA-700 001

Website: www.hindwarehomes.com

CIN : L51433WB1960PLC024539

**PART I**

STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2017

(Rs. In crore)

Particulars	3 months ended 30 September 2017 (Unaudited)	Preceding 3 months ended 30 June 2017 (Unaudited)	Corresponding 3 months ended in the previous year 30 September 2016 (Unaudited)	Year to date figure for current period ended 30 September 2017 (Unaudited)	Year to date figure for previous period ended 30 September 2016 (Unaudited)	Year ended 31 March 2017 (Audited)
I Revenue from operations (refer note 5 below)	532.55	515.42	532.29	1,047.97	1,050.19	2,229.90
II Other income	1.57	0.79	1.29	2.36	2.59	4.55
III Total income (I+II)	534.12	516.21	533.58	1,050.33	1,052.78	2,234.45
IV Expenses						
a) Cost of materials consumed	103.84	82.77	96.16	186.61	188.14	370.59
b) Purchases of stock-in-trade	138.79	108.37	124.06	247.16	213.02	439.40
c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(41.36)	(15.72)	(31.94)	(57.08)	(28.08)	(6.48)
d) Excise duty	-	35.00	36.50	35.00	74.89	154.92
e) Employee benefits expense	79.22	68.40	65.83	147.62	131.50	286.33
f) Finance cost	12.16	10.45	7.43	22.61	16.39	33.36
g) Depreciation and amortization expense	26.94	26.16	29.17	53.10	57.34	110.83
h) Power and fuel	65.41	64.42	57.65	129.83	114.04	245.29
j) Other expenses	114.54	119.06	104.98	233.60	209.92	450.55
Total expenses (IV)	499.54	498.91	489.84	998.45	977.16	2,084.79
V Profit before exceptional items and tax (III-IV)	34.58	17.30	43.74	51.88	75.62	149.66
VI Exceptional Item						
- Provision for impairment of investments	2.11	-	-	2.11	-	-
- Less: Transfer from business reconstruction reserve (refer note 4 below)	(2.11)	-	-	(2.11)	-	-
VII Profit before tax (V-VI)	34.58	17.30	43.74	51.88	75.62	149.66
VIII Tax expense						
a) Current tax	12.77	7.62	25.47	20.39	38.70	48.89
b) Deferred tax charge/(benefit)	(1.69)	(2.08)	(10.27)	(3.77)	(12.79)	(2.25)
Tax expenses (VIII)	11.08	5.54	15.20	16.62	25.91	46.64
IX Profit for the period (VII - VIII)	23.50	11.76	28.54	35.26	49.71	103.02
X Other comprehensive income (net of tax)						
(A)(i) Items that will not be reclassified to profit or loss	0.21	0.20	(0.32)	0.41	1.75	3.10
(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.07)	(0.07)	0.11	(0.14)	(0.33)	(0.56)
(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)	0.14	0.13	(0.21)	0.27	1.42	2.54
XI Total comprehensive income for the period (IX+X)	23.64	11.89	28.33	35.53	51.13	105.56
XII Earnings before interest, depreciation, tax and amortization (EBIDTA)	73.68	53.91	80.34	127.59	149.35	293.85
XIII Paid-up equity share capital (face value Rs.2/- per share)	14.46	14.46	14.46	14.46	14.46	14.46
XIV Other equity (excluding revaluation reserve)	-	-	-	-	-	1,119.56
XV Earnings per share : (of Rs. 2/- each) (not annualized)						
(a) Basic (Rs.)	3.25	1.63	3.95	4.88	6.88	14.25
(b) Diluted (Rs.)	3.25	1.63	3.95	4.88	6.88	14.25

**PART II**

(Rs. In crore)

Segment wise revenue, results, assets and liabilities						
Particulars	3 months ended 30 September 2017 (Unaudited)	Preceding 3 months ended 30 June 2017 (Unaudited)	Corresponding 3 months ended in the previous year 30 September 2016 (Unaudited)	Year to date figure for current period ended 30 September 2017 (Unaudited)	Year to date figure for previous period ended 30 September 2016 (Unaudited)	Year ended 31 March 2017 (Audited)
1 Segment revenue from operation (refer note 5 below):						
a) Building products	258.28	232.89	257.91	491.17	488.07	1,037.65
b) Packaging products	201.69	217.93	223.75	419.62	470.10	969.06
c) Consumer products	54.60	40.65	28.26	95.25	49.62	127.70
d) Retail business	25.08	23.83	22.41	48.91	41.95	95.83
e) Others	0.63	0.68	0.76	1.31	1.54	1.79
Total	540.28	515.98	533.09	1,056.26	1,051.28	2,232.03
Less : Inter segment revenue	7.73	0.56	0.80	8.29	1.09	2.13
Total income from operations	532.55	515.42	532.29	1,047.97	1,050.19	2,229.90
2 Segment results: Profit(+)/ loss(-) (before tax and interest from each segment)						
a) Building products	49.66	31.05	45.70	80.71	79.99	165.23
b) Packaging products	15.05	16.31	24.62	31.36	50.31	99.43
c) Consumer products	(4.32)	(9.31)	(5.51)	(13.63)	(8.06)	(24.33)
d) Retail business	(3.68)	(2.84)	(3.29)	(6.52)	(10.01)	(14.81)
e) Others	0.40	0.46	0.54	0.86	1.11	0.94
Total profit before unallocable expenditure	57.11	35.67	62.06	92.78	113.34	226.46
Less: i) Finance costs	12.16	10.45	7.43	22.61	16.39	33.36
ii) Other un-allocable expenditure net off un-allocable Income	10.37	7.92	10.89	18.29	21.33	43.44
Total Profit before tax	34.58	17.30	43.74	51.88	75.62	149.66
3 Segment assets						
a) Building products	1,346.08	1,217.41	1,154.31	1,346.08	1,154.31	1,181.45
b) Packaging products	1,372.12	1,389.43	1,330.36	1,372.12	1,330.36	1,485.77
c) Consumer products	151.46	102.57	68.63	151.46	68.63	113.59
d) Retail business	55.61	43.74	53.99	55.61	53.99	46.20
e) Others	7.53	7.11	8.52	7.53	8.52	6.77
f) Unallocated	161.10	165.39	94.81	161.10	94.81	253.85
Total	3,093.90	2,925.65	2,710.62	3,093.90	2,710.62	3,087.63
Segment liabilities						
a) Building products	656.81	504.25	471.15	656.81	471.15	506.21
b) Packaging products	843.28	850.97	808.40	843.28	808.40	950.62
c) Consumer products	120.47	84.96	30.21	120.47	30.21	61.65
d) Retail business	48.87	33.83	35.30	48.87	35.30	36.08
e) Others	0.09	-	-	0.09	-	-
f) Unallocated (includes intersegment assets)	(24.27)	(10.28)	11.50	(24.27)	11.50	83.03
Total	1,645.25	1,463.73	1,356.56	1,645.25	1,356.56	1,637.59





		(Rs. In crore)	
STATEMENT OF ASSETS AND LIABILITIES		Standalone	
Particulars		As at 30 September 2017 (Unaudited)	As at 31 March 2017 (Audited)
<b>A</b>	<b>ASSETS</b>		
1	<b>Non-current assets</b>		
a)	Property, plant and equipments	1,456.17	1,476.26
b)	Capital work in progress	260.58	151.58
c)	Goodwill	26.94	26.94
d)	Other intangible assets	3.59	3.91
e)	<b>Financial assets</b>		
i)	Investments	32.93	35.04
ii)	Loans	18.93	18.32
iii)	Other financial assets	13.85	0.43
f)	Current tax asset (net)	49.34	54.37
g)	Other non-current assets	137.40	114.99
	<b>Total non-current assets</b>	<b>1,999.73</b>	<b>1,881.84</b>
2	<b>Current assets</b>		
a)	Inventories	526.04	492.50
b)	<b>Financial assets</b>		
i)	Investments	-	104.55
ii)	Trade receivables	408.40	397.17
iii)	Cash and cash equivalents	23.34	139.56
iv)	Bank balance other than (iii) above	6.05	4.25
v)	Loans	-	1.40
vi)	Other financial assets	1.45	2.64
c)	Other current assets	128.89	63.71
	<b>Total current assets</b>	<b>1,094.17</b>	<b>1,205.78</b>
	<b>TOTAL ASSETS (A=1+2)</b>	<b>3,093.90</b>	<b>3,087.62</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>		
1	<b>Equity</b>		
a)	Equity share capital	14.46	14.46
b)	Other equity	1,434.19	1,435.58
	<b>Total equity</b>	<b>1,448.65</b>	<b>1,450.04</b>
2	<b>Non-current liabilities</b>		
a)	<b>Financial liabilities</b>		
i)	Borrowings	376.62	339.09
ii)	Other financial liabilities	33.02	34.15
b)	Provisions	9.06	9.57
c)	Deferred tax liabilities (net)	204.05	207.68
d)	Other non-current liabilities	1.89	1.54
	<b>Total non-current liabilities</b>	<b>624.64</b>	<b>592.03</b>
3	<b>Current liabilities</b>		
a)	<b>Financial liabilities</b>		
i)	Borrowings	467.91	503.71
ii)	Trade payables	212.75	196.60
iii)	Other financial liabilities	283.82	303.90
b)	Other current liabilities	52.91	38.36
c)	Provisions	3.22	2.98
	<b>Total current liabilities</b>	<b>1,020.61</b>	<b>1,045.55</b>
	<b>Total liabilities (2+3)</b>	<b>1,645.25</b>	<b>1,637.58</b>
	<b>TOTAL EQUITY AND LIABILITIES (B=1+2+3)</b>	<b>3,093.90</b>	<b>3,087.62</b>

**Notes:**

- The above results for the quarter and half year ended 30 September 2017 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 10 November 2017.
- The statutory auditors of the Company have carried out a limited review of unaudited financial results for the quarter and half year ended 30 September 2017.
- 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 obligation 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 impact of the Scheme had been given as 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.
- The Board has subject to necessary regulatory approvals, approved the closure of its subsidiary M/s Halis International Limited, Mauritius (HILM). This process will also involve closure of subsidiary/step down subsidiaries of HILM except M/s Queo Bathroom Innovations Limited, UK over the period of time. Accordingly the investments made in the subsidiary have been impaired by Rs.2.11 crore.  
Further the Board has approved the utilisation of Business Reconstruction Reserve (BRR) by Rs.2.11 crore pertaining to the impairment of investment in the Company's foreign subsidiary. The aforesaid utilisation against BRR is as per the approved Scheme of Arrangement (by Hon'ble High Court of Calcutta vide its order dated 26 March 2010).
- According to the requirement of Ind AS and SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, revenue for the corresponding previous quarters ended 30 June 2017 and 30 September 2016, for the six months ended 30 September 2016 and year ended 31 March 2017 were reported inclusive of Excise Duty. The Government of India has implemented Goods and Service Tax ("GST") from 1st July 2017 replacing Excise Duty, Service Tax, and other various indirect taxes. As per Ind AS 18 the revenue for the quarter ended 30 September 2017, is reported net of GST. Had the previously reported respective period revenue (including half year ended 30 September 2017) shown net of excise duty, comparative segmentwise revenue of the Company would have been as follows:

Segment revenue from operation:	Quarter ended			Half year ended		Year ended
	30 September 2017	30 June 2017	30 September 2016	30 September 2017	30 September 2016	31 March 2017
a) Building products	258.28	218.21	241.98	476.49	457.74	973.42
b) Packaging products	201.69	197.61	203.18	399.30	425.54	878.37
c) Consumer products	54.60	40.65	28.26	95.25	49.62	127.70
d) Retail business	25.08	23.83	22.41	48.91	41.95	95.83
e) Others	0.63	0.68	0.76	1.31	1.54	1.79
<b>Total</b>	<b>540.28</b>	<b>480.98</b>	<b>496.59</b>	<b>1,021.26</b>	<b>976.39</b>	<b>2,077.11</b>
Less : Inter segment revenue	7.73	0.56	0.80	8.29	1.09	2.13
<b>Total income from operations</b>	<b>532.55</b>	<b>480.42</b>	<b>495.79</b>	<b>1,012.97</b>	<b>975.30</b>	<b>2,074.98</b>

- Previous period figures have been regrouped /re-arranged wherever considered necessary to conform to the current quarter and half year's classification.

Place : Gurugram  
Date: 10 November 2017

*Rajendra Kumar Somany*  
Dr. Rajendra Kumar Somany  
Chairman and Managing Director



**Independent Auditor's Review Report**

**To**

**The Board of Directors**

**HSIL Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of HSIL Limited ('the Company') for the quarter and half year ended 30<sup>th</sup> September, 2017 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Circular No. CIR/CFD/FAC/62/2016 dated 5<sup>th</sup> July 2016.

The preparation of the Statement in accordance with the recognition and measurement principle 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 read with Circular No. CIR/CFD/FAC/62/2016 dated 5<sup>th</sup> July 2016 is the responsibility of the Company's management and has been approved by the Board of Directors of the Company in their meeting held on 10<sup>th</sup> Nov, 2017. 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 The Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance about whether the financial results are free of material misstatement. A review is limited primarily to enquiries of the 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 stated, nothing has come to our attention that causes us to believe that the statement has not been prepared in all material respects in accordance with the applicable Accounting Standards i.e. 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, and has not disclosed the information required to be disclosed in terms of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Circular No. CIR/CFD/FAC/62/2016 dated July 5<sup>th</sup>, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

4. Attention is drawn to Note 4 to the statement regarding the utilisation of the Business Reconstruction Reserve ('BRR') to the extent of Rs.2.11 crores which was created in accordance with a scheme of arrangement (the scheme) approved by Hon'ble High Court of Calcutta. During the quarter and half year ended 30 September 2017, the Company has impaired its investment in a foreign subsidiary amounting to Rs. 2.11 crores and charged the same as exceptional item to Statement of Profit and Loss Account, and withdrawn equivalent amount from BRR.



The above stated Scheme permits the company to adjust expenses and/or losses identified by the Board of the Directors, which are required to be debited to the statement of profit and loss by a corresponding withdrawal from BRR, not in line with accounting treatment prescribed under the applicable accounting standard and accounting principle generally accepted in India. Had the accounting principles generally accepted in India been followed, the profit after tax (including other comprehensive income) and other equity would have been lower by Rs. 2.11 crores.

Our review report is not modified in respect of above stated matter.

**5. Other matters**

The unaudited standalone financial results for the quarter and half year ended 30<sup>th</sup> September, 2016 are post incorporating the results of Demerged undertaking (read with note no. 3), as certified by the management and considered by the Board of Directors, have been relied upon by us for the purpose of our review of the Statement.

**For LODHA & CO.**

Chartered Accountants

Firm's Registration No. 301051E

  
**( N.K. LODHA )**

Partner

M. No. 85155

Place: Gurugram

Date: 10<sup>th</sup> Nov, 2017

