

NEAPS/BSE ONLINE

29th October, 2018

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,

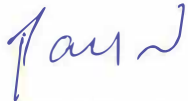
Sub: Unaudited Financial Results and Limited Review Report for the second quarter and half year ended 30th September, 2018 together with Segment wise Revenue, Results, Capital Employed and Statement of Assets & Liabilities

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 30th September, 2018 including Segment wise Revenue, Results and Capital Employed along with Statement of Assets & Liabilities of the Company as on 30th September, 2018, duly recommended by the Audit Committee and subsequently considered and approved by the Board of Directors in their meeting held on Monday, 29th October, 2018 along with the Limited Review Report of the Statutory Auditors thereon.

The Meeting of Board of Directors was commenced at 02:00 pm and concluded at 05:40 pm.

This is for your reference and record.

For **HSIL Limited**



(Payal M. Puri)
Company Secretary

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

Encl: As above

HSIL Limited

(An ISO 9001:2015 / IAF 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 +91-33-22487407/5668

HSIL LIMITED

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

Website: www.hindwarehomes.com

Email: hsilinvestors@hindware.co.in

CIN : L51433WB1960PLC024539

PART I

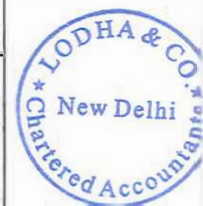
STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2018

(Rs. in crore)

	Particulars	3 months ended 30 September 2018 (Unaudited)	3 months ended 30 June 2018 (Unaudited)	Corresponding 3 months ended in the previous year 30 September 2017 (Unaudited)	Year to date figure for current period ended 30 September 2018 (Unaudited)	Year to date figure for previous period ended 30 September 2017 (Unaudited)	Year ended 31 March 2018 (Audited)
I	Revenue from operations (refer note 5 below)	622.65	542.41	531.16	1,165.06	1,044.24	2,284.51
II	Other income	5.09	1.55	1.57	6.64	2.36	9.71
III	Total income (I+II)	627.74	543.96	532.73	1,171.70	1,046.60	2,294.22
IV	Expenses						
	a) Cost of materials consumed	147.19	113.93	103.84	261.12	186.61	417.44
	b) Purchases of stock-in-trade	142.48	85.31	138.79	227.79	247.16	546.84
	c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(13.74)	3.00	(41.36)	(10.74)	(57.08)	(75.38)
	d) Excise duty	-	-	-	-	35.00	35.00
	e) Employee benefits expense	81.05	86.82	79.22	167.87	147.62	308.87
	f) Finance cost	16.40	11.21	12.16	27.61	22.61	55.76
	g) Depreciation and amortization expense	34.36	31.56	26.94	65.92	53.10	114.04
	h) Power and fuel	77.86	77.88	65.41	155.74	129.83	280.97
	i) Other expenses	136.43	131.40	113.15	267.83	229.87	498.39
	Total expenses (IV)	622.03	541.11	498.15	1,163.14	994.72	2,181.93
V	Profit before exceptional items and tax (III-IV)	5.71	2.85	34.58	8.56	51.88	112.29
VI	Exceptional item	-	-	-	-	-	(6.54)
VII	Profit before tax (V-VI)	5.71	2.85	34.58	8.56	51.88	105.75
VIII	Tax expense						
	a) Current tax	0.24	2.00	12.77	2.24	20.39	27.89
	b) Minimum alternate tax	(2.24)	-	-	(2.24)	-	-
	c) Deferred tax charge/(benefit)	3.04	(1.25)	(1.69)	1.79	(3.77)	3.11
	Tax expenses (VIII)	1.04	0.75	11.08	1.79	16.62	31.00
IX	Profit for the period (VII - VIII)	4.67	2.10	23.50	6.77	35.26	74.75
X	Other comprehensive income (net of tax)						
	(A)(i) Items that will not be reclassified to profit or loss	0.28	0.28	0.21	0.56	0.41	2.13
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.10)	(0.10)	(0.07)	(0.20)	(0.14)	(0.74)
	(B)(i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to	-	-	-	-	-	-
	Total other comprehensive income (X)	0.18	0.18	0.14	0.36	0.27	1.39
XI	Total comprehensive income for the period (IX+X)	4.85	2.28	23.64	7.13	35.53	76.14
XII	Earnings before interest, depreciation, tax and amortization (EBIDTA) [V+IV (f)+IV(g)]	56.47	45.62	73.68	102.09	127.59	282.09
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)	-	-	-	-	-	1,159.80
XV	Earnings per share : (of Rs. 2/- each) (not annualized)						
	(a) Basic (Rs.)	0.65	0.29	3.25	0.94	4.88	10.34
	(b) Diluted (Rs.)	0.65	0.29	3.25	0.94	4.88	10.34



PART II		(Rs. in crore)					
Segment wise revenue, results, assets and liabilities							
Particulars	3 months ended 30 September 2018 (Unaudited)	3 months ended 30 June 2018 (Unaudited)	Corresponding 3 months ended in the previous year 30 September 2017 (Unaudited)	Year to date figure for current period ended 30 September 2018 (Unaudited)	Year to date figure for previous period ended 30 September 2017 (Unaudited)	Year ended 31 March 2018 (Audited)	
1	Segment revenue from operations (refer note 5 below):						
	a) Building products (refer note 4(b))	299.66	239.57	258.67	539.23	490.51	1,044.12
	b) Packaging products	222.92	227.62	200.66	450.54	417.77	940.52
	c) Consumer products	75.42	54.84	53.85	130.26	94.03	207.69
	d) Retail business	25.49	21.62	25.08	47.11	48.91	96.18
	e) Others	0.82	0.77	0.63	1.59	1.31	1.48
	Total	624.31	544.42	538.89	1,168.73	1,052.53	2,289.99
	Less : Inter segment revenue	1.66	2.01	7.73	3.67	8.29	5.48
	Total income from operations	622.65	542.41	531.16	1,165.06	1,044.24	2,284.51
2	Segment results: Profit(+)/ loss(-) (before tax and interest from each segment)						
	a) Building products (refer note 4(b))	40.30	31.91	49.66	72.21	80.71	167.94
	b) Packaging products	(6.05)	(1.99)	15.05	(8.04)	31.36	66.61
	c) Consumer products	0.51	(6.31)	(4.32)	(5.80)	(13.63)	(16.75)
	d) Retail business	(2.59)	(1.39)	(3.68)	(3.98)	(6.52)	(11.68)
	e) Others	0.60	0.51	0.40	1.11	0.86	0.58
	Total profit before unallocable expenditure	32.77	22.73	57.11	55.50	92.78	206.70
	Less: i) Finance costs	16.40	11.21	12.16	27.61	22.61	55.76
	ii) Loss due to fire in Retail Division	-	-	-	-	-	6.54
	iii) Other un-allocable expenditure net off un-allocable income	10.66	8.67	10.37	19.33	18.29	38.65
	Total Profit before tax	5.71	2.85	34.58	8.56	51.88	105.75
3	Segment assets						
	a) Building products	1,611.71	1,551.22	1,346.08	1,611.71	1,346.08	1,552.96
	b) Packaging products	1,474.76	1,438.86	1,372.12	1,474.76	1,372.12	1,523.27
	c) Consumer products	207.07	157.39	151.46	207.07	151.46	215.44
	d) Retail business	47.86	50.50	55.61	47.86	55.61	44.25
	e) Others	7.33	7.94	7.53	7.33	7.53	7.32
	f) Unallocated	145.40	136.70	161.10	145.40	161.10	131.66
	Total	3,494.13	3,342.61	3,093.90	3,494.13	3,093.90	3,474.90
	Segment liabilities						
	a) Building products	882.20	796.31	656.81	882.20	656.81	844.94
	b) Packaging products	962.27	909.16	843.28	962.27	843.28	983.22
	c) Consumer products	141.44	111.32	120.47	141.44	120.47	143.57
	d) Retail business	54.67	46.85	48.87	54.67	48.87	26.80
	e) Others	0.14	0.14	0.09	0.14	0.09	0.03
	f) Unallocated (includes intersegment assets)	(8.14)	(12.89)	(24.27)	(8.14)	(24.27)	(12.93)
	Total	2,032.58	1,850.89	1,645.25	2,032.58	1,645.25	1,985.63



STATEMENT OF ASSETS AND LIABILITIES		(Rs. in crore)	
		Standalone	
	Particulars	As at 30 September 2018 (Unaudited)	As at 31 March 2018 (Audited)
A	ASSETS		
1	Non-current assets		
	a) Property, plant and equipments	1,775.77	1,649.16
	(b) Capital work-in-progress	210.39	209.37
	(c) Goodwill	26.94	26.94
	d) Other intangible assets	5.10	4.97
	e) Financial assets		
	i) Investments	34.55	34.55
	ii) Loans	21.09	20.73
	iii) Other financial assets	0.28	0.28
	f) Current tax asset (net)	62.25	60.27
	g) Other non-current assets	47.54	40.58
	Total non-current assets	2,183.91	2,046.85
2	Current assets		
	a) Inventories	598.31	564.30
	b) Financial assets		
	i) Investments	-	-
	ii) Trade receivables	477.80	514.09
	iii) Cash and cash equivalents	45.76	235.19
	iv) Bank balance other than (iii) above	5.37	4.56
	v) Loans	0.47	0.81
	vi) Other financial assets	18.83	11.01
	c) Other current assets	163.68	98.09
	Total current assets	1,310.22	1,428.05
	TOTAL ASSETS (A=1+2)	3,494.13	3,474.90
B	EQUITY AND LIABILITIES		
1	Equity		
	a) Equity share capital	14.46	14.46
	b) Other equity	1,447.08	1,474.81
	Total equity	1,461.54	1,489.27
2	Non-current liabilities		
	a) Financial liabilities		
	i) Borrowings	695.33	523.02
	ii) Other financial liabilities	54.29	52.51
	b) Provisions	11.20	10.21
	c) Deferred tax liabilities (net)	211.29	211.54
	d) Other non-current liabilities	2.28	2.06
	Total non-current liabilities	974.39	799.34
3	Current liabilities		
	a) Financial liabilities		
	i) Borrowings	487.28	636.71
	ii) Trade payables		
	-total outstanding dues of micro and small enterprises	-	-
	-total outstanding dues of creditors other than micro and small enterprises	242.38	217.37
	iii) Other financial liabilities	259.38	285.65
	b) Other current liabilities	66.16	43.30
	c) Provisions	3.00	3.26
	Total current liabilities	1,058.20	1,186.29
	Total liabilities (2+3)	2,032.59	1,985.63
	TOTAL EQUITY AND LIABILITIES (B=1+2+3)	3,494.13	3,474.90




Notes:

- (1) The above results for the quarter and half year ended 30th September 2018 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 29th October 2018.
- (2) The statutory auditors of the Company have carried out a limited review of unaudited financial results for the quarter and half year ended 30th September 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 half year ended 30th September 2018.
- (4) The performance of the Company during the quarter and half year ended 30th September 2018 as compared to corresponding previous period has been impacted by various factors including as stated below:
- a) INR/USD opening exchange rate as on 1st April 2018 was Rs.65.04 (previous year Rs.64.84) which had depreciated substantially to Rs.68.58 as on 30th June 2018 (Previous year Rs.64.74) and Rs.72.55 (previous year Rs.65.36) as on 30th September 2018. On account of the foreign exchange fluctuation, the gain/(loss) for the quarter and half year ended on 30th September 2018 of Rs.(12.25) crore (previous year Rs.(0.19) crore) and Rs.(23.85) crore (previous year Rs.0.83 crore) respectively has been recognized under the head "Other expenses". The Company had hedged certain foreign currency exposures and mark to market gain/(loss) on the same of Rs.3.19 crore for the quarter ended 30th September 2018 (previous year Rs.(1.80) crore) and Rs.7.91 crore for half year ended on 30th September 2018 (previous year Rs.(4.00) crore) have been recognized under the head "Finance cost".
- b) 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 half year ended on 30th September 2018 include sales of Rs.23.46 crore (previous year Rs. Nil) respectively and EBIT level gain/(loss) of Rs.(6.49) crore (previous year Rs.(0.45) crore) and Rs.(10.13) crore (previous year Rs.(0.95) crore) respectively.
- c) Packaging Product Division had, during the first half of current financial year, initiated certain activities envisaging rebuilding of a furnace & overhauling of another furnace at its Bhongir plant resulting in sub-optimal production, lower efficiencies and higher costs. Further, the operational costs have also been impacted by increase in global fuel prices.
- (5) According to the requirement of Ind AS and SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, revenue for the corresponding half year ended 30th September 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 half year ended 30th September 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			Half year ended		Year ended
	30 September 2018	30 June 2018	30 September 2017	30 September 2018	30 September 2017	31 March 2018
a) Building products	299.66	239.57	258.67	539.23	475.83	1,029.45
b) Packaging products	222.92	227.62	200.66	450.54	397.45	920.20
c) Consumer products	75.42	54.84	53.85	130.26	94.03	207.69
d) Retail business	25.49	21.62	25.08	47.11	48.91	96.18
e) Others	0.82	0.77	0.63	1.59	1.31	1.47
Total	624.31	544.42	538.89	1,168.73	1,017.53	2,254.99
Less : Inter segment revenue	1.66	2.01	7.73	3.67	8.29	5.48
Total income from operations	622.65	542.41	531.16	1,165.06	1,009.24	2,249.51

- (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 have given requisite consents and approval from NCLT, in this regard, is pending.
- (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.3.18 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 half year's classification.


 Dr. Rajendra Kumar Somany
 Chairman and Managing Director
 HSIL Limited

Place : Gurugram
Date: 29th October 2018



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 six months ended 30th September '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 5th 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, 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: 29.10.2018

