

HARISH TEXTILE ENGINEERS LIMITED



CIN No.: L29119MH2010PLC201521

Date: 13th August, 2024

To,
BSE Limited
Corporate Relationship Department
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai-400001

Scrip Code: BSE 542682
Company Name: Harish Textile Engineers Limited

Subject: Outcome of Board Meeting held on 13th August, 2024, pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir/Madam,

With reference to above captioned subject and pursuant to the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulation"), we hereby inform you that in the meeting of the Board of Directors of the Company held today i.e. on Tuesday, 13th August, 2024 at the registered office of the Company at 2nd Floor, 19 Parsi Panchayat Road, Andheri (East), Mumbai-400069, inter alia, has considered, recommended and approved the Standalone Un-audited Financial Results of the Company for the first quarter ended 30th June, 2024 together with Limited Review Report of the Statutory Auditors, pursuant to Regulation 33 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

In this connection, please find enclosed herewith the following:

1. Unaudited Financial Results (Standalone) of the Company for the first quarter ended 30th June 2024.
2. Copy of Limited Review Report submitted by the Statutory Auditors of the Company, M/s K M Swadia and Company, Chartered Accountants, for the first quarter ended on 30th June, 2024.

Further, in continuation of our letter dated 27th June, 2024 and in terms of the Harish Textile Engineers Limited Code of Business Conduct and Code to Regulate, Monitor and Report Trading by Designated Person, the trading window for insiders which is already closed with effect from 01st July, 2024 and shall continue to remain closed till 48 (Forty Eight) hours after the dissemination of the Un-Audited Financial Results of the Company (both days inclusive) for the first quarter ended 30th June, 2024.

The meeting commenced at 12:30 p.m. and concluded at 02:15 p.m.

You are requested to kindly take the above information in your records.

Thanking you,

Yours faithfully,

For Harish Textile Engineers Limited

Priya Gupta
Company Secretary &
Compliance Officer
Mem. No.-A62579



Place: Mumbai

Encl: As above

Independent Auditor's Review Report on Quarterly Unaudited Financial Results of Harish Textile Engineers Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended Limited Review Report on Quarterly Financial Results.

To the Board of Directors of
Harish Textile Engineers Limited.

1. We have reviewed the accompanying statement of unaudited financial results of Harish Textiles Engineers Limited ("the Company"), for the quarter ended 30.06.2024 ("the Statement") submitted by the Company being pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (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 financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and an analytical procedure 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.
4. Basis for qualified conclusion:
 1. Gratuity liability of employees is not provided for as required by Ind AS 19 on "Employee Benefits". The impact of the same is not quantified in the absence of actuarial valuation/management estimate.
 2. The company has ascertained the particulars of dues to Micro, Small and Medium enterprises, under MSMED Act, 2006. The interest liability arising out of delayed payment to undertakings registered under the MSMED Act, has not been quantified and provided for.

Our conclusion is qualified in respect of these matters for the quarter ended June 30, 2024 and our audit report for the previous year ended March 31, 2024 was also qualified in respect of these matters.

5. Based on our review conducted as stated in paragraph 3 above, except for the effects of the matter described in para 4 "Basis for qualified conclusion", nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the

314, Shriram Chambers, R.C. Dutt Road, Vadodara 390 005.
Phone No – (0265) 2314384 Fax No – (0265) 2330201. E-mail: office@kms.net.in



recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

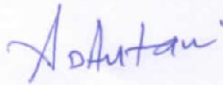
6. Emphasis of matter:

We draw attention to the following matters.

- a. Note 4 of notes to the financial results for the quarter ended on June 30, 2024 which states that the Company has received notice on 14th May 2022 from Shree Nikhil H Gandhi, Smt. Chhaya N. Gandhi and Smt. Kumudben H. Gandhi, claiming to be Shareholders of Pacific Haish Industries Limited ("PHIL"), that they have filed a company petition with Hon. NCLT, Mumbai Bench, inter-alia contending that the business of Non-Woven and PSF transferred to the Company by PHIL by way of Slump-sale w.e.f. April 01, 2019 was without obtaining the approval of Shareholders of PHIL and hence such transfer is invalid. The Company is taking appropriate legal recourse to protect its interest. Vide order dated 09th June, 2023 Hon. Bombay High Court has instructed parties to maintain Status quo and subsequently, Hon. NCLT as well vide its order dated 14th June, 2023 has stayed the further proceedings till the pendency of the Hon. High Court order.
- b. Note 5 of notes to the financial results for the quarter ended on June 30, 2024 which states that the Term Loan and other Credit facilities from Bank of India are, inter-alia secured by Corporate Guarantee and mortgage of properties of Kasha Textile Private Limited ("KTPL"). One of the Shareholders of KTPL has claimed that the said corporate guarantee and security were given by KTPL without obtaining consent of Shareholders as is required in terms of section 186 of Companies Act, 2013. The company is taking appropriate legal recourse to protect its interest.
- c. The Company is not regular in depositing statutory dues with concerned authorities.

Our conclusion is not modified in respect of these matters.

For K. M. Swadia & Co.
Chartered Accountants



Archit D Antani
Partner

Membership No: 149221

Firm's ICAI Reg. No.110740W

UDIN: 24149221BKZAB7349



Place: Vadodara

Date: August 13, 2024

HARISH TEXTILE ENGINEERS LIMITED

Regd. Office: 19, parsi Panchayat Road, Andheri (East), Mumbai - 400 069.

Phone: +91 22 28367151 / 40373000, website: www.harishtextile.com; E Mail : pinkesh@harishtextile.com

CIN: L29119MH2010PLC201521

Statement of Un-Audited financial results for the quarter ending 30th June 2024

SL NO	PARTICULARS	Results (Rupees in Lakhs), Except EPS			
		Quarter Ended			Year Ended
		30.06.2024 (Unaudited)	31.03.2024 (Audited) (Refer note 9)	30.06.2023 (Unaudited)	31.03.2024 (Audited) (Refer note 9)
I	Revenue from operations	3,076.22	3,582.14	2,837.71	13,104.25
II	Other Income	10.50	103.15	28.91	154.33
	Total Income from operations	3,086.72	3,685.30	2,866.62	13,258.58
III	Expenses				
	a. Cost of material consumed	1,963.80	2,370.91	1,851.97	8,449.31
	b. Purchase of Stock-in-trade	-	-	-	-
	c. Changes in Inventories of finished goods, work-inprogress and stock-in-trade	60.75	6.35	(29.89)	201.91
	d. Employee benefit expenses	264.14	284.12	244.28	1,072.47
	e. Finance Costs	70.91	127.92	125.38	546.02
	f. Depreciation and Amortisation expense	40.88	41.15	50.13	186.81
	g. Other Expenses	669.45	960.60	622.46	2,837.92
	Total Expenses	3,059.93	3,791.04	2,864.33	13,294.43
IV	Profit before exceptional Items and tax	16.79	(105.75)	2.29	(35.85)
V	Exceptional Items	-	-	-	-
VI	Profit from ordinary activities before tax	16.79	(105.75)	2.29	(35.85)
VII	Tax Expense				
	Current Tax	-	(29.50)	2.92	
	Adjustment for earlier tax expenses	-			
	Deferred Tax	6.27	10.01	(4.58)	(7.58)
VIII	Net Profit from Ordinary activities after tax	10.52	(86.26)	3.95	(28.27)
IX	Other Comprehensive Income (After Tax)				
	a. Items that will not be reclassified to profit or loss				-
	b. Items that will be reclassified to profit or loss				-
X	Total Comprehensive Income for the period (comprising Profit for the period) (after tax) and Other Comprehensive Income (after tax)	10.52	(86.26)	3.95	(28.27)
XI	Paid-up Equity Share Capital (Face Value Rs.10/- each)	333.60	333.60	333.60	333.60
XII	Earnings Per Share (EPS) (of Rs.10/- each) (Not annualised)				
	- Basic	0.32	(2.59)	0.12	(0.85)
	- Diluted	0.32	(2.59)	0.12	(0.85)



Signature

NOTES:				
1	The Financial Results for Q1 of FY: 2024-25 were reviewed and approved by the Audit Committee and the Board of Directors at their respective meetings held on 13/08/2024.			
2	In accordance with provisions of Ind AS 108 "Operating Segments, the company has 3 reportable segments namely viz Manufacture of (A) Textile processing and Finishing Machinery (B) Non Woven Fabrics and (C) polyester staple fibre from recycle waste material.			
3	EPS has been calculated in accordance with Ind AS 33.			
4	The Company has received notice on 14th May 2022 from Shree Nikhil H Gandhi, Smt. Chhaya N. Gandhi and Smt. Kumudben H. Gandhi, claiming to be Shareholders of Pacific Haish Industries Limited ("PHIL"), that they have filed a company petition with Hon. NCLT, Mumbai Bench, inter-alia contending that the business of Non-Woven and PSF transferred to the Company by PHIL by way of Slump-sale w.e.f. April 01, 2019 was without obtaining the approval of Shareholders of PHIL and hence such transfer is invalid. The Company is taking appropriate legal recourse to protect its interest. Vide order dated 09th June, 2023 Hon. Bombay High Court has instructed parties to maintain Status quo and subsequently, Hon. NCLT as well vide its order dated 14th June, 2023 has stayed the further proceedings till the pendency of the Hon. High Court order.			
5	The Term Loan and other Credit facilities from Bank of India are, inter-alia secured by Corporate Guarantee and mortgage of properties of Kasha Textile Private Limited (KTPL). One of the Shareholders of KTPL has claimed that the said corporate guarantee and security were given by KTPL without obtaining consent of Shareholders as is required in terms of section 186 of Companies Act, 2013. The company is taking appropriate legal recourse to protect its interest.			
6	Pursuant to a supplementary deed executed on June 24, 2024 between the Company and Axis Trustees Service Limited, the Company has extended the tenure of certain Non-Convertible Debentures (NCDs). The details of the extensions are as follows:			
	Series of Debentures	Scheduled Date of Redemption	Extended Date of Redemption	Amount
	Old Series- II Debentures	24th June, 2024	23rd December, 2024	Rs. 1,12,61,000/-
	Old Series- III Debentures	13th August, 2024	12th February, 2025	Rs. 71,03,000/-
	Old Series- IV Debentures	20th September, 2025	20th September, 2025	Rs. 1,46,78,900/-
7	Other contingent liabilities:			
7.1	Liability pertaining to Goods and Service Tax Act with respect to delayed payments to suppliers has not been quantified and provided for.			
7.2	The Company is in receipt of legal intimation dated April 18, 2024 from one of the Creditors for delayed payment. The said creditor has filed application for delayed payment before the Hon' ble Micro Small Enterprise Facilitation Council, Ahmedabad, Gujarat. As per the said intimation, the company is liable to make a total payment of Rs. 61,47,306/- which includes Principal amount of Rs. 25,50,385/- (already accounted for in the Books of Account) and an interest amount of Rs. 35,96,921/- as of 20/07/2023. The Company is in the process of seeking legal advice with respect to the claim of interest by the said creditor. The Company has not accounted for the said interest liability.			
7.3	The company has received a compliant from an individual alleging non- allotment of Equity Shares of the company. The Company has disputed the claim of the said indivlusal. The liability, if any arising out of the said claim could not be determined at this stage and hence not accounted for.			
8	Figures of the previous quarter/ year have been re-classified/ re-group wherever necessary to correspond with the current quarter classification/ disclosure.			
9	The figures for quarter ended March 31,2024 are the balancing figures between audited figures in respect of full financial year and unaudited published year to date figures up to December 31, 2023.			

Place Mumbai
Date 13/08/2024

For & on behalf of the Board
HARISH TEXTILE ENGINEERS LIMITED

Sandeep Gandhi
Sandeep Gandhi
Managing Director
DIN: 00941665



HARISH TEXTILE ENGINEERS LIMITED

Regd. Office: 19, Parsi Panchayat Road, Andheri (East), Mumbai - 400 069.

Phone: +91 22 28367151 / 40373000, website: www.harishtextile.com; E Mail : pinkesh@harishtextile.com

CIN: L29119MH2010PLC201521

Segment Wise Revenue, Results and Capital employed for the quarter ended 30th June 2024

SL. NO	PARTICULARS	Amount in Lakhs (Rs.)			
		Quarter Ended			Year Ended
		30.06.2024 (Unaudited)	31.03.2024 (Audited)	30.06.2023 (Unaudited)	31.03.2024 (Audited)
1	Segment Revenue				
	a) Textile Engineering	692.58	1,017.95	762.94	3,725.32
	b) Non-Woven	1,748.89	1,952.97	1,668.76	7,254.24
	c) PSF	839.71	880.11	602.16	3,175.84
	d) Trading				
	e) Unallocable				
	Total	3,281.18	3,851.03	3,033.86	14,155.40
	Less: Inter-segment revenue	204.96	268.88	196.15	1,051.14
	Net Sales/Income from Operations	3,076.22	3,582.14	2,837.71	13,104.25
2	Segment Results				
	a) Textile Engineering	(149.31)	(264.59)	(64.17)	(729.65)
	b) Non-Woven	126.59	121.11	67.91	568.55
	c) PSF	39.50	37.73	(1.45)	125.25
	d) Trading				-
	e) Unallocable				-
	Total	16.79	(105.75)	2.29	(35.85)
	Add: Other un-allocable Income net of Unallocable expenditure				
	Total Profit before Tax	16.79	(105.75)	2.29	(35.85)
3	Segment Assets				
	a) Textile Engineering	2,881.58	2,857.27	3,325.00	2,857.27
	b) Non-Woven	3,740.82	3,590.31	3,419.45	3,590.31
	c) PSF	1,600.08	1,545.76	1,300.45	1,545.76
	d) Unallocable	1,158.83	1,158.83	-	1,158.83
	d) Inter Segment Division	(1,028.53)	(1,158.06)	(646.77)	(1,158.06)
	Total	8,352.78	7,994.11	7,398.13	7,994.11
4	Segment Liabilities				
	a) Textile Engineering	3,760.54	3,586.92	3,389.19	3,586.92
	b) Non-Woven	3,045.68	3,021.77	3,351.55	3,021.77
	c) PSF	1,435.32	1,420.52	1,301.90	1,420.52
	d) Unallocable	203.85	197.55	-	197.55
	d) Inter Segment Division	(1,028.53)	(1,158.06)	(1,602.10)	(1,158.06)
	Total	7,416.86	7,068.70	6,440.53	7,068.70

Place

Mumbai

Date

13/08/2024



Handwritten signature

HARISH TEXTILE ENGINEERS LIMITED

Regd. Office: 19, parsi Panchayat Road, Andheri (East), Mumbai - 400 069.

Phone: +91 22 28367151 / 40373000, website: www.harishtextile.com; E Mail : pinkesh@harishtextile.com

CIN: L29119MH2010PLC201521

Statement of Un-Audited financial results for the quarter ending 30th June 2024

Particulars	Quarter Ended			Year Ended
	30.06.2024	31.03.2024	30.06.2023	31.03.2024
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Net Profit Ratio (%) **				
Profit After Tax/ Total Sales	0.34%	-2.41%	0.14%	-0.22%
Operating Margin **				
Earnings before exceptional items, Interest and Tax/ Income from Operations	2.85%	0.62%	4.50%	3.89%
Return on Capital employed (%) **				
Earning before interest and tax/ Tangible Net Worth + Total Debt + Deferred Tax Liability	1.87%	0.48%	2.51%	11.02%

Place: Mumbai

Date: 13/08/2024

For & on behalf of the Board

HARISH TEXTILE ENGINEERS LIMITED


Sandeep Gandhi
Managing Director
DIN: 00941665