



**HINDOOSTAN
MILLS**

May 24, 2022

The General Manager,
Department of Corporate Services – Listing,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001

Scrip Code: 509895

Dear Sir,

Re: Outcome of Board Meeting held on May 24, 2022.

Audited Financial Results:

In terms of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, we are enclosing herewith Audited Accounts for the Quarter / Year ended March 31, 2022 together with Auditor's Report, as reviewed by the Audit Committee and approved by the Board of Directors at its Meeting held on May 24, 2022.

The Meeting of the Board of Directors commenced at 11.30 a.m. and concluded at 3.00 p.m.

Kindly take the matter on record.

Thanking you,

Yours faithfully,
For HINDOOSTAN MILLS LTD.,

KAUSHIK KAPASI
Company Secretary & Compliance Officer
FCS 1479



Encl: As above.

Hindoostan Mills Ltd.

Registered Office: Shivsagar Estate "D" Block, 8th floor, Dr. Annie Besant Road, Worli, Mumbai 400018, India.

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CIN: L17121MH1904PLC000195

www.hindoostan.com

HINDOOSTAN MILLS LIMITED

Registered Office : Shivsagar Estate, "D" Block, 8th floor, Dr. Annie Besant Road, Worli, Mumbai - 400018

Statement of Audited Results for the Quarter / Year ended 31st March 2022

₹ in lakhs

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
I	(a) Net Sales/Income from Operations	2,966.41	2,779.05	2,722.77	10,216.22	6,411.42
	(b) Other Operating Income	44.38	72.94	37.90	158.21	113.10
	Total Revenue from operations	3,010.79	2,851.99	2,760.67	10,374.43	6,524.52
	Other Income	40.98	52.27	84.12	263.53	270.89
	Total Income	3,051.77	2,904.26	2,844.79	10,637.96	6,795.41
II	Expenses					
	(a) Cost of Materials Consumed	1,979.31	1,613.21	1,644.26	6,485.36	3,466.46
	(b) Purchase of Stock - in - Trade	341.37	174.63	193.32	751.40	308.05
	(c) Changes in Inventories of Finished goods , Work in progress and Stock in Trade	(343.27)	116.36	(32.01)	(476.34)	490.33
	(d) Employee Benefits Expense	345.11	352.19	357.36	1,434.34	1,026.81
	(e) Finance Cost	7.22	2.24	2.33	14.97	85.46
	(f) Depreciation and Amortisation Expenses	131.66	119.82	135.25	535.30	493.05
	(g) Other Expenses	571.27	508.33	574.15	1,959.39	1,572.77
	Total Expenses	3,032.67	2,886.78	2,874.66	10,704.42	7,442.93
III	Profit / (Loss) before Exceptional Items and Tax from continuing operations	19.10	17.48	(29.87)	(66.46)	(647.52)
IV	Exceptional items	-	-	-	-	1,342.07
V	Profit / (Loss) before Tax from continuing operations	19.10	17.48	(29.87)	(66.46)	694.55
VI	Less : Tax expense					
	- Deferred Tax	-	-	-	-	-
	- Tax Adjustments of Earlier Years	259.85	-	-	259.85	-
VII	Profit / (Loss) for the period from continuing operations	(240.75)	17.48	(29.87)	(326.31)	694.55
VIII	Profit / (Loss) before tax from discontinued operation	-	-	-	-	1,019.84
IX	Less : Tax expense of discontinued operation	-	-	-	-	-
X	Profit / (Loss) for the period from discontinued operations	-	-	-	-	1,019.84
XI	Profit / (Loss) for the period	(240.75)	17.48	(29.87)	(326.31)	1,714.39
XII	Other Comprehensive Income					
	- Items that will not be reclassified subsequently to profit & loss	19.95	(3.25)	(20.96)	10.20	(12.57)
XIII	Total Comprehensive Income for the period	(220.80)	14.23	(50.83)	(316.11)	1,701.82
XIV	Paid-up Equity Share Capital (Face value ₹ 10/-each)	166.45	166.45	166.45	166.45	166.45
XV	Earnings Per Equity Share from continuing operation					
	- Basic	(14.46)	1.05	(1.79)	(19.60)	41.73
	- Diluted	(14.46)	1.05	(1.79)	(19.60)	41.73
XVI	Earnings Per Equity Share from discontinued operation					
	- Basic	-	-	-	-	61.27
	- Diluted	-	-	-	-	61.27
XVII	Earnings Per Equity Share from continuing and discontinued operation					
	- Basic	(14.46)	1.05	(1.79)	(19.60)	103.00
	- Diluted	(14.46)	1.05	(1.79)	(19.60)	103.00
	See accompanying notes to the Financial Results					
		(Not Annualised)	(Not Annualised)	(Not Annualised)	(Annualised)	(Annualised)



HINDOOSTAN MILLS LIMITED
Audited Segment Information for the Quarter /Year ended 31st March 2022

₹ in lakhs

Sr.No.	Particulars	Quarter Ended			Year Ended	
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
		31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
1	Segment Revenue					
	a) Textile	2,554.24	2,539.08	2,306.13	8,932.18	5,356.80
	b) Engineering	456.55	312.91	454.54	1,442.25	1,167.72
	c) Composite - Discontinued Operation	-	-	-	-	3.00
	Gross Sales/Income from Operations	3,010.79	2,851.99	2,760.67	10,374.43	6,527.52
2	Segment Results - Loss before Tax, Interest & Unallocable overheads					
	a) Textile	(59.45)	(30.16)	(154.40)	(361.32)	(822.55)
	b) Engineering	88.12	21.49	94.42	172.43	146.89
	c) Composite - Discontinued Operation	-	-	-	-	(72.82)
	Total	28.67	(8.67)	(59.98)	(188.89)	(748.48)
	d) Interest Expenses	(7.22)	(2.24)	(2.33)	(14.97)	(85.46)
	e) Unallocable Income net of unallocable overheads	(2.35)	28.39	32.44	137.40	113.60
	f) Unallocable Income net of unallocable overheads - Discontinued Operation	-	-	-	-	1,092.66
	g) Profit / (Loss) before Exceptional Items and Tax	19.10	17.48	(29.87)	(66.46)	372.32
3	Segment Assets					
	a) Textile	5,375.90	4,919.98	5,041.51	5,375.90	5,041.51
	b) Engineering	1,068.44	1,010.35	1,088.66	1,068.44	1,088.66
	c) Composite - Discontinued Operation	-	-	-	-	-
	d) Unallocable	1,938.69	1,943.96	2,052.32	1,938.69	2,052.32
	Total Assets	8,383.03	7,874.29	8,182.49	8,383.03	8,182.49
4	Segment Liabilities					
	a) Textile	2,024.22	1,129.30	1,363.57	2,024.22	1,363.57
	b) Engineering	205.36	247.85	300.37	205.36	300.37
	c) Composite - Discontinued Operation	-	-	-	-	-
	d) Unallocable	593.24	716.14	642.23	593.24	642.23
	Total Liabilities	2,822.82	2,093.29	2,306.17	2,822.82	2,306.17
5	Capital Employed					
	(Segment Assets - Segment Liabilities)					
	a) Textile	3,351.68	3,790.68	3,677.94	3,351.68	3,677.94
	b) Engineering	863.08	762.50	788.29	863.08	788.29
	c) Composite - Discontinued Operation	-	-	-	-	-
	d) Unallocable	1,345.45	1,227.82	1,410.09	1,345.45	1,410.09
	Total Capital Employed in the Company	5,560.21	5,781.00	5,876.32	5,560.21	5,876.32

Notes :

- The financial results were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meeting on May 24, 2022. The results are as per regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended. The Statutory Auditors have carried out Audit of these results for the year ended March 31, 2022 and a limited review for the quarter ended March 31, 2022 and have issued an unmodified report on such results.
- The Company's operations and revenue were impacted on account of disruption in economic activity due to Covid 19. The management believes that the overall impact of the pandemic is short term and temporary in nature and is not likely to have any significant impact on the recoverability of the carrying value of its assets and the future operations. The management is closely monitoring the developments and possible effects that may result from the pandemic on its financial condition, liquidity and operations and is actively working to minimize the impact of this unprecedented situation.
- During lock down due to Covid-19, the textile factory was closed during the period April 1 to May 8 2020. The Company has paid on account advances (subject to adjustment against wages) to workers for this closure period, which is equivalent to about 50% of their wages. A final decision will be taken in this matter depending upon the negotiations with the Union. In view of management no further liability is estimated.
- The company initiated disciplinary action against certain employees out of which some of the employees have been terminated after following certain formal inquiries and procedures under the Industrial Dispute Act and some matters are still under inquiry. The company will make necessary provision for the liabilities if any, that may arise on account of the action initiated by it upon the outcome and completion of such inquiries and procedures. In view of management no liability is estimated.
- The Memorandum of Settlement between Hindoostan Mills Limited and the Karad Taluka Girani Kamagar Sangh, Karad (Sangh) expired on December 31, 2019. The "Charter of Demands" has been submitted by the Sangh to the Management. The negotiations between the Management and the Sangh are in progress and accordingly, the Company has made a provision on an estimated basis pending such negotiations.
- Interest Subsidy:**
(a) Recognition of interest subsidy: Company has been recognising interest subsidy in terms of its eligibility under the New Textile Policy 2012 as Other Income from May, 2014 to September, 2019.
(b) Recovery of subsidy from Government : The aggregate revenue recognised by the Company for the period from October, 2016 to 30th September, 2019 aggregating to ₹ 127.73 lakhs is outstanding as on date which is considered good and recoverable by the Management.
- As reported earlier, in connection with the joint property development transaction entered into by the Company with Caprihans India Limited (Caprihans), the Company had provided ₹ 63.98 lakhs in the Financial Statements for the year ended 31st March, 2017 as the sum payable to Caprihans in terms of the Arbitration Award dated 20th October, 2016. Thereafter, the said Caprihans challenged the said Arbitration Award before the Hon. High Court at Mumbai. Since then, the Single Judge of the Hon. High Court at Mumbai decided the challenge filed by the said Caprihans vide its judgment dated 3rd June, 2019 interalia holding that:-
(a) the majority award rejecting Caprihans claim for cost of construction at ₹ 3,100 per sq. ft. is set aside;
(b) the liability of the Company to pay interest on the unpaid cost of construction is subject matter of fresh Arbitration;
(c) the cost of litigation claimed by the said Caprihans being discretionary, the decision of the Arbitrators rejecting the same is not required to be interfered.
Against the said judgment of the Learned Single Judge of the Hon. High Court at Mumbai, the Company has filed an appeal before the Division Bench of the Hon. High Court.
The said Caprihans has also filed an appeal before the Division Bench of the Hon. High Court challenging the judgment of the Learned Single Judge. The Appeals will come up for hearing in due course.
The Company is of the view that, at this juncture, since the matter is sub judice, the provision of ₹ 63.98 lakhs will be adjusted in the year in which finality is reached.
- The Code on Social Security 2020 has been notified in the Official Gazette on September 29, 2020. The effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. Impact if any, of the change will be assessed and accounted in the period in which said Code becomes effective and the rules framed thereunder are published.
- Current Tax :**
In view of management no provision for income tax is required considering the accumulated loss of the earlier years. Company has not created any Deferred Tax Assets in respect of past accumulated losses on account of uncertainty of future taxable profit.



- 10) During the quarter, the Company has charged off Income Tax Receivable of Rs. 259.85 lakhs pertaining to old periods, to the Statement of Profit and Loss account as Tax adjustments of earlier years, on account of uncertainty of its recoverability.
- 11) There was no investor complaint pending at the beginning of the quarter. During the quarter ended 31st March 2022, the Company has received no complaints and hence no complaint is pending as at 31st March 2022.
- 12) Figures for the earlier periods have been regrouped / reclassified wherever necessary.

For Hindoostan Mills Ltd.

Mumbai
Dated : 24th May 2022

Executive Director

For HINDOOSTAN MILLS LIMITED
[Handwritten Signature]
EXECUTIVE DIRECTOR



Hindoostan Mills Limited
Audited Balance Sheet as on 31st March 2022

₹ in lakhs

Sr. No.	Particulars	31.03.2022 (Audited)	31.03.2021 (Audited)
I.	Assets		
1	Non-Current Assets		
a.	Property, Plant and Equipment	1,803.40	2,248.28
b.	Capital Work in Progress	4.65	-
c.	Right to Use Assets	231.91	-
d.	Investment in Property	-	-
e.	<u>Financial Assets</u>		
i)	Investments	850.17	236.88
ii)	Other Financial Assets	104.93	163.93
f.	Income Tax Assets (Net)	58.40	319.79
g.	Other Non-Current Assets	6.19	1.92
		3,059.65	2,970.80
2	Current Assets		
a.	Inventories	2,365.98	1,748.67
b.	<u>Financial Assets</u>		
i)	Investment	424.21	329.65
ii)	Trade Receivables	1,242.27	1,373.70
iii)	Cash and Cash Equivalents	615.20	246.76
iv)	Other Bank Balances (Other than (iii) above)	255.30	1,109.17
c.	v) Other Financial Assets	144.14	162.84
d.	Other Current Assets	245.71	240.90
e.	Assets held for Sale	30.57	-
		5,323.38	5,211.69
	Total	8,383.03	8,182.49
II.	Equity and Liabilities		
1	Equity		
a.	Equity Share Capital	166.45	166.45
b.	Other Equity	5,393.76	5,709.87
		5,560.21	5,876.32
2	Liabilities		
	Non-Current Liabilities		
a.	<u>Financial Liabilities</u>		
i)	Lease Liabilities	194.86	-
ii)	Other Financial Liabilities	5.24	4.66
b.	Provisions	729.85	761.70
		929.95	766.36
	Current Liabilities		
a.	<u>Financial Liabilities</u>		
i)	Lease Liabilities	40.51	-
ii)	Trade Payables	1,183.34	1,231.59
iii)	Other Financial Liabilities	2.76	5.80
b.	Other Current Liabilities	642.21	272.87
c.	Provisions	24.05	29.55
		1,892.87	1,539.81
	Total	8,383.03	8,182.49



Hindustan Mills Limited
Statement of Cash Flow for the Year Ended 31st March 2022

₹ in lakhs

Sr. No.	Particulars	Year Ended 31st March 2022 (Audited)	Year Ended 31st March 2021 (Audited)
A.	CASHFLOW FROM OPERATING ACTIVITIES		
	Profit / (Loss) before tax from continuing operations	(66.46)	694.55
	Profit / (Loss) before tax from discontinued operations	-	1,019.84
		(66.46)	1,714.39
	Adjustment for :		
	Depreciation and Amortisation expenses	535.30	493.05
	Finance Cost	14.97	85.46
	Property, Plant and Equipments Written off	0.09	11.70
	Bad Debts, Provision for Doubtful Debts and Advance Written Off	40.12	119.41
	Sundry Debit Balances Written Off	27.57	21.28
	Sundry Debit Balances Written Off - Discontinued Operations	-	3.72
	Lease Income	-	(24.60)
	Profit on Sale of Property, Plant and Equipments (Net)	(6.53)	(0.65)
	Profit on Sale of Property, Plant and Equipments - Discontinued Operations	-	(1,092.59)
	Profit on Sale of Investments (Net)	(1.39)	(3.98)
	Fair Value Gain on MF Valued as FVTPL	(122.61)	(13.59)
	Profit on Sale of Investment in Property	-	(1,342.07)
	Provision for Doubtful Debts/Advances no longer required written back	(6.79)	(55.52)
	Excess provision no longer required written back	(6.13)	(18.30)
	Sundry Credit Balance Written Back	(15.63)	(11.05)
	Interest and Dividend Income	(43.06)	(29.75)
	Interest Income - Discontinued Operations	-	(0.07)
	Unrealized exchange (gain) / loss	(4.72)	-
		411.19	(1,857.55)
	Operating Profit before Working Capital Changes	344.73	(143.16)
	Changes in :		
	Inventories	(617.31)	494.47
	Trade Receivables	164.28	1,392.57
	Other Financial Assets	69.18	222.05
	Other Non- Financial Assets	(56.70)	(149.21)
	Trade Payables	(55.84)	(1,554.67)
	Other Financial Liabilities	(2.46)	(30.19)
	Other Current Liabilities	369.34	26.60
	Provisions	(37.34)	53.32
		(166.85)	454.94
	Cash Generated from Operations	177.88	311.78
	Direct Taxes paid (Net of Refunds)	(1.54)	(21.85)
	Net Cash Generated From Operating Activities	176.34	289.93
B.	CASHFLOW FROM INVESTING ACTIVITIES		
	Purchase of Property, Plant and Equipments	(117.46)	(67.88)
	Sale of Investment in Property	-	1,350.00
	Sale of Property, Plant and Equipments	9.99	1,227.89
	Interest and Dividend Received	55.30	15.40
	Movement in other bank balance	853.87	(1,071.19)
	Lease Income Received	-	24.60
	Investments Purchased	(1,004.94)	(1,843.84)
	Investments Sold	421.22	1,292.00
	Net Cash used in Investing Activities	217.98	926.98



Hindoostan Mills Limited
Statement of Cash Flow for the Year Ended 31st March 2022

₹ in lakhs

Sr. No.	Particulars	Year Ended 31st March 2022 (Audited)	Year Ended 31st March 2021 (Audited)
C.	CASHFLOW FROM FINANCING ACTIVITIES		
	Interest Paid	(9.29)	(85.46)
	Payment for Lease Liabilities	(10.91)	-
	Payment of interest on Lease liability	(5.68)	-
	Repayment of Borrowing	-	(908.64)
	Net Cash used in Financing Activities	(25.88)	(994.10)
	Net Increase in Cash and Cash Equivalents (A+B+C)	368.44	222.81
	Cash and Cash Equivalents at the beginning of the year	246.76	23.95
	Cash and Cash Equivalents at the end of the Year	615.20	246.76



Independent Auditor's Report on the Quarterly and Year to Date Audited Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
Board of Directors of
Hindustan Mills Limited

Report on the audit of the Financial Results

1. Opinion

We have audited the accompanying financial results of Hindustan Mills Limited (the "Company") for the quarter ended March 31, 2022 and for the year ended March 31, 2022 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net loss and other comprehensive income and other financial information of the Company for the quarter ended March 31, 2022 and for the year ended March 31, 2022.

2. Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statement under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

3. Management's Responsibilities for the Financial Results

The Statement has been prepared on the basis of the annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net loss and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting



principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

4. Auditor's Responsibilities for the Audit of the Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists



related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.


Other Matter

The Statement includes the results for the quarter ended March 31, 2022 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2022 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

The comparative financial information of the company for the corresponding quarter ended March 31, 2021 was reviewed by the erstwhile auditor and the financial statements of the company for the year ended March 31 2021, were audited by the erstwhile auditor, who had expressed an unmodified opinion on those financial statements.

Our report is not modified in respect of this matter.

For S H R & CO
Chartered Accountants
Firm Registration Number: 120491W


Deep N Shroff
Partner
Membership No.:122592
UDIN: 22122592AJMMJP9945
Mumbai, dated May 24, 2022

