



May 16, 2023

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 16, 2023**

**Audited Financial Results**

In terms of Regulation 33 of SEBI (Listing Obligation And Disclosure Requirement) Regulations, 2015 and modifications, if any, we are enclosing herewith Audited Accounts for the Quarter/Year ended March 31, 2023 together with Auditor's Report with unmodified opinion, as reviewed by the Audit Committee and approved by the Board of Directors at its Meeting held on May 16, 2023.

**Declaration under Regulation 33(3) (d) of the SEBI Regulations**

Pursuant to Regulation 33(3) (d) of the SEBI Regulations, we confirm that the Statutory Auditors of the Company have expressed an unmodified opinion on the Audited Financial Results of the Company for the year ended on March 31, 2023.

**Re-appointment of Secretarial Auditor**

The Board of Directors has approved the Re-appointment of M/s. PRS Associates, Practicing Company Secretaries to carry out the Secretarial Audit of the Company for the FY 2023-2024.

The Meeting of the Board of Directors commenced at 12 Noon and concluded at 03:00PM.

Kindly take the matter on record.

Thanking you,

Yours faithfully,  
For **HINDOOSTAN MILLS LIMITED**,

**KAUSHIK N KAPASI**  
**Company Secretary & Compliance Officer**  
**FCS 1479**

**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](http://www.hindoostan.com)

**HINDOOSTAN MILLS LIMITED**

Registered Office : Shivsagar Estate, "D" Block, 8th floor, Dr. Annie Besant Road, Worli, Mumbai - 400018  
CIN : L17121MH1904PLC000195

**Statement of Audited Results for the Quarter ended 31st March 2023**

Sr. No.	Particulars	₹ in lakhs				
		Quarter Ended			Year Ended	
		31.03.2023 (Audited)	31.12.2022 (Unaudited)	31.03.2022 (Audited)	31.03.2023 (Audited)	31.03.2022 (Audited)
I	(a) Net Sales/Income from Operations	3,033.13	1,900.79	2,966.41	9,809.55	10,216.22
	(b) Other Operating Income	28.52	24.10	44.38	99.05	158.21
	Total Revenue from operations	3,061.65	1,924.89	3,010.79	9,908.60	10,374.43
	Other Income	125.86	54.47	40.98	368.00	263.53
	<b>Total Income</b>	<b>3,187.51</b>	<b>1,979.36</b>	<b>3,051.77</b>	<b>10,276.60</b>	<b>10,637.96</b>
II	<b>Expenses</b>					
	(a) Cost of Materials Consumed	1,669.19	1,184.59	1,979.31	5,935.38	6,485.36
	(b) Purchase of Stock - in -Trade	208.14	262.27	341.37	990.64	751.40
	(c) Changes in Inventories of Finished goods , Work in progress and Stock in Trade	444.38	(50.71)	-343.27	381.19	(476.34)
	(d) Employee Benefits Expense	346.18	344.54	345.11	1,395.39	1,434.34
	(e) Finance Cost	9.53	17.83	7.22	43.14	14.97
	(f) Depreciation and Amortisation Expenses	95.62	78.49	131.66	391.14	535.30
	(g) Other Expenses	444.47	455.31	571.27	1,820.21	1,959.39
	<b>Total Expenses</b>	<b>3,217.51</b>	<b>2,292.32</b>	<b>3,032.67</b>	<b>10,957.09</b>	<b>10,704.42</b>
III	Profit / (Loss) before Tax	(30.00)	(312.96)	19.10	(680.49)	(66.46)
IV	Less : Tax expense					
	- Deferred Tax	-	-	-	-	-
	- Tax Adjustments of Earlier Years	-	-	259.85	-	259.85
V	Profit / (Loss) for the period	(30.00)	(312.96)	(240.75)	(680.49)	(326.31)
VI	Other Comprehensive Income					
	- Items that will not be reclassified subsequently to profit & loss	(2.60)	2.52	19.95	4.96	10.20
VII	Total Comprehensive Income for the period	(32.60)	(310.44)	(220.80)	(675.53)	(316.11)
VIII	Paid-up Equity Share Capital (Face value ₹ 10/-each)	166.45	166.45	166.45	166.45	166.45
IX	Earnings Per Equity Share					
	- Basic	(1.80)	(18.80)	(14.46)	(40.88)	(19.60)
	- Diluted	(1.80)	(18.80)	(14.46)	(40.88)	(19.60)
	See accompanying notes to the Financial Results					
		(Not Annualised)	(Not Annualised)	(Not Annualised)	(Annualised)	(Annualised)



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Audited Segment Information for the Quarter ended 31st March 2023

₹ in lakhs

Sr.No.	Particulars	Quarter Ended			Year Ended	
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
		31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022
<b>1</b>	<b>Segment Revenue</b>					
	a) Textile	2,401.13	1,576.58	2,554.24	8,285.08	8,932.18
	b) Engineering	660.52	348.31	456.55	1,623.52	1,442.25
	<b>Gross Sales/Income from Operations</b>	<b>3,061.65</b>	<b>1,924.89</b>	<b>3,010.79</b>	<b>9,908.60</b>	<b>10,374.43</b>
<b>2</b>	<b>Segment Results - Loss before Tax, Interest &amp; Unallocable overheads</b>					
	a) Textile	103.25	(257.59)	(21.48)	(570.97)	(202.57)
	b) Engineering	30.09	(27.00)	82.83	44.60	152.34
	<b>Total</b>	<b>133.34</b>	<b>(284.59)</b>	<b>61.35</b>	<b>(526.37)</b>	<b>(50.23)</b>
	d) Interest Expenses	(9.53)	(17.83)	(7.22)	(43.14)	(14.97)
	e) Unallocable Income net of unallocable overheads	(153.81)	(10.54)	(35.03)	(110.98)	(1.26)
	<b>f) Profit / (Loss) before Exceptional Items and Tax</b>	<b>(30.00)</b>	<b>(312.96)</b>	<b>19.10</b>	<b>(680.49)</b>	<b>(66.46)</b>
<b>3</b>	<b>Segment Assets</b>					
	a) Textile	4,499.24	4,451.00	5,334.28	4,499.24	5,334.28
	b) Engineering	1,198.76	1,221.63	1,068.44	1,198.76	1,068.44
	c) Unallocable	1,887.01	1,933.46	1,980.31	1,887.01	1,980.31
	<b>Total Assets</b>	<b>7,585.01</b>	<b>7,606.09</b>	<b>8,383.03</b>	<b>7,585.01</b>	<b>8,383.03</b>
<b>4</b>	<b>Segment Liabilities</b>					
	a) Textile	1,690.84	1,645.98	2,123.78	1,690.84	2,123.78
	b) Engineering	624.40	671.18	294.07	624.40	294.07
	c) Unallocable	385.09	371.65	404.98	385.09	404.98
	<b>Total Liabilities</b>	<b>2,700.33</b>	<b>2,688.81</b>	<b>2,822.83</b>	<b>2,700.33</b>	<b>2,822.83</b>
<b>5</b>	<b>Capital Employed</b>					
	(Segment Assets - Segment Liabilities)					
	a) Textile	2,808.40	2,805.02	3,210.50	2,808.40	3,210.50
	b) Engineering	574.36	550.45	774.37	574.36	774.37
	c) Unallocable	1,501.92	1,561.81	1,575.33	1,501.92	1,575.33
	<b>Total Capital Employed in the Company</b>	<b>4,884.68</b>	<b>4,917.28</b>	<b>5,560.20</b>	<b>4,884.68</b>	<b>5,560.20</b>

**Notes :**

- The above unaudited financial results as reviewed by the Audit Committee, have been approved and taken on record at the meeting of the Board of Directors held on 16th May, 2023. The results are as per regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended.
- During lock down due to Covid-19, the textile factory was closed for 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:**
  - 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.
  - Recovery of subsidy from Government: The aggregate subsidy of Rs. 127.73 lakhs recognized by the company for the period from October 2016 to September 30, 2019, has remained outstanding as on March 31, 2023, due to the technical issues faced on government portal in resolving the queries raised by it. Accordingly, the subsidy of Rs. 127.73 lakhs shown under the head Current Assets - Other Financial Assets, has been considered as good and recoverable in nature.
- 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, claiming Rs. 1597.39 lakhs and interest. 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 inter alia holding that:
  - the majority award rejecting Caprihans claim for cost of construction at ₹ 3,100 per sq. ft. is set aside;
  - the liability of the Company to pay interest on the unpaid cost of construction is subject matter of fresh Arbitration;
  - 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. In view of the company, no further provision is required considering the merits.
- 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.
- Deferred tax :**  
Company has not created any Deferred Tax Assets on account uncertainty of future taxable profit.
- There was no investor complaint pending at the beginning of the quarter. During the quarter ended 31st March 2023, the Company has received no complaints and hence no complaint is pending as at 31st March 2023.
- Figures for the earlier periods have been regrouped / reclassified wherever necessary.

Mumbai  
Dated : 16th May 2023



*(Handwritten Signature)*

Hindustan Mills Limited  
Audited Balance Sheet as on 31st March 2023

₹ in lakhs

Sr. No.	Particulars	31.03.2023 (Audited)	31.03.2022 (Audited)
<b>I.</b>	<b>Assets</b>		
<b>1</b>	<b>Non-Current Assets</b>		
a.	Property, Plant and Equipment	1,505.65	1,803.40
b.	Right to Use Assets	180.75	231.91
c.	Capital Work in Progress	30.09	4.65
d.	<u>Financial Assets</u>		
i)	Investments	1,093.61	850.17
ii)	Other Financial Assets	253.46	104.93
e.	Income Tax Assets (Net)	43.42	58.40
f.	Other Non-Current Assets	14.20	6.19
		3,121.18	3,059.65
<b>2</b>	<b>Current Assets</b>		
a.	Inventories	1,746.39	2,365.98
b.	<u>Financial Assets</u>		
i)	Investment	39.95	424.21
ii)	Trade Receivables	1,274.75	1,242.27
iii)	Cash and Cash Equivalents	404.88	615.20
iv)	Other Bank Balances (Other than (iii) above)	289.31	255.30
c.	v) Other Financial Assets	134.60	144.14
d.	Other Current Assets	573.95	245.71
e.	Assets held for Sale	-	30.57
		4,463.83	5,323.38
	<b>Total</b>	<b>7,585.01</b>	<b>8,383.03</b>
<b>II.</b>	<b>Equity and Liabilities</b>		
<b>1</b>	<b>Equity</b>		
a.	Equity Share Capital	166.45	166.45
b.	Other Equity	4,718.23	5,393.76
		4,884.68	5,560.21
<b>2</b>	<b>Liabilities</b>		
a.	<u>Non-Current Liabilities</u>		
i)	<u>Financial Liabilities</u>		
ii)	Lease Liabilities	149.85	194.86
b.	Other Financial Liabilities	4.74	5.24
b.	Provisions	766.58	729.85
		921.17	929.95
a.	<u>Current Liabilities</u>		
i)	<u>Financial Liabilities</u>		
ii)	Lease Liabilities	45.01	40.51
iii)	Trade Payables	1,163.35	1,183.34
b.	Other Financial Liabilities	2.09	2.76
c.	Other Current Liabilities	367.97	494.09
c.	Provisions	200.74	172.17
		1,779.16	1,892.87
	<b>Total</b>	<b>7,585.01</b>	<b>8,383.03</b>



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**Hindoostan Mills Limited**  
**Statement of Cash Flow for the Year Ended 31st March 2023**

₹ in lakhs

Sr. No.	Particulars	Year Ended	Year Ended
		31st March 2023	31st March 2022
		(Audited)	(Audited)
<b>A.</b>	<b>CASHFLOW FROM OPERATING ACTIVITIES</b>		
	Profit / (Loss) before tax from continuing operations	(680.49)	(66.46)
	Adjustment for :		
	Depreciation and Amortisation expenses	391.14	535.30
	Finance Cost	43.14	14.97
	Bad Debts, Provision for Doubtful Debts and Advance Written Off	10.16	40.12
	Provision for Doubtful Debts & Advances	48.77	27.57
	Net Gain on Disposal of Property, Plant and Equipments	(140.66)	(6.44)
	Profit on Sale of Investments (Net)	(6.25)	(1.39)
	Net Gain on Fair Value of Investments	(55.97)	(122.61)
	Provision for Doubtful Debts/Advances no longer required written back	(12.25)	(6.79)
	Excess provision no longer required written back	(10.19)	(6.13)
	Sundry Credit Balance Written Back	(5.49)	(15.63)
	Interest Income	(22.23)	(43.06)
	Unrealized exchange (gain) / loss	(1.48)	(4.72)
		238.69	411.19
	Operating Profit before Working Capital Changes	(441.80)	344.73
	Changes in :		
	Inventories	619.59	(617.31)
	Trade Receivables	(75.27)	167.49
	Other Financial Assets	(147.76)	69.18
	Other Non- Financial Assets	(327.91)	(59.90)
	Trade Payables	(4.31)	(55.84)
	Other Financial Liabilities	(1.43)	(2.46)
	Other Current Liabilities	(141.51)	367.25
	Provisions	62.00	(44.39)
		(16.60)	(175.98)
	Cash Generated from Operations	(458.40)	168.75
	Direct Taxes paid (Net of Refunds)	17.01	(0.05)
	Net Cash Generated From Operating Activities	(441.39)	168.70
<b>B.</b>	<b>CASHFLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of Property, Plant and Equipments	(112.45)	(117.46)
	Sale of Property, Plant and Equipments	205.26	9.99
	Interest Received	28.97	53.81
	Movement in other bank balance	(34.01)	853.87
	Investments Purchased	(709.96)	(1,004.95)
	Investments Sold	913.00	421.22
	Net Cash used in Investing Activities	290.81	216.48
<b>C.</b>	<b>CASHFLOW FROM FINANCING ACTIVITIES</b>		
	Interest Paid	(0.45)	(0.15)
	Payment for Lease Liabilities	(40.51)	(10.91)
	Payment of interest on Lease liability	(18.78)	(5.68)
	Net Cash used in Financing Activities	(59.74)	(16.74)
	Net Increase in Cash and Cash Equivalents (A+B+C)	(210.32)	368.44
	Cash and Cash Equivalents at the beginning of the year	615.20	246.76
	Cash and Cash Equivalents at the end of the Year	404.88	615.20



*[Handwritten Signature]*

**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  
The 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, 2023 and year to date results for the period from April 1, 2022 to March 31, 2023 ("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. are presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of net loss and other comprehensive income and other financial information of the Company for the quarter ended March 31, 2023 as well as the year to date results for the period from April 1, 2022 to March 31, 2023.

**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 management of the Company is 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 Indian 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 management is 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 management 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 Management.



- Conclude on the appropriateness of the Management's 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 appropriateness of this assumption. 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, 2023 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2023 and the published unaudited year-to-date figures up to the third quarter of the current financial year which was subject to limited review by us, as required under the listing regulations.

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

  
Deep N Shroff  
Partner

Membership No.: 122592

UDIN: 23122592BQVWTA4831

Mumbai, dated May 16, 2023



212A/203, Rewa Chambers,  
Sir Vithaldas Thakersey Marg  
Mumbai - 400 020.