



REF: HSL/SEC/2020/69

November 7, 2020

To The Deputy Manager Department of Corporate Services BSE Ltd. PJ Towers, Dalal Street Mumbai -400001 <b>Script Code: 514043</b>	To The Manager National Stock Exchange of India Ltd. Exchange Plaza, Plot No. C/1, G Block Bandra-Kurla Complex, Bandra (E), Mumbai 400051 <b>Symbol: HIMATSEIDE</b>
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Dear Sir/Madam,

**Sub: Outcome of Meeting of the Board of Directors held on November 7, 2020**

**Ref: Regulation 30, 33 and other applicable provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015**

Pursuant to Regulations 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") read with Schedule III to the said Regulations, we wish to inform you that the Board of Directors of the Company at the Meeting held today, i.e., on Saturday, November 7, 2020, inter alia, approved the Unaudited Consolidated and Standalone Financial Results for the quarter and half year ended September 30, 2020 along with the respective Limited Review Reports issued by the Statutory Auditors of the Company.

The Unaudited Financial Results (Consolidated and Standalone) are enclosed pursuant to Regulation 33 of Listing Regulations along with Limited Review reports thereon.

The meeting commenced at 12 PM and concluded at 2 PM.

Please take the same on record.

Thanking you,

Yours faithfully,  
For Himatsingka Seide Limited

Sridhar Muthukrishnan  
Company Secretary



Encl: As above

**Himatsingka Seide Limited**

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**STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2020**

<b>Part I</b>		<b>(₹ lacs except per share data)</b>					
<b>Sl. No.</b>	<b>Particulars</b>	<b>Quarter ended</b>			<b>Six Months ended</b>		<b>Year ended</b>
		<b>30.09.2020</b>	<b>30.06.2020</b>	<b>30.09.2019</b>	<b>30.09.2020</b>	<b>30.09.2019</b>	<b>31.03.2020</b>
		<b>Unaudited</b>	<b>Unaudited</b>	<b>Unaudited</b>	<b>Unaudited</b>	<b>Unaudited</b>	<b>Audited</b>
	<b>Income</b>						
I	Revenue from operations	65,346	17,943	64,378	83,289	1,28,331	2,35,793
II	Other income	609	386	970	995	1,464	6,172
III	<b>Total Income (I+II)</b>	<b>65,955</b>	<b>18,329</b>	<b>65,348</b>	<b>84,284</b>	<b>1,29,795</b>	<b>2,41,965</b>
	<b>Expenses</b>						
(a)	Cost of raw materials consumed	12,702	4,841	18,585	17,543	36,154	68,996
(b)	Purchases of stock-in-trade	3,770	2,012	11,995	5,782	21,829	42,175
(c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade (refer note 7)	21,681	6,445	1,318	28,126	3,859	2,009
(d)	Employee benefit expenses	6,151	5,290	6,679	11,441	13,732	28,012
(e)	Finance costs	4,742	4,534	4,680	9,276	9,083	19,472
(f)	Depreciation and amortisation expenses	3,928	3,794	2,609	7,722	5,285	12,621
(g)	Other expenses	11,961	7,813	12,710	19,774	25,852	52,842
	<b>Total expenses (IV)</b>	<b>64,935</b>	<b>34,729</b>	<b>58,576</b>	<b>99,664</b>	<b>1,15,794</b>	<b>2,26,127</b>
V	<b>Profit/(Loss) before exceptional items and tax (III-IV)</b>	<b>1,020</b>	<b>(16,400)</b>	<b>6,772</b>	<b>(15,380)</b>	<b>14,001</b>	<b>15,838</b>
VI	Exceptional items (refer note 6)	-	-	(664)	-	(664)	(7,321)
VII	<b>Profit/(Loss) before tax (V+VI)</b>	<b>1,020</b>	<b>(16,400)</b>	<b>6,108</b>	<b>(15,380)</b>	<b>13,337</b>	<b>8,517</b>
VIII	<b>Tax expense</b>						
-	Current tax charge / (credit)	-	-	1,746	-	3,760	3,929
-	Deferred tax charge / (credit)	639	(2,421)	954	(1,782)	1,644	3,263
	<b>Total tax expense (VIII)</b>	<b>639</b>	<b>(2,421)</b>	<b>2,700</b>	<b>(1,782)</b>	<b>5,404</b>	<b>7,192</b>
IX	<b>Profit/(Loss) for the period/year (VII-VIII)</b>	<b>381</b>	<b>(13,979)</b>	<b>3,408</b>	<b>(13,598)</b>	<b>7,933</b>	<b>1,325</b>
X	<b>Other Comprehensive Income</b>						
i	Items that will not be reclassified to statement of profit or loss						
-	Remeasurement of employees defined benefit plan	(107)	16	(96)	(91)	(85)	64
-	Income tax on (i) above	35	(6)	34	29	30	(24)
ii	Items that may be reclassified to statement of profit or loss						
-	Exchange differences in translating the financial statements of foreign operations	(714)	174	1,005	(540)	916	3,370
-	Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge	1,841	1,240	(2,749)	3,081	(2,365)	(6,305)
-	Income tax on (ii) above	(643)	(433)	961	(1,076)	827	2,203
	<b>Total other comprehensive income/(loss) for the period/year</b>	<b>412</b>	<b>991</b>	<b>(845)</b>	<b>1,403</b>	<b>(677)</b>	<b>(692)</b>
XI	<b>Total comprehensive income/(loss) for the period/ year</b>	<b>793</b>	<b>(12,988)</b>	<b>2,563</b>	<b>(12,195)</b>	<b>7,256</b>	<b>633</b>
XII	<b>Paid up equity share capital (Face value of ₹ 5 per equity share)</b>	<b>4,923</b>	<b>4,923</b>	<b>4,923</b>	<b>4,923</b>	<b>4,923</b>	<b>4,923</b>
XIII	<b>Reserves (Other equity)</b>	-	-	-	-	-	1,31,078
XIV	<b>(Loss) / Earnings per equity share of ₹ 5:</b>	<b>not annualised</b>	<b>not annualised</b>	<b>not annualised</b>	<b>not annualised</b>	<b>not annualised</b>	<b>annualised</b>
(a)	Basic	0.39	(14.20)	3.46	(13.81)	8.06	1.35
(b)	Diluted	0.39	(14.20)	3.46	(13.81)	8.06	1.35

See accompanying notes to the consolidated unaudited financial results

**Himatsingka Seide Limited**

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*D. K. Hunsicker*

*[Signature]*

CONSOLIDATED BALANCE SHEET			
		(₹ Lacs)	
Particulars	As at		
	30.09.2020	31.03.2020	
	Unaudited	Audited	
<b>ASSETS</b>			
(1) <b>Non-current assets</b>			
(i) Property, plant and equipment	2,52,499	2,42,539	
(ii) Capital work-in-progress	13,478	17,267	
(iii) Goodwill	47,503	48,195	
(iv) Other intangible assets	8,738	11,102	
(v) Right of use assets	12,089	13,825	
(vi) Financial assets			
(a) Investments	22	21	
(b) Loans	1,611	1,681	
(c) Others	7	1,449	
(vii) Deferred tax assets (net)	1,694	1,694	
(viii) Income tax assets (net)	1,256	1,045	
(ix) Other non-current assets	9,809	9,363	
<b>Sub-total</b>	<b>3,48,706</b>	<b>3,48,181</b>	
(2) <b>Current assets</b>			
(i) Inventories	79,737	1,08,747	
(ii) Financial assets			
(a) Investments	2,131	2,922	
(b) Trade receivables	15,580	11,758	
(c) Cash and cash equivalents	8,048	4,708	
(d) Bank balances other than cash and cash equivalents above	13,613	13,345	
(e) Loans	280	430	
(f) Other financial assets	12,330	14,991	
(iii) Other current assets	11,593	14,325	
(iv) Assets classified as held for sale	8,087	7,771	
<b>Sub-total</b>	<b>1,51,399</b>	<b>1,78,997</b>	
<b>TOTAL ASSETS</b>	<b>5,00,105</b>	<b>5,27,178</b>	
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(i) Equity share capital	4,923	4,923	
(ii) Other equity	1,18,883	1,31,078	
<b>Total Equity</b>	<b>1,23,806</b>	<b>1,36,001</b>	
<b>LIABILITIES</b>			
(1) <b>Non-current liabilities</b>			
(i) Financial Liabilities			
(a) Borrowings	1,45,091	1,58,974	
(b) Lease liabilities	11,882	13,627	
(c) Other financial liabilities	716	790	
(ii) Provisions	1,743	1,595	
(iii) Deferred tax liabilities (net)	3,785	4,528	
(iv) Other non-current liabilities	28,968	28,851	
<b>Sub-total</b>	<b>1,92,185</b>	<b>2,08,365</b>	
(2) <b>Current liabilities</b>			
(i) Financial liabilities			
(a) Current borrowings	83,707	1,03,255	
(b) Lease liabilities	1,235	1,205	
(c) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises;	5,719	5,454	
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	35,896	31,718	
(d) Other current financial liabilities	49,409	33,489	
(ii) Provisions	773	713	
(iii) Current tax liabilities (net)	3,033	3,152	
(iv) Other current liabilities	4,342	3,826	
<b>Sub-total</b>	<b>1,84,114</b>	<b>1,82,812</b>	
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>5,00,105</b>	<b>5,27,178</b>	

See accompanying notes to the consolidated unaudited financial results



*D. K. Himatsingka*  


Himatsingka Seide Limited		
	(₹ Lacs)	
Consolidated statement of cash flows for the period ended	30 Sep 2020	30 Sep 2019
<b>Cash flows from operating activities</b>		
(Loss)/Profit for the period	(13,598)	7,933
<b>Adjustments for:</b>		
Finance costs	9,276	9,083
Interest income	(591)	(657)
Net loss/ (gain) on sale of investments	10	(179)
Gain on current investments carried at fair value through profit or loss	(96)	-
Provision for diminution in value of investment	-	664
Net loss on disposal of property, plant and equipment	33	18
Loss allowance on financial assets, net	3	-
Amortized value of employee loans and security deposits	47	24
Depreciation and amortisation expense	7,722	5,285
Ineffective portion of hedging instrument	18	62
Net foreign exchange loss on non operating activities	246	-
Rental income from operating lease	(39)	(94)
Income tax expense	(1,782)	5,403
<b>Operating cash flows before working capital changes</b>	<b>1,249</b>	<b>27,542</b>
<b>Changes in operating assets and liabilities</b>		
(Increase)/Decrease in trade and other receivables	(3,038)	(2,556)
Decrease/(Increase) in inventories	27,819	10,135
Decrease/(Increase) in other assets	6,512	2,038
Increase/(Decrease) in trade and other payables	5,433	(8,412)
Increase in provisions	117	2,137
Increase/(Decrease) in other liabilities	425	(8,216)
<b>Cash generated from operations</b>	<b>38,517</b>	<b>22,668</b>
Income taxes paid, net of refund	(286)	(1,019)
<b>Net cash generated from operating activities</b>	<b>38,231</b>	<b>21,649</b>
<b>Cash flows from investing activities</b>		
Purchase of current investments	-	(9,078)
Proceeds of sale of current investments	877	20,931
Interest received	113	164
Acquisition of property, plant and equipment and intangible assets	(5,546)	(17,444)
Proceeds from sale of property, plant and equipment	3	7
Income from investment property	39	94
Proceeds from fixed deposits, net	1,175	893
<b>Net cash used in investing activities</b>	<b>(3,339)</b>	<b>(4,433)</b>



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Himatsingka Seide Limited	(₹ Lacs)			
Consolidated statement of cash flows for the period ended	30 Sep 2020	30 Sep 2019		
<b>Cash flows from financing activities</b>				
(Repayment of) / Proceeds from short term borrowings, net	(19,379)	(15,349)		
(Repayment of) / Proceeds from long term borrowings, net	(4,855)	4,500		
Payment of lease liabilities	(867)	-		
Proceeds from government subsidy	-	4,163		
Interest paid	(6,495)	(13,392)		
<b>Net cash utilised by financing activities</b>	<b>(31,596)</b>	<b>(20,077)</b>		
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>3,296</b>	<b>(2,861)</b>		
Cash and cash equivalents at the beginning of the period	4,708	16,710		
Effects of exchange rate changes on cash and cash equivalents	44	(5)		
<b>Cash and cash equivalents at the end of the period**</b>	<b>8,048</b>	<b>13,844</b>		
<b>**Cash and cash equivalents includes bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.</b>				
<b>Components of cash and cash equivalents</b>				
<b>Cash and cash equivalents</b>				
Cash in hand	10	28		
Balance with banks				
- in current accounts	8,038	2,966		
- in deposit accounts (with original maturity of less than 3 months)	-	10,850		
<b>Cash and cash equivalents in balance sheet</b>	<b>8,048</b>	<b>13,844</b>		
<b>Reconciliation between opening and closing balance sheet for liabilities arising from financing activities</b>				
	Opening balance 01-Apr-20	Cash flows	Non-cash movement	Closing balance 30-Sep-20
Borrowings (including current maturities)	1,78,189	(4,855)	2,177	1,75,511
Short - term borrowings	1,03,255	(19,379)	(168)	83,708
Interest accrued but not due	1,872	2,168	-	4,040
<b>Total liabilities from financing activities</b>	<b>2,83,316</b>	<b>(22,066)</b>	<b>2,009</b>	<b>2,63,259</b>
<b>Reconciliation between opening and closing balance sheet for liabilities arising from financing activities</b>				
	Opening balance 01-Apr-19	Cash flows	Non-cash movement	Closing balance 30-Sep-19
Borrowings (including current maturities)	1,81,198	4,500	(5,925)	1,79,773
Short - term borrowings	97,835	(15,349)	7,471	89,957
Interest accrued but not due	419	330	-	749
<b>Total liabilities from financing activities</b>	<b>2,79,452</b>	<b>(10,519)</b>	<b>1,546</b>	<b>2,70,479</b>




**NOTES:**

- 1 The above unaudited consolidated financial results ("the Statement") of Himatsingka Seide Limited ("the Company") including its subsidiaries and step subsidiaries (collectively known as "Group") are prepared in accordance with applicable accounting standards i.e., Ind AS prescribed under Section 133 of the Companies Act, 2013 read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The consolidated figures above includes figures of subsidiary companies presented below:

**Subsidiaries (including step subsidiaries) :**

- Himatsingka Wovens Private Limited (subsidiary)
  - Twill and Oxford LLC (subsidiary), (read along with note 10)
  - Himatsingka Holdings NA Inc. (subsidiary)
  - Himatsingka America Inc. (step subsidiary)
  - Himatsingka Europe Limited (step subsidiary) liquidated with effect from 22 September 2020.
- 2 The Statement of the Group for the quarter and six months ended 30 September 2020 have been reviewed by the Audit committee and thereafter approved by the Board of Directors in the meeting held on 7 November 2020.
- 3 The figures for the quarter and six months ended 30 September 2020 was subjected to limited review by the Statutory Auditors of the Company. The review report of the Statutory Auditor is being filed with Bombay Stock Exchange(BSE) and National Stock Exchange (NSE) and is also available on the Company's website at [www.himatsingka.com](http://www.himatsingka.com).
- 4 Pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company shall publish unaudited consolidated financial results in the newspapers. However, the unaudited standalone financial results will be made available on the stock exchanges websites of BSE ([www.bseindia.com](http://www.bseindia.com)) and NSE ([www.nseindia.com](http://www.nseindia.com)) and on Company's website [www.himatsingka.com](http://www.himatsingka.com).
- 5 The Group has evaluated its operating segments in accordance with Ind AS 108, and has concluded that it is engaged in a single operating segment viz. Textiles on the basis of decisions taken for allocation of resources by the Chief Operating Decision Makers (CODM) and the internal business reporting system for evaluation of operational results.
- 6 Exceptional items for the year ended 31 March 2020 aggregating ₹ 7,321 lacs comprise of the following:
- Write down of inventory to the net realizable value aggregating ₹ 4,305 lacs as a result of adverse impact on sales and profitability due to Covid-19 outbreak.
  - Hedge ineffectiveness of ₹ 1,142 lacs as the forecasted sales are not expected to occur due to the lockdown restrictions imposed on account of Covid-19 outbreak.
  - Expenses incurred on account of restructuring activities for the European business aggregating ₹ 1,210 lacs.
  - Impairment of investment in equity shares of ₹ 664 lacs.
- 7 Material costs for the quarter ended 30 June 2020 includes a charge of ₹ 2,199 lacs towards write down of inventories to net realisable value on account of changes in the product portfolio.
- 8 Additional information on standalone financial results :

(₹ lacs)

Particulars	Quarter ended			Six Months ended		Year ended
	30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
a. Revenue from operations	39,142	14,161	44,585	53,303	89,935	1,60,076
b. Profit/(loss) before exceptional items and tax	2,676	(7,681)	8,456	(5,005)	17,187	22,987
c. Profit/(loss) before tax	2,676	(7,681)	8,456	(5,005)	17,187	21,845
d. Profit/(loss) after tax	2,037	(5,260)	5,756	(3,223)	11,486	14,664
e. Total comprehensive income/(loss)	3,163	(4,443)	3,867	(1,280)	9,854	10,602



*Dilip Himatsingka*  


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- 9 The Group has adopted measures to curb the spread of infection of Covid-19 in order to protect the health of its employees and ensure business continuity with minimal disruption including remote working, maintaining social distancing, sanitization of work spaces etc. The Group's operations, revenue and consequently profit/loss during the previous quarter ended June 30, 2020 and six month ended September 30, 2020 were impacted due to Covid-19. The Group has considered the possible effects that may result from outbreak of COVID-19 in the preparation of this financial results including the recoverability of carrying amounts of financial and non-financial assets, assessment of bank covenants and liquidity assessment based on future cash flow projections. In building the assumptions relating to the possible uncertainties in the global economic conditions as at the date of approval of this financial results, the Group has used internal and external sources of information and expects that the carrying amount of the assets will be recovered. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results. The Group will continue to monitor any material changes to future economic conditions and consequential impact on its consolidated financial results. Based on information available as of this date, Management believes that no further adjustments are required to the consolidated quarterly financial results.
- 10 During the quarter ended 30 September 2020, the Group as a measure to restructure its luxury retail business closed its retail store in Dubai and decided to liquidate Twill and Oxford LLC, subsidiary. Consequent to this, the subsidiary has terminated its lease arrangement and the employment contracts. The Group has also appointed the liquidator at Dubai for the closure of the subsidiary and recorded the net asset of its subsidiary at its fair value. Based on this assessment, the Group has recorded a provision of ₹ 748 lacs in the standalone financial statements of the Company as these amounts are not considered recoverable. Further, there is no impact on the consolidated financial results of the Group.

Bengaluru  
7 November 2020



**Dinesh Himatsingka**  
Executive Chairman

**Shrikant Himatsingka**  
Managing Director & CEO



**Himatsingka Seide Limited**

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# B S R & Co. LLP

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## Limited Review Report on unaudited quarterly and year to date consolidated financial results of Himatsingka Seide Limited Under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

### To Board of Directors of Himatsingka Seide Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Himatsingka Seide Limited ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the quarter ended 30 September 2020 and year to date results for the period from 1 April 2020 to 30 September 2020 ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's 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 Listing 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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:

Entity	Country of Incorporation	Relationship	% Holding
Himatsingka Seide Limited	India	Parent Company	
Himatsingka Wovens Private Limited	India	Subsidiary	100
Himatsingka Holdings North America Inc	United States of America	Subsidiary	100
Himatsingka America Inc	United States of America	Subsidiary of Himatsingka Holdings North America Inc	100
Twill & Oxford LLC	United Arab Emirates	Subsidiary	49

B S R & Co. is a partnership firm with Registration No. BA612231 converted into B S R & Co. LLP a Limited Liability Partnership with LLP Registration No. AAB-81811 with effect from October 14, 2013

Registered Office:

11th Floor, Central B Wing and North C Wing, Infosys IT Park A, Infosys Center, Western Express Highway, Goregaon (East), Mumbai - 400063



## **B S R & Co LLP**

### **Limited Review Report on unaudited quarterly and year to date consolidated financial results of Himatsingka Seide Under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (continued)**

5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the 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. We draw your attention to Note 9 to the Statement, which describes the Management's assessment and the effects of COVID -19 pandemic on the significant estimates and judgements involved in preparation of the unaudited quarterly consolidated financial results. In view of the highly uncertain economic environment impacting the textile industry, a definitive assessment of the impact is highly dependent upon circumstances as they evolve in future and the actual results may differ from those estimated as at the date of approval of these unaudited quarterly consolidated financial results. Based on information available as of this date, Management believes that no further adjustments are required to the unaudited quarterly consolidated financial results.

Our opinion is not modified in respect of this matter.

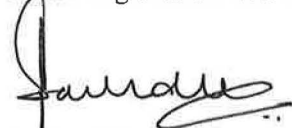
7. The Statement includes the interim financial information of a subsidiary which have not been reviewed/audited, whose interim financial information reflect total assets of Rs. 2 lakhs as at 30 September 2020 and total revenue of Rs. 6 lakhs and Rs. 32 lakhs, total net loss after tax of Rs. 5 lakhs and Rs. 77 lakhs and Rs. Nil total comprehensive income for the quarter ended 30 September 2020 and for the period from 1 April 2020 to 30 September 2020, respectively, and cash flows (net) of Rs. (52) lakhs for the period from 1 April 2020 to 30 September 2020, as considered in the Statement. According to the information and explanations given to us by the management, these interim financial information are not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matter.

for **B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No.: 101248W/W-100022



**Supreet Sachdev**

*Partner*

Membership No: 205385

ICAI UDIN: 20205385AAAABZ4910

Place: Bengaluru

Date: 7 November 2020

**STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2020**

Part I						
(₹ lacs except per share data)						
Sl. No.	Particulars	Quarter ended			Six months ended	
		30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
	<b>Income</b>					
I	Revenue from operations	39,142	14,161	44,585	53,303	89,395
II	Other income	1,177	940	1,623	2,117	2,671
III	<b>Total income (I+II)</b>	<b>40,319</b>	<b>15,101</b>	<b>46,208</b>	<b>55,420</b>	<b>92,066</b>
	<b>Expenses</b>					
	(a) Cost of raw materials consumed	12,702	4,841	17,314	17,543	33,902
	(b) Purchases of stock-in-trade	-	-	998	-	1,315
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	5,035	2,792	514	7,827	1,449
	(d) Employee benefit expenses	4,891	3,767	4,873	8,658	10,027
	(e) Finance costs	3,804	3,791	3,499	7,595	6,638
	(f) Depreciation and amortisation expenses	2,825	2,641	1,742	5,466	3,602
	(g) Other expenses	8,386	4,950	8,812	13,336	17,946
	<b>Total expenses (IV)</b>	<b>37,643</b>	<b>22,782</b>	<b>37,752</b>	<b>60,425</b>	<b>74,879</b>
V	<b>Profit / (Loss) before exceptional items and tax (III-IV)</b>	<b>2,676</b>	<b>(7,681)</b>	<b>8,456</b>	<b>(5,005)</b>	<b>17,187</b>
VI	Exceptional items (refer note 6)	-	-	-	-	-
VII	<b>Profit / (Loss) before tax (V+VI)</b>	<b>2,676</b>	<b>(7,681)</b>	<b>8,456</b>	<b>(5,005)</b>	<b>17,187</b>
VIII	<b>Tax expense</b>					
	-Current tax charge / (credit)	-	-	1,746	-	3,760
	-Deferred tax charge / (credit)	639	(2,421)	954	(1,782)	1,941
	<b>Total tax expense (VIII)</b>	<b>639</b>	<b>(2,421)</b>	<b>2,700</b>	<b>(1,782)</b>	<b>5,701</b>
IX	<b>Profit / (Loss) for the period/year (VII -VIII)</b>	<b>2,037</b>	<b>(5,260)</b>	<b>5,756</b>	<b>(3,223)</b>	<b>11,486</b>
X	<b>Other comprehensive income</b>					
i	Items that will not be reclassified to statement of profit or loss					
	- Remeasurement of employees defined benefit plan	(107)	16	(96)	(91)	(85)
	- Income tax on (i) above	35	(6)	34	29	30
ii	Items that may be reclassified to statement of profit or loss					
	-Effective portion of gains/(loss) on designated portion of hedging instruments in a cash flow hedge	1,841	1,240	(2,808)	3,081	(2,424)
	- Income tax on (ii) above	(643)	(433)	981	(1,076)	847
	<b>Total other comprehensive income / (loss) for the period/year</b>	<b>1,126</b>	<b>817</b>	<b>(1,889)</b>	<b>1,943</b>	<b>(1,632)</b>
XI	<b>Total comprehensive income / (loss) for the period/year (IX+X)</b>	<b>3,163</b>	<b>(4,443)</b>	<b>3,867</b>	<b>(1,280)</b>	<b>9,854</b>
XII	<b>Paid up equity share capital</b>	<b>4,923</b>	<b>4,923</b>	<b>4,923</b>	<b>4,923</b>	<b>4,923</b>
XIII	<b>Reserves (Other equity)</b>	-	-	-	-	-
XIV	<b>(Loss) / Earnings per equity share of ₹ 5:</b>	not annualised	not annualised	not annualised	not annualised	not annualised
	(a) Basic	2.07	(5.34)	5.85	(3.27)	11.67
	(b) Diluted	2.07	(5.34)	5.85	(3.27)	11.67

See accompanying notes to the standalone unaudited financial results

**Himatsingka Seide Limited**

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High Grounds, Bangalore 560 001, India

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*D. K. Himatsingka*

*[Signature]*

**BALANCE SHEET**
**(₹ Laacs)**

Particulars	As at	
	30.09.2020	31.03.2020
	Unaudited	Audited
<b>ASSETS</b>		
(1) <b>Non-current assets</b>		
(i) Property, plant and equipment	2,42,333	2,32,808
(ii) Capital work-in-progress	11,403	17,226
(iii) Intangible assets	1,737	1,871
(iv) Right of use assets	-	674
(v) Financial assets		
(a) Investments	55,990	55,920
(b) Loans	26,099	27,352
(c) Others	7	1,449
(vi) Income tax assets (net)	1,238	1,045
(vii) Other non-current assets	4,516	3,413
<b>Sub-total</b>	<b>3,43,323</b>	<b>3,41,758</b>
(2) <b>Current assets</b>		
(i) Inventories	34,569	42,211
(ii) Financial assets		
(a) Investments	2,131	2,922
(b) Trade receivables	52,490	49,344
(c) Cash and cash equivalents	6,599	2,855
(d) Bank balances other than cash and cash equivalents above	13,613	13,345
(e) Loans	274	382
(f) Other financial assets	19,824	23,267
(iii) Other current assets	8,009	9,648
<b>Sub-total</b>	<b>1,37,509</b>	<b>1,43,974</b>
<b>TOTAL ASSETS</b>	<b>4,80,832</b>	<b>4,85,732</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Equity share capital	4,923	4,923
Other equity	1,42,750	1,44,029
<b>Total Equity</b>	<b>1,47,673</b>	<b>1,48,952</b>
<b>LIABILITIES</b>		
(1) <b>Non-current liabilities</b>		
(i) Financial liabilities		
(a) Borrowings	1,33,928	1,46,201
(b) Lease liabilities	-	665
(c) Other financial liabilities	716	790
(ii) Provisions	1,743	1,574
(iii) Deferred tax liabilities (net)	4,290	5,025
(iv) Other non-current liabilities	28,968	28,851
<b>Sub-total</b>	<b>1,69,645</b>	<b>1,83,106</b>
(2) <b>Current liabilities</b>		
(i) Financial liabilities		
(a) Borrowings	80,119	89,230
(a) Lease liabilities	-	293
(c) Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises;	5,719	5,454
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	31,228	26,460
(d) Other financial liabilities	39,900	25,035
(ii) Other current liabilities	3,080	3,798
(iii) Provisions	773	709
(iv) Current tax liabilities (net)	2,695	2,695
<b>Sub-total</b>	<b>1,63,514</b>	<b>1,53,674</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>4,80,832</b>	<b>4,85,732</b>

See accompanying notes to the standalone unaudited financial results

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D. K. Himatsingka





## Himatsingka

Himatsingka Seide Limited		
		( ₹ Lacs )
Statement of cash flows for the period ended	30 September 2020	30 September 2019
<b>Cash flows from operating activities</b>		
(Loss)/Profit for the period	(3,223)	11,486
<b>Adjustments for:</b>		
Finance costs	7,595	6,638
Interest income	(1,689)	(1,822)
Net (gain)/ loss on sale of investments	10	(179)
Gain on current investments carried at fair value through profit or loss	(96)	-
Loss allowances on financial assets, net	3	-
Net loss on disposal of property, plant and equipment	33	22
Amortized value of employee loans and security deposits	47	24
Income on financial guarantee contracts	(70)	(36)
Depreciation and amortisation expense	5,466	3,602
Ineffective portion of hedging instrument	18	62
Net foreign exchange loss/(gain) on non operating activities	246	(95)
Provision for intercompany deposits and receivables	748	-
Income tax expense	(1,782)	5,700
<b>Operating cash flows before working capital changes</b>	<b>7,306</b>	<b>25,402</b>
<b>Changes in operating assets and liabilities</b>		
(Increase) in trade and other receivables	(3,294)	(7,878)
Decrease in inventories	7,642	4,701
Decrease/(Increase) in other assets	5,935	(9,749)
Increase in trade and other payables	5,033	2,225
Increase in provisions	143	169
(Decrease)/Increase in other liabilities	(104)	2,210
<b>Cash generated from operations</b>	<b>22,661</b>	<b>17,079</b>
Income taxes paid, net of refund	(268)	(987)
<b>Net cash generated from operating activities (A)</b>	<b>22,393</b>	<b>16,092</b>
<b>Cash flows from investing activities</b>		
Purchase of current investments	-	(9,080)
Proceeds of sale of current investments	877	20,931
Interest received	1,980	164
Acquisition of property, plant and equipment and intangible assets	(3,434)	(17,255)
Proceeds from sale of property, plant and equipment	3	2
Proceeds from fixed deposits, net	1,175	893
Loans to subsidiaries	-	(6,991)
<b>Net cash generated/ (used )in investing activities (B)</b>	<b>601</b>	<b>(11,336)</b>

Dr. H. H. H. H.

Christoph Krumm, L



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## Himatsingka

Himatsingka Seide Limited				
( ₹ Laacs )				
Statement of cash flows for the period ended	30 September 2020	30 September 2019		
<b>Cash flows from financing activities</b>				
(Repayment of) / Proceeds from short term borrowings, net	(9,112)	2,864		
Proceeds from long term borrowings	-	3,725		
Repayment of long term borrowings	(4,494)	(5,607)		
Payment of lease liabilities	(93)	-		
Proceeds from government subsidy	-	4,163		
Interest paid	(5,551)	(11,345)		
<b>Net cash utilised from financing activities (C)</b>	<b>(19,250)</b>	<b>(6,200)</b>		
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>3,744</b>	<b>(1,444)</b>		
Cash and cash equivalents at the beginning of the period	2,855	14,978		
<b>Cash and cash equivalents at the end of the period**</b>	<b>6,599</b>	<b>13,534</b>		
<b>**Components of cash and cash equivalents</b>				
<b>Cash and cash equivalents</b>				
Cash in hand	10	20		
Balance with banks				
- in current accounts	6,589	2,664		
- in deposit accounts (with original maturity of less than 3 months)	-	10,850		
<b>Cash and cash equivalents in balance sheet</b>	<b>6,599</b>	<b>13,534</b>		
<b>Reconciliation between opening and closing balance sheet for liabilities arising from financing activities</b>				
	<b>Opening balance</b>	<b>Cash flows</b>	<b>Non-cash</b>	
	<b>01 April 2020</b>		<b>Closing balance</b>	
			<b>30 September 2020</b>	
Borrowings (including current maturities)	1,57,646	(4,494)	2,281	1,55,433
Short - term borrowings	89,230	(9,112)	-	80,119
Interest accrued but not due	1,727	1,781	-	3,508
<b>Total liabilities from financing activities</b>	<b>2,48,603</b>	<b>(11,825)</b>	<b>2,281</b>	<b>2,39,060</b>
<b>Reconciliation between opening and closing balance sheet for liabilities arising from financing activities</b>				
	<b>Opening balance</b>	<b>Cash flows</b>	<b>Non-cash</b>	<b>Closing balance</b>
	<b>01 April 2019</b>		<b>movement</b>	<b>30 September 2019</b>
Borrowings (including current maturities)	1,61,381	(1,882)	719	1,60,218
Short - term borrowings	71,928	2,864	-	74,792
Interest accrued but not due	547	31	-	578
<b>Total liabilities from financing activities</b>	<b>2,33,856</b>	<b>1,013</b>	<b>719</b>	<b>2,35,588</b>



D. K. Hunter

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**NOTES:**

- 1 The above unaudited standalone financial results ('the Statement') of Himatsingka Seide Limited ('the Company') have been prepared in accordance with applicable accounting standards i.e., Ind AS prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2 The Statement of the Company for the quarter and six months ended 30 September 2020 have been reviewed by the Audit Committee and thereafter approved by the Board of Directors in the meeting held on 7 November 2020. The Statutory Auditors have expressed unmodified review opinion on the standalone financial results.
- 3 The figures for the quarter and six months ended 30 September 2020 was subjected to limited review by the Statutory Auditors of the Company. The review report of the Statutory Auditor is being filed with Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) and is also available on the Company's website at [www.himatsingka.com](http://www.himatsingka.com).
- 4 Pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company shall publish unaudited consolidated financial results in the newspapers. However, the unaudited standalone financial results will be made available on the stock exchanges websites of BSE ([www.bseindia.com](http://www.bseindia.com)) and NSE ([www.nseindia.com](http://www.nseindia.com)) and on Company's website [www.himatsingka.com](http://www.himatsingka.com).
- 5 The Company has evaluated its operating segments in accordance with Ind AS 108, and has concluded that it is engaged in a single operating segment viz. Textiles on the basis of decisions taken for allocation of resources by the Chief Operating Decision Makers (CODM) and the internal business reporting system for evaluation of operational results.
- 6 Exceptional item for the year ended 31 March 2020 comprises the following-  
Hedge ineffectiveness of ₹ 1,142 lacs as the forecasted sales were not expected to occur due to the lockdown restrictions imposed on account of Covid-19 outbreak.
- 7 The Company has adopted measures to curb the spread of infection of Covid-19 in order to protect the health of its employees and ensure business continuity with minimal disruption including remote working, maintaining social distancing, sanitization of work spaces etc. The Company's operations, revenue and consequently profit / (loss) during the previous quarter ended June 30, 2020 and six month ended September 30, 2020 were impacted due to Covid-19. The Company has considered the possible effects that may result from outbreak of COVID-19 in the preparation of this financial results including the recoverability of carrying amounts of financial and non-financial assets, assessment of bank covenants and liquidity assessment based on future cash flow projections. In building the assumptions relating to the possible uncertainties in the global economic conditions as at the date of approval of this financial results, the Company has used internal and external sources of information and expects that the carrying amount of the assets will be recovered. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results. The Company will continue to monitor any material changes to future economic conditions and consequential impact on its standalone financial results. Based on information available as of this date, Management believes that no further adjustments are required to the standalone quarterly financial results.
- 8 During the quarter ended 30 September 2020, the Company as a measure to restructure its luxury retail business closed its retail store in Dubai and decided to liquidate Twill and Oxford LLC, subsidiary. Consequent to this, the subsidiary has terminated its lease arrangements and the employment contracts. The Company has also appointed the liquidator at Dubai for the closure of the subsidiary and recorded the net asset of it subsidiary at its fair value. Based on this assessment, the Company has recorded a provision of ₹ 748 lacs in the standalone financial statements as these amounts are not considered recoverable.



**Bengaluru**  
7 November 2020

**Dinesh Himatsingka**  
Executive Chairman

**Shrikant Himatsingka**  
Managing Director & CEO



# B S R & Co. LLP

Chartered Accountants

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## **Limited Review Report on unaudited quarterly and year to date standalone financial results of Himatsingka Seide Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")**

### **To Board of Directors of Himatsingka Seide Limited**

1. We have reviewed the accompanying Statement of unaudited standalone financial results of Himatsingka Seide Limited ('the Company') for the quarter ended 30 September 2020 and year to date results for the period from 1 April 2020 to 30 September 2020 ('the Statement').
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 Listing Regulations. Our responsibility is to issue a report 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 Statement is free of material misstatement. A review is limited primarily to inquiries of 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.
4. 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 applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.



B S R & Co. is a partnership firm with Registration No. BA612231 converted into B S R & Co. LLP a Limited Liability Partnership with LLP Registration No. AAB-81811 with effect from October 14, 2013

Registered Office:

11th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063

## **B S R & Co LLP**

### **Limited Review Report on unaudited quarterly and year to date standalone financial results of Himatsingka Seide Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (continued)**

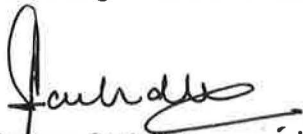
5. We draw your attention to Note 7 to the Statement, which describes the Management's assessment and the effects of COVID -19 pandemic on the significant estimates and judgements involved in preparation of the unaudited quarterly standalone financial results. In view of the highly uncertain economic environment impacting the textile industry, a definitive assessment of the impact is highly dependent upon circumstances as they evolve in future and the actual results may differ from those estimated as at the date of approval of these unaudited quarterly standalone financial results. Based on information available as of this date, Management believes that no further adjustments are required to the unaudited quarterly standalone financial results.

Our conclusion is not modified in respect of this matter.

*for B S R & Co. LLP*

*Chartered Accountants*

Firm's Registration No.: 101248W/W-100022



**Supreet Sachdev**

*Partner*

Membership No: 205385

ICAI UDIN: 20205385AAAACA3375

Place: Bengaluru

Date: 7 November 2020