



## HINDUSTAN FOODS LIMITED

A Vanity Case Group Company

**Registered Office:** Office No. 3, Level 2, Centrium, Phoenix Market City,  
15, Lal Bahadur Shastri Road, Kurla (West), Mumbai, Maharashtra, India, 400 070.  
Email: [business@thevanitycase.com](mailto:business@thevanitycase.com), Website: [www.hindustanfoodslimited.com](http://www.hindustanfoodslimited.com)  
Tel. No.: +91 22 6180 1700/01, CIN: L15139MH1984PLC316003

Company Scrip Code: 519126

Date: 26<sup>th</sup> June, 2020

To,  
The General Manager  
Department of Corporate Services  
BSE Limited  
Floor 25, P. J. Towers, Dalal Street,  
Mumbai-400 001.  
Tel : (022) 2272 1233 / 34

Through Listing Centre

Dear Sir /Madam,

**Sub.: Outcome of Board Meeting – Audited Financial Results (Standalone and Consolidated)**

Kindly refer to our letter dated 23<sup>rd</sup> June, 2020 on the subject.

We wish to inform you that, the Board of Directors of the Company at its meeting held today i.e. Friday, 26<sup>th</sup> June, 2020, inter-alia, approved the Audited Financial Results of the Company for the quarter and year ended 31<sup>st</sup> March, 2020.

Pursuant to the Regulation 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose the following:

1. Statements showing the Audited Financial results (Standalone & Consolidated) for the quarter and year ended 31<sup>st</sup> March, 2020;
2. Auditors' report on the Audited Financial Results - (Standalone & Consolidated);
3. Declaration in respect of Auditors' Report (Standalone & Consolidated) with Unmodified Opinion;

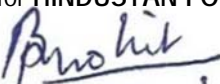
The results will be published in the newspapers in terms of Regulation 47(1) (b) of SEBI ((Listing Obligations and Disclosure Requirements) Regulations, 2015 in due course.

The Board meeting commenced at 11.15 a.m. and concluded at 2:10 p.m.

We request you to take the above on record.

Thanking you,

Yours faithfully  
for HINDUSTAN FOODS LIMITED

  
Bankim Purohit  
Company Secretary  
ACS 21865



**Independent Auditor's Report on Quarterly and Year End Standalone Financial Results pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015**

**To the Board of Directors of Hindustan Foods Limited**

**Report on the Audit of Standalone Financial Results**

**Opinion**

We have audited the accompanying standalone annual financial results of Hindustan Foods Limited (hereinafter referred to as 'the Company') for the quarter and year ended March 31, 2020 ('the 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 ('Listing Regulations').

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

- (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (ii) give a true and fair view in conformity with the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Company for the year ended March 31, 2020.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 statements 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Statement.

### **Emphasis of Matter**

We draw attention to note 8 to the Statement which states that the management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2020 and has concluded that there is no impact which is required to be recognised in the Statement. Accordingly, no adjustments have been made to the Statement. Our opinion is not modified in respect of this matter.

### **Board of Directors' Responsibilities for the Standalone Financial Results**

This Statement have been prepared on the basis of the standalone annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of this Statement that give a true and fair view of the net profit and other comprehensive income in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Board of Directors of the Company are responsible for 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 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, which have been used for the purpose of preparation of the Statement by the Directors of the Company, as aforesaid.

In preparing the Statement, the Board of Directors of the Company are responsible for assessing the ability of the Company 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 of the Company are responsible for overseeing the financial reporting process of the Company.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole are 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 these 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 ability of the Company 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 Statement 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 represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Company of which we are the independent auditors 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 Matters

1. We draw attention to note 4 and note 5 to the Statements which states the comparative standalone financial results of the Company for the quarter and year ended March 31, 2019 have been restated to record the common control business combinations with effect from April 1, 2018. The financial results in respect of the Detergent Manufacturing Unit of Avalon Cosmetics Private Limited, M/s Galaxy Healthcare Products and M/s Shivom Industries for the quarter and year ended March 31, 2019 included in these standalone financial results of the Company have been approved by the Company's Board of Director but have not been subjected to audit by us. The adjustments made to the previously issued financial results to give effect to the Scheme have been audited by us.
2. The Statement include the results for the quarter ended March 31, 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" which were subject to limited review by us.

Our Opinion is not modified in respect of the above matters.

**For MSKA & Associates**

Chartered Accountants

ICAI Firm Registration No.105047W

**AMRISH ANUP**  
**VAIDYA**

Digitally signed by AMRISH  
ANUP VAIDYA  
Date: 2020.06.26 13:48:04  
+05'30'

Amrish Vaidya

Partner

Membership No. 101739

UDIN: 20101739AAAADK4014

Place: Mumbai

Date: June 26, 2020





HINDUSTAN FOODS LIMITED

Regd. Office : Level - 2 , Centrium, Phoenix Market City, 15 LBS Marg, Kurla, Mumbai -70

CIN : L15139MH1984PLC316003, Website : www.hindustanfoods.com, E-mail : investorrelations@thevanitycase.com  
STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2020

(Rs. In Lakhs)

Sr. No.	PARTICULARS	Three Months ended on 31.03.2020 (Audited)	Three Months ended on 31.12.2019 (Unaudited) (refer note 5)	Three Months ended on 31.03.2019 (Audited) (refer note 4 and 5)	For the year ended 31.03.2020 (Audited)	For the year ended 31.03.2019 (Audited) (refer note 4 and 5)
I	Income					
II	Revenue from operations	24,765.69	20,713.62	14,933.64	77,189.50	49,191.42
III	Other income	67.59	27.99	2.24	120.85	64.85
III	<b>Total income (I+II)</b>	<b>24,833.28</b>	<b>20,741.61</b>	<b>14,935.88</b>	<b>77,310.35</b>	<b>49,256.27</b>
IV	Expenses					
(a)	Cost of material consumed	21,789.98	17,709.25	11,203.07	64,862.35	37,669.32
(b)	Purchase of stock-in-trade	7.61	-	3.84	48.01	37.09
(c)	Changes in inventories of finished goods, stock-in-trade and work-in-progress	(1,314.53)	(1,019.62)	505.48	(3,040.51)	(719.90)
(d)	Employee benefits expense	538.52	704.51	510.24	2,422.27	1,849.29
(e)	Finance costs	369.48	237.81	236.32	1,098.68	735.33
(f)	Depreciation and amortization expenses	379.09	265.35	225.80	1,128.20	746.21
(g)	Manufacturing and operating costs	1,549.91	1,448.05	1,424.69	5,558.98	5,303.84
(h)	Other expenses	490.16	393.09	594.59	1,769.17	1,812.69
	<b>Total expenses (IV)</b>	<b>23,810.22</b>	<b>19,738.44</b>	<b>14,704.03</b>	<b>73,847.15</b>	<b>47,433.87</b>
V	<b>Profit before tax (III- IV)</b>	<b>1,023.06</b>	<b>1,003.17</b>	<b>231.85</b>	<b>3,463.20</b>	<b>1,822.40</b>
VI	Tax expense					
(a)	Current tax -					
	Current Tax	-	-	28.60	-	386.09
	Tax under MAT	178.15	176.43	-	602.78	-
	Less: MAT credit entitlement	-	(13.02)	-	(10.92)	-
	Add: MAT credit utilization	20.42	-	1.92	-	25.93
(b)	Deferred tax (excluding MAT credit entitlement/ utilisation)	113.68	202.54	16.22	598.20	218.93
	<b>Total tax expense (VI)</b>	<b>312.25</b>	<b>365.95</b>	<b>46.74</b>	<b>1,190.06</b>	<b>630.95</b>
VII	<b>Profit for the period / year (V-VI)</b>	<b>710.81</b>	<b>637.22</b>	<b>185.11</b>	<b>2,273.14</b>	<b>1,191.45</b>
VIII	Other comprehensive income (OCI)					
	Other comprehensive income not to be reclassified to profit or loss :					
	Re-measurement gains on defined benefit plans	(0.61)	(5.31)	(8.98)	(13.27)	(11.41)
	Income tax effect on above	0.22	2.32	2.51	4.64	3.32
	<b>Total other comprehensive income (VIII)</b>	<b>(0.39)</b>	<b>(2.99)</b>	<b>(6.47)</b>	<b>(8.63)</b>	<b>(8.09)</b>
IX	<b>Total comprehensive income for the period / year (VII+VIII)</b>	<b>710.42</b>	<b>634.23</b>	<b>178.64</b>	<b>2,264.51</b>	<b>1,183.36</b>
X	Paid-up equity share capital (face value of Rs. 10/- each)	2,119.81	1,349.25	1,349.25	2,119.81	1,349.25
XI	Other equity				16,666.98	5,173.15
XII	Earnings per share (of Rs. 10/- each): (refer note 4)					
(a)	Basic	3.43	3.46	1.00	11.97	6.52
(b)	Diluted	3.43	3.01	1.00	11.97	6.52





**HINDUSTAN FOODS LIMITED**  
**STANDALONE STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED MARCH 31, 2020**

(Rs. In Lakhs)

Sr. No.	Particulars	March 31, 2020 (Audited)	March 31, 2019 (Audited) (refer note 4 and 5)
I	<b>ASSETS</b>		
1	<b>Non-current assets</b>		
	Property, plant and equipment	24,873.48	13,139.85
	Capital work-in-progress	2,556.35	34.05
	Intangible assets	102.81	176.34
	Financial assets		
	Loans	215.79	72.76
	Other financial assets	20.03	50.47
	Non-current tax assets (net)	353.41	222.34
	Other non-current assets	473.54	1,036.41
	<b>Total non-current assets</b>	<b>28,595.41</b>	<b>14,732.22</b>
2	<b>Current assets</b>		
	Inventories	10,972.56	4,904.48
	Financial assets		
	Investments	317.66	-
	Trade receivables	3,746.63	4,260.79
	Cash and cash equivalents	2,879.04	438.86
	Bank balances other than cash and cash equivalents	1,018.71	13.95
	Loans	542.55	125.00
	Other financial assets	1,424.06	374.70
	Other current assets	4,497.58	1,772.78
	<b>Total current assets</b>	<b>25,398.79</b>	<b>11,890.56</b>
	<b>Total assets</b>	<b>53,994.20</b>	<b>26,622.78</b>
II	<b>EQUITY AND LIABILITIES</b>		
1	<b>Equity</b>		
	Equity share capital	2,119.81	1,349.25
	Other equity	16,666.98	5,173.15
	<b>Total equity</b>	<b>18,786.79</b>	<b>6,522.40</b>
2	<b>Liabilities</b>		
	<b>Non-current liabilities</b>		
	Financial liabilities		
	Borrowings	13,808.43	6,527.66
	Other financial liabilities	-	81.52
	Employee benefits obligation	145.45	40.75
	Deferred tax liabilities (net)	1,403.63	817.42
	Other non current liabilities	84.67	84.67
	<b>Total non current liabilities</b>	<b>15,442.18</b>	<b>7,552.02</b>
3	<b>Current liabilities</b>		
	Financial liabilities		
	Borrowings	824.27	1,978.47
	Trade payables		
	(i) outstanding dues of micro enterprises and small enterprises	0.11	0.17
	(ii) outstanding dues of creditors other than micro enterprises and small enterprises	13,963.09	7,652.96
	Other financial liabilities	4,632.99	2,426.96
	Other current liabilities	96.30	186.27
	Employee benefits obligation	53.54	65.38
	Current income tax (net)	194.93	238.15
	<b>Total current liabilities</b>	<b>19,765.23</b>	<b>12,548.36</b>
	<b>Total liabilities</b>	<b>35,207.41</b>	<b>20,100.38</b>
	<b>Total equity and liabilities</b>	<b>53,994.20</b>	<b>26,622.78</b>





**HINDUSTAN FOODS LIMITED**  
**STATEMENT OF STANDALONE CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020**

	(Rs. In Lakhs)	
	For the year ended 31.03.2020 (Audited)	For the year ended 31.03.2019 (Audited) (refer note 4 and 5)
<b>Cash flows from operating activities</b>		
Profit before tax	3,463.20	1,822.40
Adjustments for:		
Depreciation and amortization expenses	1,128.20	746.21
Interest on borrowing	1,086.50	726.82
Interest on redeemable non cumulative non convertible preference shares	4.91	4.50
Other finance charge	7.27	4.00
Interest income	(116.92)	(19.90)
Impairment loss on intangible assets	25.00	-
Gain on sale of property, plant and equipment	-	(4.00)
Provision for doubtful debts	7.73	7.48
Other receivable written off	28.00	119.00
Re-measurement gains on defined benefit plans reclassified to OCI	(13.27)	(11.41)
Unrealised foreign exchange translation (gain)/loss	5.10	2.98
<b>Operating profit before working capital changes</b>	<b>5,625.72</b>	<b>3,398.08</b>
<b>Changes in working capital</b>		
(Increase) in inventories	(6,068.08)	(1,195.51)
(Increase)/ decrease in trade receivables	501.33	(357.01)
(Increase) in other assets	(2,724.80)	(994.74)
(Increase) in financial assets	(1,105.58)	(193.00)
Increase/ (decrease) in trade payables	6,310.07	(137.95)
(Decrease) in other liabilities	(89.96)	(863.22)
(Decrease)/ Increase in financial liabilities	(65.96)	233.60
Increase in provisions	92.87	45.01
<b>Cash (used in) / generated from operations</b>	<b>2,475.61</b>	<b>(64.74)</b>
Income tax paid	(773.50)	(421.42)
<b>Net cash inflow / (outflow) from operating activities (A)</b>	<b>1,702.11</b>	<b>(486.16)</b>
<b>Cash flows from investing activities</b>		
Interest received	65.82	17.93
Payment for property, plant and equipment and intangible assets (net)	(12,808.36)	(4,112.76)
Bank balances other than cash and cash equivalents	(1,004.76)	(3.39)
Investment in Associate	(317.66)	-
Loans given to associate	(450.83)	-
Payment for acquisition of business	-	(349.42)
<b>Net cash outflow from investing activities (B)</b>	<b>(14,515.79)</b>	<b>(4,447.64)</b>





**HINDUSTAN FOODS LIMITED**  
**STATEMENT OF STANDALONE CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020**

	For the year ended 31.03.2020 (Audited)	For the year ended 31.03.2019 (Audited) (refer note 4 and 5)
<b>Cash flows from financing activities</b>		
Proceeds from issue of equity shares (refer note below)	10,000.00	1,500.00
Share issues expenses paid	-	(57.51)
Proceeds from long-term borrowings	9,250.27	2,379.92
Repayment of long-term borrowings	(1,695.65)	(86.79)
Proceeds from short-term borrowings	368.69	1,230.39
Repayment of short-term borrowings	(1,522.89)	-
Lease rentals paid against lease liability	(56.57)	-
Interest paid	(1,089.99)	(666.20)
<b>Net cash inflow from financing activities (C)</b>	<b>15,253.86</b>	<b>4,299.81</b>
<b>Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>2,440.18</b>	<b>(633.99)</b>
Cash and cash equivalents at the beginning of the year	438.86	650.16
Cash acquired pursuant to business combination (refer note 4)	-	422.69
<b>Cash and cash equivalents at the end of the year</b>	<b>2,879.04</b>	<b>438.86</b>
<b>Cash and cash equivalents comprise of</b>		
On current accounts	1,350.91	421.59
Fixed deposits with maturity of less than 3 months	1,521.16	13.24
Cash on hand	6.97	4.03
<b>Total cash and cash equivalents at end of the year</b>	<b>2,879.04</b>	<b>438.86</b>

Note :-

The Company has issued 49,27,799 equity shares of Rs 10 each to the shareholders of Avalon Cosmetics Private Limited on account of the purchase consideration pursuant to the Scheme of Arrangement and this being the non cash transaction, the above statement of standalone cash flows excludes the impact of the same.





**Notes to the standalone financial results:**

- 1) The standalone financial results for the year ended March 31, 2020 have been duly reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on June 26, 2020.
- 2) The standalone audited financial results for three months ended March 31, 2020 and three months ended March 31, 2019 are the balancing figures between the audited figures for the full financial years then ended and the published year to date reviewed figures upto the third quarter of the respective years.
- 3) The Company's operations predominantly relate to contract manufacturing and other manufacturing for sale under the Company's own brand name. The Chief Operating Decision Maker (CODM) reviews the operations of the Company as contract manufacturing and other manufacturing for sale under the Company's own brand name. Since, the quantitative threshold as per para 13 of Ind AS 108 on Segment Reporting are not met for "other manufacturing for sale under Company's own brand name", no separate segment information has been furnished herewith.

Summary of segment information as at and for the quarter and year ended 31 March 2020 is as follows:

(Rs. In Lakhs)					
Particulars	Three Months ended on 31.03.2020 (Audited)	Three Months ended on 31.12.2019 (Unaudited) (refer note 5)	Three Months ended on 31.03.2019 (Audited) (refer note 4 and 5)	For the year ended 31.03.2020 (Audited)	For the year ended 31.03.2019 (Audited) (refer note 4 and 5)
<b>Segment revenue</b>					
Contract Manufacturing	24,827.03	20,741.61	14,935.40	77,303.37	49,253.99
Others	6.25	-	0.48	6.98	2.28
Inter-segment revenue	-	-	-	-	-
<b>Total revenue</b>	<b>24,833.28</b>	<b>20,741.61</b>	<b>14,935.88</b>	<b>77,310.35</b>	<b>49,256.27</b>
<b>Segment result</b>					
Contract Manufacturing	1,424.10	1,250.46	488.81	4,621.41	2,580.70
Others	(31.95)	(12.47)	(27.11)	(68.16)	(31.06)
Add/ (Less)					
Finance cost	(369.48)	(237.81)	(236.32)	(1,098.68)	(735.33)
Provision for tax	(312.25)	(365.95)	(46.74)	(1,190.06)	(630.95)
<b>Net profit</b>	<b>710.42</b>	<b>634.23</b>	<b>178.64</b>	<b>2,264.51</b>	<b>1,183.36</b>
<b>Segment assets</b>					
Contract Manufacturing	53,902.68	43,712.54	26,456.12	53,902.68	26,456.12
Others	91.52	128.99	166.66	91.52	166.66
Unallocated asset	-	-	-	-	-
<b>Total assets</b>	<b>53,994.20</b>	<b>43,841.53</b>	<b>26,622.78</b>	<b>53,994.20</b>	<b>26,622.78</b>
<b>Segment liabilities</b>					
Contract Manufacturing	35,207.41	32,341.59	20,100.38	35,207.41	20,100.38
Others	-	-	-	-	-
Unallocated liability	-	-	-	-	-
<b>Total liabilities</b>	<b>35,207.41</b>	<b>32,341.59</b>	<b>20,100.38</b>	<b>35,207.41</b>	<b>20,100.38</b>
<b>Net capital employed</b>	<b>18,786.79</b>	<b>11,499.94</b>	<b>6,522.40</b>	<b>18,786.79</b>	<b>6,522.40</b>

- 4) The Scheme of Arrangement ('the Scheme'), presented under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 read with the rules prescribed thereunder, for the business combination of Detergent Manufacturing Unit of Avalon Cosmetics Private Limited ('ACPL') with the Company was approved by the Hon'ble National Law Tribunal vide its order dated November 25, 2019 ('the NCLT Order'). The Certified copy of the NCLT order was filed with Registrar of Companies on December 27, 2019. Consequently, the Scheme become operative from December 27, 2019 and effective from April 1, 2018 i.e. appointed date.

The said business combination has been accounted under the 'pooling of interests' method in accordance with Appendix C of Ind AS 103 'Business Combination' and the previously issued standalone financial results of the Company for the quarter and year ended March 31, 2019 included on this statements have been restated to give effect to the Scheme. All the assets and liabilities of the Detergent Manufacturing Unit of ACPL have been transferred to and vested in the Company at its carrying value w.e.f. April 1, 2018 and the amount of Rs. 444.77 lakhs is recorded as capital reserve on account of the Scheme. In consideration of the business combination, Company has allotted 49,27,799 equity shares of Rs 10 each credited as fully paid up shares of Company to the shareholders of ACPL for each equity share held in ACPL.

Pursuant to the business combination between Detergent Manufacturing Unit of ACPL and the Company with effect from April 1, 2018, the profit attributable to the equity shareholders for the comparative periods have been restated to include the figures of Detergent Manufacturing Unit of ACPL. Accordingly, as per the requirement of the Ind AS 33 'Earnings per Share', the Basic and Diluted earnings per share of the comparative periods have been restated taking into consideration the equity shares issued to the shareholders of ACPL. Further the current tax and deferred tax amounts in the comparative year have been restated owing to the said business combination. The effective tax rate has changed from 26.67% to 34.62% due to change in applicable tax rate to the Company based on 'Total Turnover' criteria from previously applicable 25% (plus surcharge and cess) to 30% (plus surcharge and cess). The additional tax provision for the year ended March 31, 2019 considering revised tax rates amounts to Rs. 153.61 lakhs and Rs. 106.39 lakhs for current tax (including MAT credit) and deferred tax, respectively.





- 5) The Company has purchased the businesses on slump sale basis from M/s Galaxy Healthcare Products and from M/s Shivom Industries (Shivom) vide respective Business Transfer Agreements on November 11, 2019. The said business transfers were approved by the Board on February 12, 2020. The business purchases have been accounted using the 'pooling of interests' method in accordance with Appendix C of Ind AS 103 'Business Combination' and comparative results for the quarter ended December 31, 2019, quarter and year ended March 31, 2019 have been restated with effect from April 1, 2018. Accordingly, results of M/s Galaxy Healthcare Products and M/s Shivom Industries (Shivom) have been included in all the periods of the standalone financial results presented and an amount of Rs. Rs. 668.52 lakhs is recorded as a debit to the capital reserve on account of the said business combination.
- 6) Effective April 1, 2019, the Company has adopted Ind AS 116 using the modified retrospective method. The impact of adoption of Ind-AS 116 is not material on the profit of the Company for the quarter and year ended March 31, 2020.
- 7) The warrant holders of the Company have exercised their option for the conversion of 27,77,779 warrants into equivalent Equity Shares of Rs. 10/- each fully paid up of the Company. Accordingly the Company has allotted 27,77,779 Equity Shares of Rs. 10/- each fully paid up to the warrant holders on January 16, 2020.
- 8) The Ministry of Home Affairs vide order No.40-3/2020 dated March 24, 2020 notified first ever nation-wide lockdown in India to contain the outbreak of COVID 19. As a result, the operations were temporarily disrupted at few manufacturing locations of the Company which have been subsequently restarted and brought back to normal production capacities. The management has considered the possible effects that may result from the pandemic on the recoverability/carrying value of assets. Based on current indicators of future economic conditions, the management expects to recover the carrying amount of the assets, however the management will continue to closely monitor any material changes to future economic conditions.
- 9) On March 16, 2020 board of directors has approved the Composite Scheme of Arrangement and Amalgamation for demerger of Contract Manufacturing (Coimbatore) Business of Avalon Cosmetics Private Limited and Merger of ATC Beverages Private Limited with the Company with effect from the appointment date April 1, 2020. The Company is awaiting approval from Bombay Stock Exchange.

Place : Mumbai  
Date : 26 June 2020



For HINDUSTAN FOODS LIMITED

A handwritten signature in black ink, appearing to be 'Sameer R. Kothari'.

SAMEER R. KOTHARI  
Managing Director  
DIN :01361343





**Independent Auditor's Report on Quarterly and Year End Consolidated Financial Results pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015**

**To the Board of Directors of Hindustan Foods Limited**

**Report on the Audit of Consolidated Financial Results**

**Opinion**

We have audited the accompanying consolidated annual financial results of Hindustan Foods Limited (hereinafter referred to as the 'Company') and its associate for the quarter and year ended March 31, 2020, ('the 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 ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other auditor on separate audited financial statements of the associate, the aforesaid Statement:

- (i) include the annual financial results of the following entity:

Sr. No	Name of the entity	Relationship with the Company
1.	ATC Beverages Private Limited	Associate

- (ii) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

- (iii) give a true and fair view in conformity with the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Company for the year ended March 31, 2020.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the consolidated financial results section of our report. We are independent of the Company and its associate 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 statements 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 and other auditor in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matter

We draw attention to note 8 to the Statement which states that the management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2020 and has concluded that there is no impact which is required to be recognised in the Statement. Accordingly, no adjustments have been made to the Statement.

Our opinion is not modified in respect of this matter.

### Board of Directors' Responsibilities for the Consolidated Financial Results

These Statement have been prepared on the basis of the consolidated annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of this Statement that give a true and fair view of the net profit and other comprehensive income and other financial information of the Company including its associate in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Company and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and its associate 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 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, which have been used for the purpose of preparation of the Statement by the Directors of the Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Company and of its associate are responsible for overseeing the financial reporting process of the Company and of its associate.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole are 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 this 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 ability of the Company and its associate 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 Statement 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 and its associate 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 represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results of the entities within the Company and its associate to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement of which we are the independent auditors. For the other entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Company and such other entities included in the Statement of which we are the independent auditors 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 Matters

1. The Statement include Company's share of net loss after tax of Rs.10.46 lakhs and Rs.82.06 lakhs and other comprehensive income of Rs. (0.48) lakhs and Rs. (0.48) lakhs for the quarter and year ended March 31, 2020 respectively in respect of an associate, as considered in the Statement, which have been audited by its independent auditor. The independent auditors' reports on financial statements of this entity has been furnished to us and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this entity, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.
2. We draw attention to note 4 and note 5 to the Statements which states the comparative consolidated financial results of the Company for the quarter and year ended March 31, 2019 have been restated to record the common control business combinations with effect from April 1, 2018. The financial results in respect of the Detergent Manufacturing Unit of Avalon Cosmetics Private Limited, M/s Galaxy Healthcare Products and M/s Shivom Industries for the quarter and year ended March 31, 2019 included in these consolidated financial results of the Company have been approved by the Company's Board of Director but have not been subjected to audit by us. The adjustments made to the previously issued financial results to give effect to the Scheme have been audited by us.
3. The Statement include the results for the quarter ended March 31, 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" which were subject to limited review by us.

Our opinion is not modified in respect of these matters.

**For MSKA & Associates**  
**Chartered Accountants**

ICAI Firm Registration No.105047W

**AMRISH ANUP**  
**VAIDYA**  
Digitally signed by  
AMRISH ANUP VAIDYA  
Date: 2020.06.26  
13:46:41 +05'30'

**Amrish Vaidya**

Partner

Membership No. 101739

UDIN: 20101739AAAADJ8712

Place: Mumbai

Date: June 26, 2020



HINDUSTAN FOODS LIMITED

Regd. Office : Level - 2 , Centrium, Phoenix Market City, 15 LBS Marg, Kurla, Mumbai -70

CIN : L15139MH1984PLC316003, Website : www.hindustanfoods.com, E-mail : investorrelations@thevanitycase.com

STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2020

(Rs. In Lakhs)

Sr. No.	PARTICULARS	Three Months ended on 31.03.2020 (Audited)	Three Months ended on 31.12.2019 (Unaudited) (refer note 5)	Three Months ended on 31.03.2019 (Audited) (refer note 4 and 5)	For the year ended 31.03.2020 (Audited)	For the year ended 31.03.2019 (Audited) (refer note 4 and 5)
I	Income					
I	Revenue from operations	24,765.69	20,713.62	14,933.64	77,189.50	49,191.42
II	Other income	67.59	27.99	2.24	120.85	64.85
III	Total income (I+II)	24,833.28	20,741.61	14,935.88	77,310.35	49,256.27
IV	Expenses					
	(a) Cost of material consumed	21,789.98	17,709.25	11,203.07	64,862.35	37,669.32
	(b) Purchase of stock-in-trade	7.61	-	3.84	48.01	37.09
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(1,314.53)	(1,019.62)	505.48	(3,040.51)	(719.90)
	(d) Employee benefits expense	538.52	704.51	510.24	2,422.27	1,849.29
	(e) Finance costs	369.48	237.81	236.32	1,098.68	735.33
	(f) Depreciation and amortization expenses	379.09	265.35	225.80	1,128.20	746.21
	(g) Manufacturing and operating costs	1,549.91	1,448.05	1,424.69	5,558.98	5,303.84
	(h) Other expenses	490.16	393.09	594.59	1,769.17	1,812.69
	Total expenses (IV)	23,810.22	19,738.44	14,704.03	73,847.15	47,433.87
V	Profit before share of loss from associate (III- IV)	1,023.06	1,003.17	231.85	3,463.20	1,822.40
VI	Share of loss from associate	(10.46)	(54.98)	-	(82.06)	-
VII	Profit before tax (V- VI)	1,012.60	948.19	231.85	3,381.14	1,822.40
VIII	Tax expense					
	(a) Current tax -					
	Current tax	-	-	28.60	-	386.09
	Tax under MAT	178.15	176.43	-	602.78	-
	Less: MAT credit entitlement	-	(13.02)	-	(10.92)	-
	Add: MAT credit utilization	20.42	-	1.92	-	25.93
	(b) Deferred tax (excluding MAT credit entitlement)	113.68	202.54	16.22	598.20	218.93
	Total tax expense (VIII)	312.25	365.95	46.74	1,190.06	630.95
IX	Profit for the period / year (VII-VIII)	700.35	582.24	185.11	2,191.08	1,191.45
X	Other comprehensive income (OCI)					
	Other comprehensive income not to be reclassified to profit or loss :					
	Re-measurement gains on defined benefit plans	(0.61)	(5.31)	(8.98)	(13.27)	(11.41)
	Income tax effect on above	0.22	2.32	2.51	4.64	3.32
	Share of other comprehensive income of investments accounted for using the equity method	(0.48)	-	-	(0.48)	-
	Total other comprehensive income (X)	(0.87)	(2.99)	(6.47)	(9.11)	(8.09)
XI	Total comprehensive income for the period / year (IX+X)	699.48	579.25	178.64	2,181.97	1,183.36
XII	Paid-up equity share capital (face value of Rs. 10/- each)	2,119.81	1,349.25	1,349.25	2,119.81	1,349.25
XIII	Other equity				16,584.44	5,173.15
XIV	Earnings per share (of Rs. 10/- each) (refer note 4):					
	(a) Basic	3.38	3.16	1.00	11.53	6.52
	(b) Diluted	3.38	2.75	1.00	11.53	6.52





**HINDUSTAN FOODS LIMITED**  
**CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED MARCH 31, 2020**

(Rs. In Lakhs)

Sr. No.	Particulars	March 31, 2020 (Audited)	March 31, 2019 (Audited) (Refer note 4 and 5)
I	<b>ASSETS</b>		
1	<b>Non-current assets</b>		
	Property, plant and equipment	24,873.48	13,139.85
	Capital work-in-progress	2,556.35	34.05
	Intangible assets	102.81	176.34
	Financial assets		
	Loans	215.79	72.76
	Other financial assets	20.03	50.47
	Non-current tax assets (net)	353.41	222.34
	Other non-current assets	473.54	1,036.41
	<b>Total non-current assets</b>	<b>28,595.41</b>	<b>14,732.22</b>
2	<b>Current assets</b>		
	Inventories	10,972.56	4,904.48
	Financial assets		
	Investments	235.12	-
	Trade receivables	3,746.63	4,260.79
	Cash and cash equivalents	2,879.04	438.86
	Bank balances other than cash and cash equivalents	1,018.71	13.95
	Loans	542.55	125.00
	Other financial assets	1,424.06	374.70
	Other current assets	4,497.58	1,772.78
	<b>Total current assets</b>	<b>25,316.25</b>	<b>11,890.56</b>
	<b>Total assets</b>	<b>53,911.66</b>	<b>26,622.78</b>
II	<b>EQUITY AND LIABILITIES</b>		
1	<b>Equity</b>		
	Equity share capital	2,119.81	1,349.25
	Other equity	16,584.44	5,173.15
	<b>Total equity</b>	<b>18,704.25</b>	<b>6,522.40</b>
2	<b>Liabilities</b>		
	<b>Non-current liabilities</b>		
	Financial liabilities		
	Borrowings	13,808.43	6,527.66
	Other financial liabilities	-	81.52
	Employee benefits obligation	145.45	40.75
	Deferred tax liabilities (net)	1,403.63	817.42
	Other non current liabilities	84.67	84.67
	<b>Total non current liabilities</b>	<b>15,442.18</b>	<b>7,552.02</b>
3	<b>Current liabilities</b>		
	Financial liabilities		
	Borrowings	824.27	1,978.47
	Trade payables		
	(i) outstanding dues of micro enterprises and small enterprises	0.11	0.17
	(ii) outstanding dues of creditors other than micro enterprises and small enterprises	13,963.09	7,652.96
	Other financial liabilities	4,632.99	2,426.96
	Other current liabilities	96.30	186.27
	Employee benefits obligation	53.54	65.38
	Current income tax (net)	194.93	238.15
	<b>Total current liabilities</b>	<b>19,765.23</b>	<b>12,548.36</b>
	<b>Total liabilities</b>	<b>35,207.41</b>	<b>20,100.38</b>
	<b>Total equity and liabilities</b>	<b>53,911.66</b>	<b>26,622.78</b>





**HINDUSTAN FOODS LIMITED**  
**STATEMENT OF CONSOLIDATED CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020**

(Rs. In Lakhs)

	For the year ended 31.03.2020 (Audited)	For the year ended 31.03.2019 (Audited) (refer note 4 and 5)
<b>Cash flows from operating activities</b>		
Profit before tax	3,381.14	1,822.40
Adjustments for:		
Depreciation and amortization expenses	1,128.20	746.21
Interest on borrowing	1,086.50	726.82
Interest on redeemable non cumulative non convertible preference shares	4.91	4.50
Other finance charge	7.27	4.00
Interest income	(116.92)	(19.90)
Impairment loss on intangible assets	25.00	-
Share of loss from associate	82.06	-
Gain on sale of property, plant and equipment	-	(4.00)
Provision for doubtful debts	7.73	7.48
Other receivable written off	28.00	119.00
Re-measurement gains on defined benefit plans reclassified to OCI	(13.27)	(11.41)
Unrealised foreign exchange translation (gain)/loss	5.10	2.98
<b>Operating profit before working capital changes</b>	<b>5,625.72</b>	<b>3,398.08</b>
<b>Changes in working capital</b>		
(Increase) in inventories	(6,068.08)	(1,195.51)
(Increase)/ decrease in trade receivables	501.33	(357.01)
(Increase) in other assets	(2,724.80)	(994.74)
(Increase) in financial assets	(1,105.58)	(193.00)
Increase/(decrease) in trade payables	6,310.08	(137.95)
(Decrease) in other liabilities	(89.97)	(863.22)
(Decrease)/ Increase in financial liabilities	(65.96)	233.60
Increase in provisions	92.87	45.01
<b>Cash (used in) / generated from operations</b>	<b>2,475.61</b>	<b>(64.74)</b>
Income tax paid	(773.50)	(421.42)
<b>Net cash inflow / (outflow) from operating activities (A)</b>	<b>1,702.11</b>	<b>(486.16)</b>
<b>Cash flows from investing activities</b>		
Interest received	65.82	17.93
Payment for property, plant and equipment and intangible assets (net)	(12,808.36)	(4,112.76)
Bank balances other than cash and cash equivalents	(1,004.76)	(3.39)
Investment in Associate	(317.66)	-
Loans given to associate	(450.83)	-
Payment for acquisition of business	-	(349.42)
<b>Net cash outflow from investing activities (B)</b>	<b>(14,515.79)</b>	<b>(4,447.64)</b>





**HINDUSTAN FOODS LIMITED**  
**STATEMENT OF CONSOLIDATED CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020**

(Rs. In Lakhs)

	For the year ended 31.03.2020 (Audited)	For the year ended 31.03.2019 (Audited) (refer note 4 and 5)
<b>Cash flows from financing activities</b>		
Proceeds from issue of equity shares (refer note below)	10,000.00	1,500.00
Share issues expenses paid	-	(57.51)
Proceeds from long-term borrowings	9,250.27	2,379.92
Repayment of long-term borrowings	(1,695.65)	(86.79)
Proceeds from short-term borrowings	368.69	1,230.39
Repayment of short-term borrowings	(1,522.89)	-
Lease rentals paid against lease liability	(56.57)	-
Interest paid	(1,089.99)	(666.20)
<b>Net cash flow from financing activities (C)</b>	<b>15,253.86</b>	<b>4,299.81</b>
<b>Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>2,440.18</b>	<b>(633.99)</b>
Cash and cash equivalents at the beginning of the year	438.86	650.16
Cash acquired pursuant to business combination (refer note 4)	-	422.69
<b>Cash and cash equivalents at the end of the year</b>	<b>2,879.04</b>	<b>438.86</b>
<b>Cash and cash equivalents comprise of</b>		
On current accounts	1350.91	421.59
Fixed deposits with maturity of less than 3 months	1521.16	13.24
Cash on hand	6.97	4.03
<b>Total cash and bank balances at end of the year</b>	<b>2,879.04</b>	<b>438.86</b>

Note :-

The Company has issued 49,27,799 equity shares of Rs 10 each to the shareholders of Avalon Cosmetics Private Limited on account of the purchase consideration pursuant to the Scheme of Arrangement and this being the non cash transaction, the above statement of standalone cash flows excludes the impact of the same.





**Notes to the consolidated financial results:**

- 1) The consolidated financial results for the year ended March 31, 2020 have been duly reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on June 26, 2020.
- 2) The consolidated audited financial results for three months ended March 31, 2020 and three months ended March 31, 2019 are the balancing figures between the audited figures for the full financial years then ended and the published year to date reviewed figures upto the third quarter of the respective years.
- 3) The Company's operations predominantly relate to contract manufacturing and other manufacturing for sale under the Company's own brand name. The Chief Operating Decision Maker (CODM) reviews the operations of the Company as contract manufacturing and other manufacturing for sale under the Company's own brand name. Since, the quantitative threshold as per para 13 of Ind AS 108 on Segment Reporting are not met for "other manufacturing for sale under Company's own brand name", no separate segment information has been furnished herewith.

Summary of segment information as at and for the quarter and year ended 31 March 2020 is as follows:

(Rs. In Lakhs)					
Particulars	Three Months ended on 31.03.2020 (Audited)	Three Months ended on 31.12.2019 (Unaudited) (refer note 5)	Three Months ended on 31.03.2019 (Audited) (refer note 4 and 5)	For the year ended 31.03.2020 (Audited)	For the year ended 31.03.2019 (Audited) (refer note 4 and 5)
<b>Segment revenue</b>					
Contract Manufacturing	24,827.03	20,741.61	14,935.40	77,303.37	49,253.99
Others	6.25	-	0.48	6.98	2.28
Inter-segment revenue	-	-	-	-	-
<b>Total revenue</b>	<b>24,833.28</b>	<b>20,741.61</b>	<b>14,935.88</b>	<b>77,310.35</b>	<b>49,256.27</b>
<b>Segment result</b>					
Contract Manufacturing	1,413.16	1,195.48	488.81	4,538.87	2,580.70
Others	(31.95)	(12.47)	(27.11)	(68.16)	(31.06)
Add/ (Less)					
Finance cost	(369.48)	(237.81)	(236.32)	(1,098.68)	(735.33)
Provision for tax	(312.25)	(365.95)	(46.74)	(1,190.06)	(630.95)
<b>Net profit</b>	<b>699.48</b>	<b>579.25</b>	<b>178.64</b>	<b>2,181.97</b>	<b>1,183.36</b>
<b>Segment assets</b>					
Contract Manufacturing	53,820.14	43,712.54	26,456.12	53,820.14	26,456.12
Others	91.52	128.99	166.66	91.52	166.66
Unallocated assets	-	-	-	-	-
<b>Total assets</b>	<b>53,911.66</b>	<b>43,841.53</b>	<b>26,622.78</b>	<b>53,911.66</b>	<b>26,622.78</b>
<b>Segment liabilities</b>					
Contract Manufacturing	35,207.41	32,341.59	20,100.38	35,207.41	20,100.38
Others	-	-	-	-	-
Unallocated liabilities	-	-	-	-	-
<b>Total liabilities</b>	<b>35,207.41</b>	<b>32,341.59</b>	<b>20,100.38</b>	<b>35,207.41</b>	<b>20,100.38</b>
<b>Net capital employed</b>	<b>18,704.25</b>	<b>11,499.94</b>	<b>6,522.40</b>	<b>18,704.25</b>	<b>6,522.40</b>

- 4) The Scheme of Arrangement ('the Scheme'), presented under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 read with the rules prescribed thereunder, for the business combination of Detergent Manufacturing Unit of Avalon Cosmetics Private Limited ('ACPL') with the Company was approved by the Hon'ble National Law Tribunal vide its order dated November 25, 2019 ('the NCLT Order'). The Certified copy of the NCLT order was filed with Registrar of Companies on December 27, 2019. Consequently, the Scheme become operative from December 27, 2019 and effective from April 1, 2018 i.e. appointed date.

The said business combination has been accounted under the 'pooling of interests' method in accordance with Appendix C of Ind AS 103 'Business Combination' and the previously issued standalone financial results of the Company for the quarter and year ended March 31, 2019 included on this statements have been restated to give effect to the Scheme. All the assets and liabilities of the Detergent Manufacturing Unit of ACPL have been transferred to and vested in the Company at its carrying value w.e.f. April 1, 2018 and the amount of Rs. 444.77 lakhs is recorded as capital reserve on account of the Scheme. In consideration of the business combination, Company has allotted 49,27,799 equity shares of Rs 10 each credited as fully paid up shares of Company to the shareholders of ACPL for each equity share held in ACPL.

Pursuant to the business combination between Detergent Manufacturing Unit of ACPL and the Company with effect from April 1, 2018, the profit attributable to the equity shareholders for the comparative periods have been restated to include the figures of Detergent Manufacturing Unit of ACPL. Accordingly, as per the requirement of the Ind AS 33 'Earnings per Share', the Basic and Diluted earnings per share of the comparative periods have been restated taking into consideration the equity shares issued to the shareholders of ACPL. Further the current tax and deferred tax amounts in the comparative year have been restated owing to the said business combination. The effective tax rate has changed from 26.67% to 34.62% due to change in applicable tax rate to the Company based on 'Total Turnover' criteria from previously applicable 25% (plus surcharge and cess) to 30% (plus surcharge and cess). The additional tax provision for the year ended March 31, 2019 considering revised tax rates amounts to Rs. 153.61 lakhs and Rs. 106.39 lakhs for current tax (including MAT credit) and deferred tax, respectively.

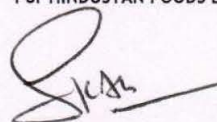




- 5) The Company has purchased the businesses on slump sale basis from M/s Galaxy Healthcare Products and from M/s Shivom Industries (Shivom) vide respective Business Transfer Agreements on February 24, 2020. The said business transfers were approved by the Board on November 11, 2019. The business purchases have been accounted using the 'pooling of interests' method in accordance with Appendix C of Ind AS 103 'Business Combination' and comparative results for the quarter ended December 31, 2019, quarter and year ended March 31, 2019 have been restated with effect from April 1, 2018. Accordingly, results of M/s Galaxy Healthcare Products and M/s Shivom Industries (Shivom) have been included in all the periods of the standalone financial results presented and an amount of Rs. 668.52 lakhs is recorded as a debit to the capital reserve on account of the said business combination.
- 6) Effective April 1, 2019, the Company has adopted Ind AS 116 using the modified retrospective method. The impact of adoption of Ind-AS 116 is not material on the profit of the Company for the quarter and year ended March 31, 2020.
- 7) The warrant holders of the Company have exercised their option for the conversion of 27,77,779 warrants into equivalent Equity Shares of Rs. 10/- each fully paid up of the Company. Accordingly the Company has allotted 27,77,779 Equity Shares of Rs. 10/- each fully paid up to the warrant holders on January 16, 2020.
- 8) The Ministry of Home Affairs vide order No.40-3/2020 dated March 24, 2020 notified first ever nation-wide lockdown in India to contain the outbreak of COVID 19. As a result, the operations were temporarily disrupted at few manufacturing locations of Company which have been subsequently restarted and brought back to normal production capacities. The management has considered the possible effects that may result from the pandemic on the recoverability/carrying value of assets. Based on current indicators of future economic conditions, the management expects to recover the carrying amount of the assets, however the management will continue to closely monitor any material changes to future economic conditions.
- 9) On March 16, 2020 board of directors has approved the Composite Scheme of Arrangement and Amalgamation for demerger of Contract Manufacturing (Coimbatore) Business of Avalon Cosmetics Private Limited and Merger of ATC Beverages Private Limited with the Company with effect from the appointment date April 1, 2020. The Company is awaiting approval from Bombay Stock Exchange.

Place : Mumbai  
Date : 26 June 2020

For HINDUSTAN FOODS LIMITED



SAMEER R. KOTHARI  
Managing Director  
DIN :01361343





## Hindustan Foods Limited

A Vanity Case Group Company

**Registered Office:** Office No.3, Level-2, Centrium, Phoenix Market City,  
15, Lal Bahadur Shastri Road, Kurla (West), Mumbai, Maharashtra, India. 400 070.

Email: [business@thevanitycase.com](mailto:business@thevanitycase.com) Website: [www.hindustanfoodslimited.com](http://www.hindustanfoodslimited.com)

Tel. No. +91-22-61801700 / 01 CIN: L15139MH1984PLC316003

Company Scrip Code: 519126

Date: 26<sup>th</sup> June, 2020.

To,  
The General Manager  
Department of Corporate Services  
BSE Limited  
Floor 25, P. J. Towers, Dalal Street,  
Mumbai-400 001.  
Tel : (022) 2272 1233 / 34

Through Listing Centre

Dear Sir /Madam,


**Sub.: Declaration pursuant to Regulation 33 (3) (d) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015**

Pursuant to the provisions of Regulation 33 (3) (d) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, We hereby confirm that the Statutory Auditors of our Company M/s. MSKA & Associates, Chartered Accountants (Registration No. 105047W), Mumbai have issued the Audit Report with Unmodified Opinion for the Annual Audited (Standalone and Consolidated) Financial Results of the Company for the year ended 31<sup>st</sup> March, 2020.

Kindly take this declaration on record.

Thanking you

Yours faithfully  
for **HINDUSTAN FOODS LIMITED**

  
**Mayank Samdani**  
Chief Financial Officer

