



# 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: 10<sup>th</sup> November, 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 Online Listing Centre

Dear Sir,

**Sub : Outcome of the Board Meeting**

Pursuant to the Regulation 30 read with Part A of Schedule III and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, We wish to inform you that, the Board of Directors of the Company at its meeting held on today i.e. Tuesday, 10<sup>th</sup> November, 2020, inter-alia considered and have approved the Un-Audited Standalone & Consolidated Financial Results of the Company for the Quarter and Half Year ended 30<sup>th</sup> September, 2020 along with Cash Flow Statement for the half year ended on 30<sup>th</sup> September, 2020 and Un-audited Statement of Assets and Liabilities as on that date. Copy of the same is enclosed along with the Limited Review Report of the Auditors thereon.

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 12:00 noon and concluded at 3.15 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



Encl. as above



**Independent Auditor's Review Report on unaudited quarterly and year to date standalone financial results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**The Board of Directors**

**Hindustan Foods Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Hindustan Foods Limited ('the Company') for the quarter ended September 30, 2020 and the year to date results for the period April 1, 2020 to September 30, 2020 ('the Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('the Regulation').
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 Ind AS 34 'Interim Financial Reporting', prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India. 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 Engagement (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 standalone financial results are free of material misstatements. A review 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.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited standalone financial results prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India has not disclosed the

information required to be disclosed in terms of the Regulation including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. We draw attention to note 3 and note 4 to the Statement which states the comparative standalone financial results of the Company for the quarter and six months ended September 30, 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 six months ended September 30, 2019 have been included in these standalone financial results of the Company.

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

For MSKA & Associates

Chartered Accountants

ICAI Firm Registration No.105047W

**AMRISH**  
**ANUP**  
**VAIDYA**

Digitally signed  
by AMRISH ANUP  
VAIDYA  
Date: 2020.11.10  
14:34:44 +05'30'

Amrish Vaidya

Partner

Membership No.: 101739

UDIN: 20101739AAAAGT4246

Place: Mumbai

Date: November 10, 2020



# HINDUSTAN FOODS LIMITED

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

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

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

(Rs. In Lakhs)

Sr. No.	PARTICULARS	Three Months ended on 30.09.2020 (Unaudited)	Three Months ended on 30.06.2020 (Unaudited)	Three Months ended on 30.09.2019 (Unaudited) (refer note 3 and 4)	Six Months ended on 30.09.2020 (Unaudited)	Corresponding Six Months ended in the previous year 30.09.2019 (Unaudited) (refer note 3 and 4)	For the year ended 31.03.2020 (Audited)
I	<b>Income</b>						
II	Revenue from operations	31,844.82	20,189.33	17,249.77	52,034.15	31,710.19	77,189.50
III	Other income	69.59	43.93	16.26	113.52	25.27	120.85
	<b>Total income (I+II)</b>	<b>31,914.41</b>	<b>20,233.26</b>	<b>17,266.03</b>	<b>52,147.67</b>	<b>31,735.46</b>	<b>77,310.35</b>
IV	<b>Expenses</b>						
	(a) Cost of material consumed	26,521.85	17,276.89	14,097.03	43,798.74	25,363.12	64,862.35
	(b) Purchase of stock-in-trade	-	-	42.96	-	42.96	48.01
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	40.72	(644.72)	(549.22)	(604.00)	(706.36)	(3,040.51)
	(d) Employee benefits expense	715.03	687.56	613.29	1,402.59	1,179.25	2,422.27
	(e) Finance costs	509.98	434.63	247.18	944.61	491.39	1,098.68
	(f) Depreciation and amortization expenses	421.92	411.30	251.01	833.22	483.75	1,128.20
	(g) Manufacturing and operating costs	1,719.82	999.30	1,339.84	2,719.12	2,561.01	5,558.98
	(h) Other expenses	713.18	408.62	443.00	1,121.80	885.92	1,769.17
	<b>Total expenses (IV)</b>	<b>30,642.50</b>	<b>19,573.58</b>	<b>16,485.09</b>	<b>50,216.08</b>	<b>30,301.04</b>	<b>73,847.15</b>
V	<b>Profit before tax (III- IV)</b>	<b>1,271.91</b>	<b>659.68</b>	<b>780.94</b>	<b>1,931.59</b>	<b>1,434.42</b>	<b>3,463.20</b>
VI	<b>Tax expense</b>						
	(a) Current tax -						
	Tax under MAT	220.92	115.30	140.60	336.22	248.21	602.78
	Less: MAT credit entitlement	(35.26)	(15.48)	(10.38)	(50.74)	(18.32)	(10.92)
	(b) Deferred tax (excluding MAT credit entitlement/ utilisation)	258.07	131.42	159.74	389.49	281.99	598.20
	(c) Tax adjustments pertaining to previous years	(7.14)	-	-	(7.14)	-	-
	<b>Total tax expense (VI)</b>	<b>436.59</b>	<b>231.24</b>	<b>289.96</b>	<b>667.83</b>	<b>511.88</b>	<b>1,190.06</b>
VII	<b>Profit for the period (V-VI)</b>	<b>835.32</b>	<b>428.44</b>	<b>490.98</b>	<b>1,263.76</b>	<b>922.54</b>	<b>2,273.14</b>
VIII	<b>Other comprehensive income (OCI)</b>						
	Other comprehensive income not to be reclassified to profit or loss :						
	Re-measurement gains on defined benefit plans	(2.07)	(2.07)	(3.68)	(4.14)	(7.35)	(13.27)
	Income tax effect on above	0.73	0.72	1.03	1.45	2.10	4.64
	<b>Total other comprehensive income (VIII)</b>	<b>(1.34)</b>	<b>(1.35)</b>	<b>(2.65)</b>	<b>(2.69)</b>	<b>(5.25)</b>	<b>(8.63)</b>
IX	<b>Total comprehensive income for the period (VII+VIII)</b>	<b>833.98</b>	<b>427.09</b>	<b>488.33</b>	<b>1,261.07</b>	<b>917.29</b>	<b>2,264.51</b>
X	<b>Paid-up equity share capital (face value of Rs. 10/- each)</b>	<b>2,119.81</b>	<b>2,119.81</b>	<b>1,349.25</b>	<b>2,119.81</b>	<b>1,349.25</b>	<b>2,119.81</b>
XI	<b>Other equity</b>						<b>16,666.98</b>
XII	<b>Earnings per share (of Rs. 10/- each) (refer note 3):</b>						
	(a) Basic	3.94	2.02	2.67	5.96	5.01	11.97
	(b) Diluted	3.94	2.02	2.32	5.96	4.41	11.97





**HINDUSTAN FOODS LIMITED**  
**STANDALONE STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2020**

(Rs. In Lakhs)

Sr. No.	Particulars	As at September 30, 2020 (Unaudited)	As at March 31, 2020 (Audited)
I	<b>ASSETS</b>		
1	<b>Non-current assets</b>		
	Property, plant and equipment	25,843.64	24,873.48
	Capital work-in-progress	3,086.36	2,556.35
	Intangible assets	76.10	102.81
	Financial assets		
	Loans	212.46	215.79
	Other financial assets	18.47	20.03
	Non-current tax assets (net)	598.52	353.41
	Other non-current assets	600.69	473.54
	<b>Total non-current assets</b>	<b>30,436.24</b>	<b>28,595.41</b>
2	<b>Current assets</b>		
	Inventories	15,493.59	10,972.56
	Financial assets		
	Investments	317.66	317.66
	Trade receivables	3,397.61	3,746.63
	Cash and cash equivalents	318.41	2,879.04
	Bank balances other than cash and cash equivalents	1,360.68	1,018.71
	Loans	739.67	542.55
	Other financial assets	880.70	1,424.06
	Other current assets	4,813.01	4,497.58
	<b>Total current assets</b>	<b>27,321.33</b>	<b>25,398.79</b>
	<b>Total assets</b>	<b>57,757.57</b>	<b>53,994.20</b>
II	<b>EQUITY AND LIABILITIES</b>		
1	<b>Equity</b>		
	Equity share capital	2,119.81	2,119.81
	Other equity	17,928.05	16,666.98
	<b>Total equity</b>	<b>20,047.86</b>	<b>18,786.79</b>
2	<b>LIABILITIES</b>		
	<b>Non-current liabilities</b>		
	Financial liabilities		
	Borrowings	14,619.51	13,808.43
	Employee benefits obligation	170.12	145.45
	Deferred tax liabilities (net)	1,643.81	1,403.63
	Other non current liabilities	84.67	84.67
	<b>Total non current liabilities</b>	<b>16,518.11</b>	<b>15,442.18</b>
3	<b>Current liabilities</b>		
	Financial liabilities		
	Borrowings	1,227.81	824.27
	Trade payables		
	(i) outstanding dues of micro enterprises and small enterprises	0.11	0.11
	(ii) outstanding dues of creditors other than micro enterprises and small enterprises	15,383.78	13,963.09
	Other financial liabilities	4,189.07	4,632.99
	Other current liabilities	134.25	96.30
	Employee benefits obligation	61.65	53.54
	Current income tax (net)	194.93	194.93
	<b>Total current liabilities</b>	<b>21,191.60</b>	<b>19,765.23</b>
	<b>Total liabilities</b>	<b>37,709.71</b>	<b>35,207.41</b>
	<b>Total equity and liabilities</b>	<b>57,757.57</b>	<b>53,994.20</b>



**HINDUSTAN FOODS LIMITED**  
**STATEMENT OF STANDALONE CASH FLOWS FOR THE PERIOD ENDED SEPTEMBER 30, 2020**

(Rs. In Lakhs)

	Six Months ended on 30.09.2020 (Unaudited)	Corresponding Six Months ended in the previous year 30.09.2019 (Unaudited) (refer note 3 and 4)
<b>Cash flows from operating activities</b>		
Profit before tax	1,931.59	1,434.42
Adjustments for:		
Depreciation and amortization expenses	833.22	483.75
Interest on borrowing	903.14	477.07
Interest on redeemable non cumulative non convertible preference shares	2.67	2.45
Other finance charge	38.80	11.87
Interest income	(85.45)	(21.51)
Bad debts written-off	-	7.22
Provision for doubtful debts	2.37	3.00
Other receivable written off	21.88	-
Re-measurement gains on defined benefit plans reclassified to OCI	(4.14)	(7.35)
Unrealised foreign exchange translation (gain)/loss	2.07	(4.07)
<b>Operating profit before working capital changes</b>	<b>3,646.15</b>	<b>2,386.85</b>
<b>Changes in working capital</b>		
(Increase) in inventories	(4,521.03)	(1,011.67)
Decrease/ (increase) in trade receivables	344.58	(284.31)
(Increase) in other assets	(315.43)	(931.22)
Decrease/ (increase) in financial assets	527.43	(291.64)
Increase in trade payables	1,420.69	1,296.74
Increase/ (decrease) in other liabilities	37.95	(105.66)
Increase/ (decrease) in financial liabilities	163.42	(27.55)
Increase in provisions	32.78	47.52
<b>Cash generated from operations</b>	<b>1,336.54</b>	<b>1,079.06</b>
Income tax paid	(671.31)	(182.67)
<b>Net cash inflow from operating activities (A)</b>	<b>665.23</b>	<b>896.39</b>
<b>Cash flows from investing activities</b>		
Interest received	84.39	7.03
Payment for property, plant and equipment and intangible assets (net)	(3,375.75)	(6,516.47)
Bank balances other than cash and cash equivalents	(341.97)	(791.49)
Investment in associate	-	(281.55)
Loans given to associate	(197.12)	(143.30)
Payment for acquisition of business (refer note 4)	(300.00)	-
<b>Net cash outflow from investing activities (B)</b>	<b>(4,130.45)</b>	<b>(7,725.78)</b>



**HINDUSTAN FOODS LIMITED**  
**STATEMENT OF STANDALONE CASH FLOWS FOR THE PERIOD ENDED SEPTEMBER 30, 2020**

(Rs. in Lakhs)

	Six Months ended on 30.09.2020 (Unaudited)	Corresponding Six Months ended in the previous year 30.09.2019 (Unaudited) (refer note 3 and 4)
<b>Cash flows from financing activities</b>		
Proceeds from issue of share warrants	-	2,500.00
Proceeds from long-term borrowings	2,332.00	5,610.54
Repayment of long-term borrowings	(876.76)	(699.00)
Proceeds from short-term borrowings	403.54	55.56
Lease rentals paid against lease liability	(19.67)	(26.65)
Interest paid	(934.52)	(432.06)
<b>Net cash inflow from financing activities (C)</b>	<b>904.59</b>	<b>7,008.39</b>
<b>Net (decrease)/ increase in cash and cash equivalents (A+B+C)</b>	<b>(2,560.63)</b>	<b>179.00</b>
Cash and cash equivalents at the beginning of the period	2,879.04	438.86
<b>Cash and cash equivalents at the end of the period</b>	<b>318.41</b>	<b>617.86</b>
<b>Cash and cash equivalents comprise of</b>		
On current accounts	292.65	592.07
Fixed deposits with original maturity of less than 3 months	21.93	19.74
Cash on hand	3.83	6.05
<b>Total cash and cash equivalents at end of the period</b>	<b>318.41</b>	<b>617.86</b>





**Notes to the standalone financial results:**

- 1) The standalone financial results for the quarter and six months ended September 30, 2020 have been duly reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on November 10, 2020 and have been subjected to a Limited Review by the Statutory Auditors of the Company.
- 2) 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 six months ended September 30, 2020 is as follows:

Particulars	(Rs. In Lakhs)					
	Three Months ended on 30.09.2020 (Unaudited)	Three Months ended on 30.06.2020 (Unaudited)	Three Months ended on 30.09.2019 (Unaudited) (refer note 3 and 4)	Six Months ended on 30.09.2020 (Unaudited)	Corresponding Six Months ended in the previous year 30.09.2019 (Unaudited) (refer note 3 and 4)	For the year ended 31.03.2020 (Audited)
<b>Segment revenue</b>						
Contract Manufacturing	31,914.35	20,233.25	17,265.73	52,147.60	31,734.73	77,303.37
Others	0.06	0.01	0.30	0.07	0.73	6.98
Inter-segment revenue	-	-	-	-	-	-
<b>Total revenue</b>	<b>31,914.41</b>	<b>20,233.26</b>	<b>17,266.03</b>	<b>52,147.67</b>	<b>31,735.46</b>	<b>77,310.35</b>
<b>Segment result</b>						
Contract Manufacturing	1,793.08	1,105.43	1,037.78	2,898.51	1,945.04	4,621.41
Others	(12.53)	(12.47)	(12.31)	(25.00)	(24.48)	(68.16)
Add/ (Less)						
Finance cost	(509.98)	(434.63)	(247.18)	(944.61)	(491.39)	(1,098.68)
Provision for tax	(436.59)	(231.24)	(289.96)	(667.83)	(511.88)	(1,190.06)
<b>Net profit</b>	<b>833.98</b>	<b>427.09</b>	<b>488.33</b>	<b>1,261.07</b>	<b>917.29</b>	<b>2,264.51</b>
<b>Segment assets</b>						
Contract Manufacturing	57,691.12	57,166.95	37,775.63	57,691.12	37,775.63	53,902.68
Others	66.45	79.06	141.45	66.45	141.45	91.52
Unallocated asset	-	-	-	-	-	-
<b>Total assets</b>	<b>57,757.57</b>	<b>57,246.01</b>	<b>37,917.08</b>	<b>57,757.57</b>	<b>37,917.08</b>	<b>53,994.20</b>
<b>Segment liabilities</b>						
Contract Manufacturing	37,709.71	38,032.13	27,977.37	37,709.71	27,977.37	35,207.41
Others	-	-	-	-	-	-
Unallocated liability	-	-	-	-	-	-
<b>Total liabilities</b>	<b>37,709.71</b>	<b>38,032.13</b>	<b>27,977.37</b>	<b>37,709.71</b>	<b>27,977.37</b>	<b>35,207.41</b>
<b>Net capital employed</b>	<b>20,047.86</b>	<b>19,213.88</b>	<b>9,939.71</b>	<b>20,047.86</b>	<b>9,939.71</b>	<b>18,786.79</b>

- 3) Business combination of Detergent Manufacturing Unit of Avalon Cosmetics Private Limited ('ACPL') with the Company was approved by the Hon'ble National Law Tribunal ("the NCLT Order"). Accordingly, the standalone results of the quarter and six months ended September 30, 2019 have been restated to include the figures of Detergent Manufacturing Unit of ACPL. As per the requirement of the Ind AS 33 'Earnings per Share', the Basic and Diluted earnings per share of the quarter and six months ended September 30, 2019 have also been restated taking into consideration the equity shares issued to the shareholders of ACPL.
- 4) The Company has purchased the businesses on slump sale basis from M/s Galaxy Healthcare Products (Galaxy) 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 and six months ended September 30, 2019, have been restated to include the results of Galaxy and Shivom.
- 5) On March 16, 2020 Board of directors has approved the Composite Scheme of Arrangement and Amalgamation for de-merger 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 has received the approval of Bombay Stock Exchange and now is in the process of getting the required approval from National Company Law Tribunal.
- 6) HFL Consumer Products Private Limited, a wholly owned subsidiary of the Company was incorporated on August 06, 2020. The capital infusion has been made on October 05, 2020.
- 7) The Ministry of Home Affairs notified a nation-wide lockdown in India to contain the outbreak of COVID 19. As a result of the nationwide lockdown, the business operations of the Company were temporarily disrupted at its various manufacturing locations impacting production. However, since the Company was manufacturing essential products, the Company was able to resume operations in all of the factories by May '2020. The management has considered the possible effects that may result from the pandemic on the recoverability/carrying value of its assets and it does not have any significant impact on carrying value of its assets. Based on the liquidity positions and the future cash flows, the Company believes that it has ability to service debt and other financial liabilities and has not opted to exercise the moratorium facility offered by the Reserve Bank of India.
- 8) The Code on Social Security 2020 has been notified in the Official Gazette on September 29, 2020. The effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. Impact if any, of the change will be assessed and accounted in the period in which said Code and Rules become effective.

For HINDUSTAN FOODS LIMITED

*[Signature]*

SAMEER R. KOTHARI  
Managing Director  
DIN :01361343



Place : Mumbai  
Date : 10 November 2020



**Independent Auditor's Review Report on consolidated unaudited quarterly and year to date financial results of the Company and its associate pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**The Board of Directors**

**Hindustan Foods Limited**

1. We have reviewed the accompanying statement of consolidated unaudited financial results of Hindustan Foods Limited ('the Company') and its share of the net loss after tax and total comprehensive loss of its associate for the quarter ended September 30, 2020 and the year to date results for the period from April 1, 2020 to September 30, 2020 ('the Statement'), being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('the Regulation').
2. This Statement, which is the responsibility of the Company's Management and approved by the Company'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 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India. 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 Engagement (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 consolidated financial results are free of material misstatement. A review 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

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

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

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 Ind AS 34, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulation including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to note 3 and note 4 to the Statement which states the comparative consolidated financial results of the Company for the quarter and six months ended September 30, 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 ended and six months ended September 30, 2019 have been included in these consolidated financial results of the Company.

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

7. The consolidated unaudited financial results include the Company's share of net loss after tax of Rs. 43.14 lakhs and Rs. 82.86 lakhs and total comprehensive loss of Rs. 43.52 lakhs and Rs. 83.66 lakhs for the quarter ended September 30, 2020 and for the period from April 1, 2020 to September 30, 2020 respectively, as considered in the consolidated unaudited financial results, in respect of an associate, based on their interim financial information which have not been reviewed. According to the information and explanations given to us by the Management, these interim financial results are not material to the Company.

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

**For MSKA & Associates**

Chartered Accountants

ICAI Firm Registration No.105047W

AMRISH  
ANUP VAIDYA

Digitally signed by  
AMRISH ANUP VAIDYA  
Date: 2020.11.10  
14:39:28 +05'30'

**Amrish Vaidya**

Partner

Membership No.: 101739

UDIN: 20101739AAAAGU7907

Place: Mumbai

Date: November 10, 2020



# HINDUSTAN FOODS LIMITED

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

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

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

(Rs. In Lakhs)

Sr. No.	PARTICULARS	Three Months ended on 30.09.2020 (Unaudited)	Three Months ended on 30.06.2020 (Unaudited)	Three Months ended on 30.09.2019 (Unaudited) (refer note 3 and 4)	Six Months ended on 30.09.2020 (Unaudited)	Corresponding Six Months ended in the previous year 30.09.2019 (Unaudited) (refer note 3 and 4)	For the year ended 31.03.2020 (Audited)
I	Income						
ii	Revenue from operations	31,844.82	20,189.33	17,249.77	52,034.15	31,710.19	77,189.50
iii	Other Income	69.59	43.93	16.26	113.52	25.27	120.85
iii	<b>Total Income (I+II)</b>	<b>31,914.41</b>	<b>20,233.26</b>	<b>17,266.03</b>	<b>52,147.67</b>	<b>31,735.46</b>	<b>77,310.35</b>
IV	Expenses						
	(a) Cost of material consumed	26,521.85	17,276.89	14,097.03	43,798.74	25,363.12	64,862.35
	(b) Purchase of stock-in-trade	-	-	42.96	-	42.96	48.01
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	40.72	(644.72)	(549.22)	(604.00)	(706.36)	(3,040.51)
	(d) Employee benefits expense	715.03	687.56	613.29	1,402.59	1,179.25	2,422.27
	(e) Finance costs	509.98	434.63	247.18	944.61	491.39	1,098.68
	(f) Depreciation and amortization expenses	421.92	411.30	251.01	833.22	483.75	1,128.20
	(g) Manufacturing and operating costs	1,719.82	999.30	1,339.84	2,719.12	2,561.01	5,558.98
	(h) Other expenses	713.18	408.62	443.00	1,121.80	885.92	1,769.17
	<b>Total expenses (IV)</b>	<b>30,642.50</b>	<b>19,573.58</b>	<b>16,485.09</b>	<b>50,216.08</b>	<b>30,301.04</b>	<b>73,847.15</b>
V	<b>Profit before share of loss from associate (III- IV)</b>	<b>1,271.91</b>	<b>659.68</b>	<b>780.94</b>	<b>1,931.59</b>	<b>1,434.42</b>	<b>3,463.20</b>
VI	Share of loss from associate	(43.14)	(39.72)	(16.62)	(82.86)	(16.62)	(82.06)
VII	<b>Profit before tax (V- VI)</b>	<b>1,228.77</b>	<b>619.96</b>	<b>764.32</b>	<b>1,848.73</b>	<b>1,417.80</b>	<b>3,381.14</b>
VIII	Tax expense						
	(a) Current tax -						
	Tax under MAT	220.92	115.30	140.60	336.22	248.21	602.78
	Less: MAT credit entitlement	(35.26)	(15.48)	(10.38)	(50.74)	(18.32)	(10.92)
	(b) Deferred tax (excluding MAT credit entitlement/ utilisation)	258.07	131.42	159.74	389.49	281.99	598.20
	(c) Tax adjustments pertaining to previous years	(7.14)	-	-	(7.14)	-	-
	<b>Total tax expense (VIII)</b>	<b>436.59</b>	<b>231.24</b>	<b>289.96</b>	<b>667.83</b>	<b>511.88</b>	<b>1,190.06</b>
IX	<b>Profit for the period (VII-VIII)</b>	<b>792.18</b>	<b>388.72</b>	<b>474.36</b>	<b>1,180.90</b>	<b>905.92</b>	<b>2,191.08</b>
X	Other comprehensive income (OCI)						
	Other comprehensive income not to be reclassified to profit or loss :						
	Re-measurement gains on defined benefit plans	(2.07)	(2.07)	(3.68)	(4.14)	(7.35)	(13.27)
	Income tax effect on above	0.73	0.72	1.03	1.45	2.10	4.64
	Share of other comprehensive income of investments accounted for using the equity method	(0.38)	(0.42)	-	(0.80)	-	(0.48)
	<b>Total other comprehensive income (X)</b>	<b>(1.72)</b>	<b>(1.77)</b>	<b>(2.65)</b>	<b>(3.49)</b>	<b>(5.25)</b>	<b>(9.11)</b>
XI	<b>Total comprehensive income for the period (IX+X)</b>	<b>790.46</b>	<b>386.95</b>	<b>471.71</b>	<b>1,177.41</b>	<b>900.67</b>	<b>2,181.97</b>
XII	Paid-up equity share capital (face value of Rs. 10/- each)	2,119.81	2,119.81	1,349.25	2,119.81	1,349.25	2,119.81
XIII	Other equity						16,584.44
XIV	Earnings per share (of Rs. 10/- each) (refer note 3):						
	(a) Basic	3.74	1.83	2.58	5.57	4.92	11.53
	(b) Diluted	3.74	1.83	2.24	5.57	4.33	11.53





**HINDUSTAN FOODS LIMITED**  
**CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2020**

(Rs. in Lakhs)			
Sr. No.	Particulars	As at September 30, 2020 (Unaudited)	As at March 31, 2020 (Audited)
I	<b>ASSETS</b>		
1	<b>Non-current assets</b>		
	Property, plant and equipment	25,843.64	24,873.48
	Capital work-in-progress	3,086.36	2,556.35
	Intangible assets	76.10	102.81
	Financial assets		
	Loans	212.46	215.79
	Other financial assets	18.47	20.03
	Non-current tax assets (net)	598.52	353.41
	Other non-current assets	600.69	473.54
	<b>Total non-current assets</b>	<b>30,436.24</b>	<b>28,595.41</b>
2	<b>Current assets</b>		
	Inventories	15,493.59	10,972.56
	Financial assets		
	Investments	151.46	235.12
	Trade receivables	3,397.61	3,746.63
	Cash and cash equivalents	318.41	2,879.04
	Bank balances other than cash and cash equivalents	1,360.68	1,018.71
	Loans	739.67	542.55
	Other financial assets	880.70	1,424.06
	Other current assets	4,813.01	4,497.58
	<b>Total current assets</b>	<b>27,155.13</b>	<b>25,316.25</b>
	<b>Total assets</b>	<b>57,591.37</b>	<b>53,911.66</b>
II	<b>EQUITY AND LIABILITIES</b>		
1	<b>Equity</b>		
	Equity share capital	2,119.81	2,119.81
	Other equity	17,761.85	16,584.44
	<b>Total equity</b>	<b>19,881.66</b>	<b>18,704.25</b>
2	<b>LIABILITIES</b>		
	<b>Non-current liabilities</b>		
	Financial liabilities		
	Borrowings	14,619.51	13,808.43
	Employee benefits obligation	170.12	145.45
	Deferred tax liabilities (net)	1,643.81	1,403.63
	Other non current liabilities	84.67	84.67
	<b>Total non current liabilities</b>	<b>16,518.11</b>	<b>15,442.18</b>
3	<b>Current liabilities</b>		
	Financial liabilities		
	Borrowings	1,227.81	824.27
	Trade payables		
	(i) outstanding dues of micro enterprises and small enterprises	0.11	0.11
	(ii) outstanding dues of creditors other than micro enterprises and small enterprises	15,383.78	13,963.09
	Other financial liabilities	4,189.07	4,632.99
	Other current liabilities	134.25	96.30
	Employee benefits obligation	61.65	53.54
	Current income tax (net)	194.93	194.93
	<b>Total current liabilities</b>	<b>21,191.60</b>	<b>19,765.23</b>
	<b>Total liabilities</b>	<b>37,709.71</b>	<b>35,207.41</b>
	<b>Total equity and liabilities</b>	<b>57,591.37</b>	<b>53,911.66</b>



**HINDUSTAN FOODS LIMITED**  
**STATEMENT OF CONSOLIDATED CASH FLOWS FOR THE PERIOD ENDED SEPTEMBER 30, 2020**

(Rs. in Lakhs)

	Six Months ended on 30.09.2020 (Unaudited)	Corresponding Six Months ended in the previous year 30.09.2019 (Unaudited) (refer note 3 and 4)
<b>Cash flows from operating activities</b>		
Profit before tax	1,848.73	1,417.80
Adjustments for:		
Depreciation and amortization expenses	833.22	483.75
Interest on borrowing	903.14	477.07
Interest on redeemable non cumulative non convertible preference shares	2.67	2.45
Other finance charge	38.80	11.87
Interest income	(85.45)	(21.51)
Bad debts written-off	-	7.22
Share of loss from associate	82.86	16.62
Provision for doubtful debts	2.37	3.00
Other receivable written off	21.88	-
Re-measurement gains on defined benefit plans reclassified to OCI	(4.14)	(7.35)
Unrealised foreign exchange translation (gain)/loss	2.07	(4.07)
<b>Operating profit before working capital changes</b>	<b>3,646.15</b>	<b>2,386.85</b>
<b>Changes in working capital</b>		
(Increase) in inventories	(4,521.03)	(1,011.67)
Decrease/ (increase) in trade receivables	344.58	(284.31)
(Increase) in other assets	(315.43)	(931.22)
Decrease/ (increase) in financial assets	527.43	(291.64)
Increase in trade payables	1,420.69	1,296.74
Increase/ (decrease) in other liabilities	37.95	(105.66)
Increase/ (decrease) in financial liabilities	163.42	(27.55)
Increase in provisions	32.78	47.52
<b>Cash generated from operations</b>	<b>1,336.54</b>	<b>1,079.06</b>
Income tax paid	(671.31)	(182.67)
<b>Net cash inflow from operating activities (A)</b>	<b>665.23</b>	<b>896.39</b>
<b>Cash flows from investing activities</b>		
Interest received	84.39	7.03
Payment for property, plant and equipment and intangible assets (net)	(3,375.75)	(6,516.47)
Bank balances other than cash and cash equivalents	(341.97)	(791.49)
Investment in associate	-	(281.55)
Loans given to associate	(197.12)	(143.30)
Payment for acquisition of business (refer note 4)	(300.00)	-
<b>Net cash outflow from investing activities (B)</b>	<b>(4,130.45)</b>	<b>(7,725.78)</b>



**HINDUSTAN FOODS LIMITED**  
**STATEMENT OF CONSOLIDATED CASH FLOWS FOR THE PERIOD ENDED SEPTEMBER 30, 2020**

(Rs. In Lakhs)

	Six Months ended on 30.09.2020 (Unaudited)	Corresponding Six Months ended in the previous year 30.09.2019 (Unaudited) (refer note 3 and 4)
<b>Cash flows from financing activities</b>		
Proceeds from issue of share warrants	-	2,500.00
Proceeds from long-term borrowings	2,332.00	5,610.54
Repayment of long-term borrowings	(876.76)	(699.00)
Proceeds from short-term borrowings	403.54	55.56
Lease rentals paid against lease liability	(19.67)	(26.65)
Interest paid	(934.52)	(432.06)
<b>Net cash inflow from financing activities (C)</b>	<b>904.59</b>	<b>7,008.39</b>
<b>Net (decrease)/ increase in cash and cash equivalents (A+B+C)</b>	<b>(2,560.63)</b>	<b>179.00</b>
Cash and cash equivalents at the beginning of the period	2,879.04	438.86
<b>Cash and cash equivalents at the end of the period</b>	<b>318.41</b>	<b>617.86</b>
<b>Cash and cash equivalents comprise of</b>		
On current accounts	292.65	592.07
Fixed deposits with original maturity of less than 3 months	21.93	19.74
Cash on hand	3.83	6.05
<b>Total cash and cash equivalents at end of the period</b>	<b>318.41</b>	<b>617.86</b>





**Notes to the consolidated financial results:**

- 1) The consolidated financial results for the quarter and six months ended September 30, 2020 have been duly reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on November 10, 2020 and have been subjected to a Limited Review by the Statutory Auditors of the Company.
- 2) 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 six months ended September 30, 2020 is as follows:

Particulars	Three Months ended on 30.09.2020 (Unaudited)	Three Months ended on 30.06.2020 (Unaudited)	Three Months ended on 30.09.2019 (Unaudited) (refer note 3 and 4)	Six Months ended on 30.09.2020 (Unaudited)	Corresponding Six Months ended in the previous year 30.09.2019 (Unaudited) (refer note 3 and 4)	(Rs. in Lakhs) For the year ended 31.03.2020 (Audited)
<b>Segment revenue</b>						
Contract Manufacturing	31,914.35	20,233.25	17,265.73	52,147.60	31,734.73	77,303.37
Others	0.06	0.01	0.30	0.07	0.73	6.98
Inter-segment revenue	-	-	-	-	-	-
<b>Total revenue</b>	<b>31,914.41</b>	<b>20,233.26</b>	<b>17,266.03</b>	<b>52,147.67</b>	<b>31,735.46</b>	<b>77,310.35</b>
<b>Segment result</b>						
Contract Manufacturing	1,749.56	1,065.29	1,021.16	2,814.85	1,928.42	4,538.87
Others	(12.53)	(12.47)	(12.31)	(25.00)	(24.48)	(68.16)
Add/ (Less)						
Finance cost	(509.98)	(434.63)	(247.18)	(944.61)	(491.39)	(1,098.68)
Provision for tax	(436.59)	(231.24)	(289.96)	(667.83)	(511.88)	(1,190.06)
<b>Net profit</b>	<b>790.46</b>	<b>386.95</b>	<b>471.71</b>	<b>1,177.41</b>	<b>900.67</b>	<b>2,181.97</b>
<b>Segment assets</b>						
Contract Manufacturing	57,524.92	57,044.27	37,759.01	57,524.92	37,759.01	53,820.14
Others	66.45	79.06	141.45	66.45	141.45	91.52
Unallocated asset	-	-	-	-	-	-
<b>Total assets</b>	<b>57,591.37</b>	<b>57,123.33</b>	<b>37,900.46</b>	<b>57,591.37</b>	<b>37,900.46</b>	<b>53,911.66</b>
<b>Segment liabilities</b>						
Contract Manufacturing	37,709.71	38,032.13	27,977.37	37,709.71	27,977.37	35,207.41
Others	-	-	-	-	-	-
Unallocated liability	-	-	-	-	-	-
<b>Total liabilities</b>	<b>37,709.71</b>	<b>38,032.13</b>	<b>27,977.37</b>	<b>37,709.71</b>	<b>27,977.37</b>	<b>35,207.41</b>
<b>Net capital employed</b>	<b>19,881.66</b>	<b>19,091.20</b>	<b>9,923.09</b>	<b>19,881.66</b>	<b>9,923.09</b>	<b>18,704.25</b>

- 3) Business combination of Detergent Manufacturing Unit of Avalon Cosmetics Private Limited ('ACPL') with the Company was approved by the Hon'ble National Law Tribunal ("the NCLT Order"). Accordingly, the consolidated results of the quarter and six months ended September 30, 2019 have been restated to include the figures of Detergent Manufacturing Unit of ACPL. As per the requirement of the Ind AS 33 'Earnings per Share', the Basic and Diluted earnings per share of the quarter and six months ended September 30, 2019 have also been restated taking into consideration the equity shares issued to the shareholders of ACPL.
- 4) The Company has purchased the businesses on slump sale basis from M/s Galaxy Healthcare Products (Galaxy) 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 consolidated results for the quarter and six months ended September 30, 2019, have been restated to include the results of Galaxy and Shivom.
- 5) On March 16, 2020 Board of directors has approved the Composite Scheme of Arrangement and Amalgamation for de-merger 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 has received the approval of Bombay Stock Exchange and now is in the process of getting the required approval from National Company Law Tribunal.
- 6) HFL Consumer Products Private Limited, a wholly owned subsidiary of the Company was incorporated on August 06, 2020. The capital infusion has been made on October 05, 2020.
- 7) The Ministry of Home Affairs notified a nation-wide lockdown in India to contain the outbreak of COVID 19. As a result of the nationwide lockdown, the business operations of the Company were temporarily disrupted at its various manufacturing locations impacting production. However, since the Company was manufacturing essential products, the Company was able to resume operations in all of the factories by May '2020. The management has considered the possible effects that may result from the pandemic on the recoverability/carrying value of its assets and it does not have any significant impact on carrying value of its assets. Based on the liquidity positions and the future cash flows, the Company believes that it has ability to service debt and other financial liabilities and has not opted to exercise the moratorium facility offered by the Reserve Bank of India.
- 8) The Code on Social Security 2020 has been notified in the Official Gazette on September 29, 2020. The effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. Impact if any, of the change will be assessed and accounted in the period in which said Code and Rules become effective.

Place : Mumbai  
Date : 10 November 2020



For HINDUSTAN FOODS LIMITED

*[Signature]*  
SAMEER R. KOTHARI  
Managing Director  
DIN : 01361343

