



Himatsingka Seide Limited

Registered Office : 10/24, Kumara Krupa Road, High Grounds, Bengaluru - 560 001

Consolidated Unaudited Results

(Rs. Lakhs)

| | Particulars | Quarter ended 30.09.2011 (Unaudited) | Quarter ended 30.09.2010 (Unaudited) | Six months ended 30.09.2011 (Unaudited) | Six months ended 30.09.2010 (Unaudited) | Year ended 31.03.2011 (Audited) |
|----|---|--|--|---|---|---------------------------------------|
| 1 | (a) Net sales | 36,096 | 35,393 | 68,165 | 64,656 | 120,715 |
| | (b) Other operating income | 407 | 570 | 986 | 1,530 | 2,552 |
| | (c) Total income from operations | 36,503 | 35,963 | 69,151 | 66,186 | 123,267 |
| 2 | Expenditure | | | | | |
| | a. (Increase)/decrease in stock in trade and work in progress | (2,776) | 504 | (965) | (2,844) | (1,768) |
| | b. Consumption of raw materials | 11,774 | 10,863 | 21,356 | 20,843 | 35,205 |
| | c. Purchase of traded goods | 14,240 | 12,456 | 24,402 | 24,587 | 45,931 |
| | d. Employee cost | 3,560 | 3,589 | 7,081 | 7,341 | 14,678 |
| | e. Depreciation | 1,392 | 1,407 | 2,776 | 2,847 | 5,646 |
| | f. Other expenditure | 5,539 | 4,939 | 10,585 | 10,571 | 20,528 |
| | g. Foreign exchange fluctuation loss/(gain) - net | 609 | (103) | 104 | (224) | (434) |
| | h.Total | 34,338 | 33,655 | 65,339 | 63,121 | 119,786 |
| | Profit from operations before other income, interest and exceptional items | 2,165 | 2,308 | 3,812 | 3,065 | 3,481 |
| 3 | Other income | 36 | 106 | 207 | 176 | 367 |
| 4 | Profit before interest and exceptional items | 2,201 | 2,414 | 4,019 | 3,241 | 3,848 |
| 5 | Interest and finance charges | 1,126 | 1,240 | 2,210 | 2,668 | 5,245 |
| 6 | Profit/(loss) before exceptional items | 1,075 | 1,174 | 1,809 | 573 | (1,397) |
| 7 | Exceptional items gain/ (loss) | 222 | - | 802 | - | - |
| 8 | Profit/(loss) from ordinary activities before tax | 1,297 | 1,174 | 2,611 | 573 | (1,397) |
| 9 | Tax expense | 227 | 93 | 565 | 120 | 180 |
| 10 | Net profit/ (loss) before minority interest | 1,070 | 1,081 | 2,046 | 453 | (1,577) |
| 11 | Minority interest - net | 44 | 71 | 65 | 150 | 80 |
| 12 | Net profit/ (loss) | 1,026 | 1,010 | 1,981 | 303 | (1,657) |
| 13 | Paid up equity share capital | 4,923 | 4,923 | 4,923 | 4,923 | 4,923 |
| 14 | Face value of each share (Rs) | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 |
| 15 | Reserves | | | | | 47,375 |
| 16 | Basic and diluted EPS (Rs) (Non annualised) | 1.04 | 1.03 | 2.01 | 0.31 | (1.68) |
| 17 | Aggregate of public shareholding | | | | | |
| | - No of shares | 44,317,588 | 45,617,588 | 44,317,588 | 45,617,588 | 45,617,588 |
| | - % of holding (to total shareholding) | 45.01 | 46.33 | 45.01 | 46.33 | 46.33 |
| 18 | Promoters and promoter group shareholding | | | | | |
| | a) Pledged/Encumbered | | | | | |
| | - No of shares | - | - | - | - | - |
| | - % of holding (as a % of the total shareholding of promoter and promoter group) | - | - | - | - | - |
| | - % of holding (as a % of the total share capital of the Company) | - | - | - | - | - |
| | b) Non-encumbered | | | | | |
| | - No of shares | 54,139,572 | 52,839,572 | 54,139,572 | 52,839,572 | 52,839,572 |
| | - % of holding (as a % of the total shareholding of promoter and promoter group) | 100 | 100 | 100 | 100.00 | 100 |
| | - % of holding (as a % of the total share capital of the Company) | 54.99 | 53.67 | 54.99 | 53.67 | 53.67 |

1 Consolidated Statement of Assets and Liabilities

(Rs. Lakhs)

| Particulars | As at | As at | As at |
|---|---------------------------|---------------------------|-------------------------|
| | 30.09.2011 (Unaudited) | 30.09.2010 (Unaudited) | 31.03.2011 (Audited) |
| Shareholders' funds: | | | |
| (a) Share capital | 4,923 | 4,923 | 4,923 |
| (b) Reserves and surplus | 49,478 | 49,278 | 47,375 |
| Loan funds | 68,604 | 78,324 | 74,457 |
| Deferred tax liability (net) | 596 | 161 | 233 |
| Minority interest | 9 | 537 | 64 |
| Total | 123,610 | 133,223 | 127,052 |
| Fixed assets | 51,734 | 57,937 | 55,816 |
| Goodwill (on consolidation) | 41,585 | 38,332 | 38,448 |
| Investments | 1,191 | 541 | 1,004 |
| Current assets, loans and advances | | | |
| (a) Inventories | 41,036 | 41,461 | 38,394 |
| (b) Sundry debtors | 8,056 | 9,325 | 7,038 |
| (c) Cash and bank balances | 1,472 | 1,852 | 999 |
| (d) Loans and advances | 10,014 | 10,635 | 9,269 |
| Less: Current liabilities and provisions | | | |
| (a) Current liabilities | 26,291 | 24,016 | 21,192 |
| (b) Provisions | 5,187 | 2,844 | 2,724 |
| Total | 123,610 | 133,223 | 127,052 |

2 The consolidated financial results include figures in respect of all subsidiaries except, GBT S.r.L. (a subsidiary of Giuseppe Bellora S.p.A.) a company under liquidation.

3 The notes to standalone results below should also be considered as notes to consolidated results except note no 3 (iii) which should be read as follows:

The reported net profit and the revised net profit for the quarter ended June 30, 2011 are as follows :

(Rs.lakhs)

| Particulars | As reported | Revised |
|--|--------------|--------------|
| Profit before exceptional items for the quarter ended June 30, 2011 | 734 | 734 |
| Exceptional loss recognized on adoption of AS 30 accounting principles | - | (548) |
| Exceptional gain (note 4) | 1,128 | 1,128 |
| Profit from ordinary activities before tax | 1,862 | 1,314 |
| Tax expense | 338 | 338 |
| Net profit before minority interest | 1,524 | 976 |
| Minority interest - net | 21 | 21 |
| Net profit | 1,503 | 955 |

4 Exceptional items for six months ended September 30, 2011 include profit of Rs 1128 lakhs on sale of assets at Apparel Park, Doddaballapur, owned by Himatsingka Wovens Private Limited (a wholly owned subsidiary of Himatsingka Seide Limited).

Mumbai
November 5, 2011

Shrikant Himatsingka
Executive Director

Standalone Unaudited Results

(Rs. Lakhs)

| | Particulars | Quarter ended 30.09.2011 (Unaudited) | Quarter ended 30.09.2010 (Unaudited) | Six months ended 30.09.2011 (Unaudited) | Six months ended 30.09.2010 (Unaudited) | Year ended 31.03.2011 (Audited) |
|----|--|--|--|---|---|---------------------------------------|
| 1 | (a) Net sales | 15,711 | 14,839 | 31,114 | 29,406 | 48,715 |
| | (b) Other operating income | 153 | 306 | 603 | 1,083 | 2,086 |
| | (c) Total Income from operations | 15,864 | 15,145 | 31,717 | 30,489 | 50,801 |
| 2 | Expenditure | | | | | |
| | a. Decrease in stock in trade and work in progress | 483 | 1,125 | 3,254 | 2,735 | 217 |
| | b. Consumption of raw materials | 8,751 | 8,668 | 16,447 | 17,551 | 32,165 |
| | c. Purchase of traded goods | 349 | 797 | 709 | 877 | 1,470 |
| | d. Employee cost | 1,490 | 1,480 | 2,962 | 2,885 | 5,562 |
| | e. Depreciation | 1,197 | 1,201 | 2,389 | 2,397 | 4,769 |
| | f. Other expenditure | 2,307 | 2,063 | 4,569 | 4,893 | 9,261 |
| | g. Foreign exchange fluctuation loss/(gain) - net | 600 | (108) | 109 | (221) | (429) |
| | h.Total | 15,177 | 15,226 | 30,439 | 31,117 | 53,015 |
| 3 | Profit/(loss) from operations before other income, interest and exceptional items | 687 | (81) | 1,278 | (628) | (2,214) |
| 4 | Other income | 138 | 246 | 315 | 421 | 797 |
| 5 | Profit/(loss) before interest and exceptional items | 825 | 165 | 1,593 | (207) | (1,417) |
| 6 | Interest and finance charges | 577 | 654 | 1,201 | 1,379 | 2,801 |
| 7 | Profit/(loss) before exceptional items | 248 | (489) | 392 | (1,586) | (4,218) |
| 8 | Exceptional item gain/ (loss) - net | 222 | - | (326) | - | - |
| 9 | Profit/(loss) from ordinary activities before tax | 470 | (489) | 66 | (1,586) | (4,218) |
| 10 | Tax expense | - | - | - | - | - |
| 11 | Net profit/(loss) | 470 | (489) | 66 | (1,586) | (4,218) |
| 12 | Paid up equity share capital | 4,923 | 4,923 | 4,923 | 4,923 | 4,923 |
| | Face value of each share (Rs) | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 |
| 13 | Reserves | | | | | 47,509 |
| 14 | Basic & diluted EPS (Rs) (Non annualised) | 0.48 | (0.50) | 0.07 | (1.61) | (4.28) |
| 15 | Aggregate of public shareholding | | | | | |
| | - No of shares | 44,317,588 | 45,617,588 | 44,317,588 | 45,617,588 | 45,617,588 |
| | - % of holding (to total shareholding) | 45.01 | 46.33 | 45.01 | 46.33 | 46.33 |
| 16 | Promoters and promoter group shareholding | | | | | |
| | a) Pledged/Encumbered | | | | | |
| | - No of shares | - | - | - | - | - |
| | - % of holding (as a % of the total shareholding of promoter and promoter group) | - | - | - | - | - |
| | - % of holding (as a % of the total share capital of the company) | - | - | - | - | - |
| | b) Non-encumbered | | | | | |
| | - No of shares | 54,139,572 | 52,839,572 | 54,139,572 | 52,839,572 | 52,839,572 |
| | - % of holding (as a % of the total shareholding of promoter and promoter group) | 100 | 100 | 100 | 100 | 100 |
| | - % of holding (as a % of the total share capital of the company) | 54.99 | 53.67 | 54.99 | 53.67 | 53.67 |

1 Standalone Statement of Assets and Liabilities

(Rs. Lakhs)

| Particulars | As at | As at | As at |
|---|---------------------------|---------------------------|-------------------------|
| | 30.09.2011 (Unaudited) | 30.09.2010 (Unaudited) | 31.03.2011 (Audited) |
| Shareholders' funds: | | | |
| (a) Share capital | 4,923 | 4,923 | 4,923 |
| (b) Reserves and surplus | 45,095 | 50,139 | 47,509 |
| Loan funds | 48,180 | 51,966 | 49,856 |
| Total | 98,198 | 107,028 | 102,288 |
| Fixed assets | 46,957 | 50,809 | 48,885 |
| Investments | 33,685 | 29,057 | 29,510 |
| Current assets, loans and advances | | | |
| (a) Inventories | 15,318 | 16,206 | 16,622 |
| (b) Sundry debtors | 6,198 | 8,525 | 4,981 |
| (c) Cash and Bank balances | 699 | 854 | 290 |
| (d) Loans and advances | 15,327 | 17,064 | 17,096 |
| Less: Current liabilities and provisions | | | |
| (a) Current liabilities | 15,423 | 13,350 | 12,865 |
| (b) Provisions | 4,563 | 2,137 | 2,231 |
| Total | 98,198 | 107,028 | 102,288 |

2 The Company is primarily in the business of 'Home Textiles', consequently no segmental disclosures have been made.

3 Change in Accounting Policy :

During the quarter, the Company voluntarily adopted, with effect from April 1, 2011, the principles of derivative and hedge accounting specified under Accounting Standard 30 (AS 30), "Financial Instruments : Recognition and Measurement", to the extent they have not been dealt with and do not conflict with the accounting standards as notified under Section 211 (3C) of the Companies Act, 1956.

The impact of the above change in policy is as follows:

i. The losses on fair valuation of derivative contract as at April 01, 2011, amounting to Rs. 1973 lakhs have been adjusted to the opening balance of reserves, in accordance with the available transitional provisions under AS 30. In respect of such derivative contract, a fair value gain of Rs. 222 lakhs and a fair value loss of Rs. 326 lakhs have been recognized in the Profit and Loss account for the quarter and six months ended September 30, 2011 respectively, disclosed as exceptional items.

ii. The fair valuation loss amounting to Rs. 507 lakhs with regard to the forward contracts designated as cash flow hedges, being effective as at September 30, 2011, has been recognized in Hedging Reserve account, to be transferred to the Profit and Loss account on the occurrence of the highly probable sale. This would have otherwise been charged to the Profit and Loss account in the current quarter as per the earlier policy.

iii. The reported net profit for the quarter ended June 30, 2011 would be as follows :

| | (Rs.lakhs) |
|--|--------------|
| Profit/(Loss) before exceptional item, as reported for the quarter ended June 30, 2011 | 144 |
| Exceptional item gain/(loss), recognized on adoption of AS 30 accounting principles | (548) |
| Profit/(loss) from ordinary activities before tax | (404) |
| Tax expense | - |
| Net profit/(loss) | (404) |

4 There were no pending investor complaints at the beginning of the quarter. During the quarter ended September 30, 2011, the Company received 7 investor complaints, which have been attended to and no complaints remain unresolved as on September 30, 2011.

5 In accordance with Clause 41 of the Listing Agreement the Statutory Auditors have carried out a 'Limited Review' of the standalone financial results for the period ended September 30, 2011.

6 Previous year/quarter figures have been regrouped/recast, wherever necessary.

Mumbai
November 5, 2011

Shrikant Himatsingka
Executive Director