



May 11, 2016

The Listing Department,  
Bombay Stock Exchange,  
Floor 25, P J Towers,  
Dalal Street,  
Mumbai – 400 001.

The Listing Department,  
National Stock Exchange of India Limited,  
“Exchange Plaza”  
Plot No. C/1, G Block,  
Bandra - Kurla Complex,  
Bandra East,  
Mumbai 400 051.

Dear Sir,

**Regulation 30 and 33 of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015**

Further to our letter dated May 9, 2015, we wish to inform you that the Board meeting held on May 9, 2016 continued today (commenced at 4.00 p.m. and concluded at ..6:..00...p.m.) and the Board of Directors of the Company have approved the audited Financial Results for the quarter / eighteen months period ended March 31, 2016.

A copy of the Statement of Audited Financial Result along with Auditors' Report is attached herewith.

Kindly take the above on record.

Thanking You,

Yours Faithfully,  
For Hinduja Foundries Limited,

  
S VENKATASUBRAMANIAN  
COMPANY SECRETARY

**HINDUJA FOUNDRIES LIMITED**

Corporate Office : No.477- 482, Anna Salai, Khivraj Complex II, 7th Floor, Nandanam, Chennai-600 035.  
Phone: 044 - 42016742, 42013548, Fax : 044 - 42021443 Website : [www.hindujafoundries.com](http://www.hindujafoundries.com)

Regd. Office : Kathivakkam High Road, Ennore, Chennai – 600 057.

CIN: L27104TN1959PLC003849



## Hinduja Foundries Limited

## Part I - Statement of standalone audited results for the quarter and eighteen months ended March 31, 2016

*Rs in lakhs*

Sl. No	Particulars	Quarter ended			Financial Year (Eighteen months) ended	
		March 31, 2016 (Audited) (See Note 5)	December 31, 2015 (Unaudited)	March 31, 2015 (Unaudited)	March 31, 2016 (Audited) (See Note 5)	September 30, 2014 (Audited) (See Note 5)
1	Income from operations					
	(a) Net sales/income from operations (Net of excise duty)	13,760.38	13,210.83	12,848.56	84,232.09	99,679.30
	(b) Other operating income	6.85	57.86	57.84	285.46	232.04
	Total income from operations (net)	13,767.23	13,268.69	12,906.40	84,517.55	99,911.34
2	Expenses					
	(a) Cost of materials consumed	6,510.59	5,665.34	6,680.38	40,634.41	49,909.98
	(b) Purchases of stock-in-trade	-	-	-	-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(909.21)	786.96	(851.88)	(1,320.70)	1,212.21
	(d) Employee benefits expense	2,843.80	2,631.71	2,835.97	17,161.01	19,468.15
	(e) Depreciation and amortisation expense	1,079.05	1,187.44	1,439.23	7,587.65	7,224.56
	(f) Power and fuel	2,659.74	2,396.75	2,507.77	15,485.42	17,583.65
	(g) Other expenses	4,703.74	2,432.19	2,670.44	17,820.65	19,709.26
	Total expenses	16,887.71	15,100.39	15,281.91	97,368.44	115,107.81
3	Profit / (loss) from operations before other income, finance costs and exceptional items (1 - 2)	(3,120.48)	(1,831.70)	(2,375.51)	(12,850.89)	(15,196.47)
4	Other income	303.66	34.50	366.87	791.84	694.72
5	Profit / (loss) from ordinary activities before finance costs and exceptional items (3 + 4)	(2,816.82)	(1,797.20)	(2,008.64)	(12,059.05)	(14,501.75)
6	Finance costs	2,597.91	2,445.98	2,057.83	13,715.32	10,612.54
7	Profit / (loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	(5,414.73)	(4,243.18)	(4,066.47)	(25,774.37)	(25,114.29)
8	Exceptional items (refer note 6)	-	(352.73)	(1,287.51)	(13,650.81)	(1,129.53)
9	Profit / (loss) from ordinary activities before tax (7 - 8)	(5,414.73)	(4,595.91)	(5,353.98)	(39,425.18)	(26,243.82)
10	Tax expense / (credit)	-	-	-	-	-
11	Net Profit / (loss) from ordinary activities after tax (9 - 10)	(5,414.73)	(4,595.91)	(5,353.98)	(39,425.18)	(26,243.82)
12	Extraordinary items (net of tax expense Nil)	-	-	-	-	-
13	Net Profit / (loss) for the period (11 - 12)	(5,414.73)	(4,595.91)	(5,353.98)	(39,425.18)	(26,243.82)
14	Paid-up equity share capital (Face value of Rs.10/- each)	20,705.45	7,265.45	7,265.45	20,705.45	7,265.45
15	Reserve excluding revaluation reserves as per balance sheet of previous accounting year				(52,615.44)	(39,407.01)
16	Earnings per share (after extraordinary items) (of Rs.10/- each) :					
	(a) Basic and diluted - (Rs.)	(7.19)	(7.53)	(8.55)	(59.45)	(65.07)
		(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)

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**Notes:**

- 1 The above results have been reviewed by the Audit Committee on May 09, 2016 and approved by the Board of Directors at their continued meeting held on May 11, 2016.
- 2 The Company operates in a single business segment - castings. Further, the Company markets its products primarily in the domestic markets. Hence there are no reportable geographical segments.
- 3 The Company has taken various steps to improve its operational performance and liquidity to address the significant erosion of its network by the accumulated losses as at March 31, 2016. Based on the business plans, availability of bank and other funding arrangements, recent increase in capital and in view of the continued support by the promoters, the Company is confident that it would be able to improve on its performance and network.
- 4 The Company had acquired a piece of land from APIIC (Andhra Pradesh Industrial and Infrastructure Corporation Limited) and the registration of the land in favor of the Company would be completed upon the Company commencing commercial production before March 31, 2012. Whilst steps are being taken to implement the project on such land, the Company has not been able to do so in view of the delays in basic infrastructural facilities (electricity, water supply etc.) being made available to the Company and hence the Company has been seeking extension of time from the Government Authorities to implement the project. The Telengana State Industrial Infrastructure Corporation Limited (pursuant to the formation of the state of Telengana) vide its letter dated September 29, 2015 (and its earlier correspondence) has sought to cancel the allotment of the aforesaid land and has requested the Company to surrender the possession of the vacant land by October 07, 2015 for which the Company sought a further extension of time up to March 2016 and requested for revocation of the resumption proceeding. Based on legal advice, the Company believes that it has adequate grounds to defend its position on retaining the possession of the land. Pending the resolution of the aforesaid matter, the abovesaid land has been carried at cost as at March 31, 2016 after write down of related project expenditure.
- 5 Figures for the quarter ended March 31, 2016 are the balancing figures between audited figures in respect of full financial period (18 months) and the published period to date figures upto the quarter ended December 31, 2015. Also the figures upto the end of the quarter ended December 31, 2015 were reviewed and not subjected to audit.
- 6 Exceptional items of Rs.13,650,81 Lakhs for the eighteen months ended March 31, 2016 mainly comprises expenditure incurred towards voluntary retirement arrangements and provisions in respect of non-recoverability towards assets pursuant to restructuring/discontinuance of business operations (in respect of DCU). The freehold land at DCU, Hyderabad has been classified as "asset held for sale" under "other current assets".
- 7 During the quarter ended March 31, 2016, through issue of 11,200 Global Depository receipts (GDR), the Company has raised capital of Rs. 39,984 lakhs (comprising 134,400,000 equity shares of Rs.10/- each at a premium of Rs.19.75/- per equity share). As per the offer document, the proceeds from the aforesaid GDR net of share issue expenses have been utilized for repayment of a portion of its outstanding debt, for capital expenditures, for working capital and for general corporate purposes as may be permissible under applicable law.
- 8 Effective October 01, 2014, the Company has revised the useful life of certain fixed assets based on Schedule II to the Companies Act, 2013 for the purposes of providing depreciation on fixed assets. Accordingly, the carrying amount of such assets as on October 01, 2014 has been depreciated over the remaining revised useful life of the fixed assets. Consequently, the depreciation for the quarter and eighteen months ended March 31, 2016 is higher to the extent of Rs. 104 lakhs and Rs. 833 lakhs respectively. Further, an amount of Rs. 279 lakhs representing the carrying amount of assets with revised useful life as nil, has been charged to the opening reserves as on October 01, 2014 pursuant to the Companies Act, 2013.

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9 Statement of assets and liabilities as at March 31,2016 is given below

	Rs in Lakhs	
	31-Mar-2016	30-Sep-2014
	(Audited) (See Note 5)	(Audited) (See Note 5)
<b>A EQUITY AND LIABILITIES</b>		
<b>1 Shareholders' funds</b>		
Share capital	52,872.12	39,432.12
Reserves and surplus	(33,775.31)	(20,566.88)
<b>Sub-total - Shareholders' funds</b>	<b>19,096.81</b>	<b>18,865.24</b>
<b>2 Non-current liabilities</b>		
Long-term borrowings	39,372.92	36,137.95
Long-term provisions	2,201.27	2,299.01
<b>Sub-total - Non-current liabilities</b>	<b>41,574.19</b>	<b>38,436.96</b>
<b>3 Current liabilities</b>		
Short-term borrowings	1,506.74	15,728.49
Trade payables	13,098.84	14,001.42
Other current liabilities	6,711.37	11,939.54
Short-term provisions	30.69	13.09
<b>Sub-total - Current liabilities</b>	<b>21,347.64</b>	<b>41,682.54</b>
<b>Total - Equity and liabilities</b>	<b>82,018.64</b>	<b>98,984.74</b>
<b>B ASSETS</b>		
<b>1 Non-current assets</b>		
Fixed assets	47,942.35	68,844.32
Non-current investments	455.33	1,214.94
Long-term loans and advances	3,141.60	4,408.70
Other non-current assets	412.00	371.92
<b>Sub-total - Non-current assets</b>	<b>51,951.28</b>	<b>74,839.88</b>
<b>2 Current assets</b>		
Inventories	7,919.71	8,716.20
Trade receivables	6,635.69	12,478.95
Cash and bank balances	1,151.45	493.12
Short-term loans and advances	711.05	807.91
Other current assets	13,649.46	1,648.68
<b>Sub-total - Current assets</b>	<b>30,067.36</b>	<b>24,144.86</b>
<b>Total - Assets</b>	<b>82,018.64</b>	<b>98,984.74</b>

10 The figures of the earlier periods have been regrouped, where applicable, to be in conformity with the current period presentation.

Place : Chennai  
Dated : May 11, 2016

  
**Dheeraj G. Hinduja**  
Chairman



**HINDUJA FOUNDRIES LIMITED**

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## **B S R and Company**

### **Independent Auditors' Report (continued)**

#### **Report on Quarterly Financial Results and Period to Date Results of the Hinduja Foundries Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

#### **Opinion**

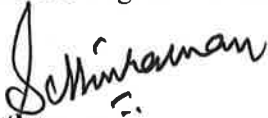
In our opinion and to the best of our information and according to the explanations given to us, these financial results:

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- (ii) give a true and fair view of the net loss and other financial information for the eighteen months period ended March 31, 2016.

*for B S R and Company*

Chartered Accountants

ICAI Firm Registration No: 128900W



**S Sethuraman**

*Partner*

Membership No: 203491

Chennai

Date: May 11, 2016