

# Himatsingka Seide Limited

10/24 , Kumara Krupa Road, High Grounds, Bangalore - 560 001, India

Ref: SEC:0001:2:12861:KGN

January 25, 2012

> Speed Post A/d. <

Listing Department  
Bombay Stock Exchange Ltd  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai - 400 001

Listing Department  
National Stock Exchange of India Ltd  
Exchange Plaza, 5<sup>th</sup> Floor, Plot No. C/1  
G Block, Bandra-Kurla Complex, Bandra (E)  
Mumbai - 400 051

Listing Department  
The Bangalore Stock Exchange Ltd  
Stock Exchange Towers, 51, 1<sup>st</sup> Cross  
J.C. Road, Bangalore - 560 027

Dear Sirs,

**Sub: Unaudited Financial Results for the quarter ended 31<sup>st</sup> December, 2011.**

In pursuance to Clause 41 of the listing agreement, we are enclosing herewith the Unaudited Financial Results for the quarter ended 31<sup>st</sup> December, 2011.

We are making arrangements for the publication of Unaudited Results in the newspapers.

Thanking you,

Yours faithfully,  
For Himatsingka Seide Limited



Ashok Sharma  
General Manager – Treasury, Taxation  
& Company Secretary

Encl: as above.

# Himatsingka Seide Limited

10/24, Kumara Krupa Road, High Grounds, Bangalore - 560 001, India

## Standalone unaudited results

(Rs lakhs)

| Sl. No. | Particulars                                                                       | Quarter ended<br>31.12.2011<br>(Unaudited) | Quarter ended<br>30.09.2011<br>(Unaudited) | Quarter ended<br>31.12.2010<br>(Unaudited) | Nine months ended<br>31.12.2011<br>(Unaudited) | Nine months ended<br>31.12.2010<br>(Unaudited) | Year ended<br>31.03.2011<br>(Audited) |
|---------|-----------------------------------------------------------------------------------|--------------------------------------------|--------------------------------------------|--------------------------------------------|------------------------------------------------|------------------------------------------------|---------------------------------------|
| 1       | (a) Net sales                                                                     | 17,835                                     | 15,711                                     | 11,000                                     | 48,949                                         | 40,406                                         | 48,715                                |
|         | (b) Other operating income                                                        | 464                                        | 153                                        | 141                                        | 1,054                                          | 1,224                                          | 2,086                                 |
|         | (c) Total Income from operations                                                  | 18,299                                     | 15,864                                     | 11,141                                     | 50,003                                         | 41,630                                         | 50,801                                |
| 2       | Expenditure                                                                       |                                            |                                            |                                            |                                                |                                                |                                       |
|         | a. (Increase)/decrease in stock in trade and work in progress                     | 387                                        | (18)                                       | (2,482)                                    | 3,140                                          | 253                                            | 217                                   |
|         | b. Consumption of raw materials                                                   | 9,456                                      | 9,252                                      | 9,003                                      | 26,405                                         | 26,554                                         | 32,165                                |
|         | c. Purchase of traded goods                                                       | 589                                        | 349                                        | 593                                        | 1,298                                          | 1,470                                          | 1,470                                 |
|         | d. Employee cost                                                                  | 1,671                                      | 1,490                                      | 1,454                                      | 4,633                                          | 4,339                                          | 5,562                                 |
|         | e. Depreciation                                                                   | 1,215                                      | 1,197                                      | 1,216                                      | 3,604                                          | 3,613                                          | 4,769                                 |
|         | f. Other expenditure                                                              | 2,573                                      | 2,307                                      | 2,101                                      | 7,142                                          | 6,993                                          | 9,261                                 |
|         | g. Foreign exchange fluctuation loss/(gain) - net                                 | 414                                        | 568                                        | (139)                                      | 479                                            | (360)                                          | (429)                                 |
|         | h. Total                                                                          | 16,305                                     | 15,145                                     | 11,746                                     | 46,701                                         | 42,862                                         | 53,015                                |
| 3       | Profit/(loss) from operations before other income, interest and exceptional items | 1,994                                      | 719                                        | (605)                                      | 3,302                                          | (1,232)                                        | (2,214)                               |
| 4       | Other income                                                                      | 180                                        | 138                                        | 166                                        | 507                                            | 586                                            | 797                                   |
| 5       | Profit/(loss) before interest and exceptional items                               | 2,174                                      | 857                                        | (439)                                      | 3,809                                          | (646)                                          | (1,417)                               |
| 6       | Interest and finance charges                                                      | 721                                        | 577                                        | 709                                        | 1,922                                          | 2,088                                          | 2,801                                 |
| 7       | Profit/(loss) before exceptional items                                            | 1,453                                      | 280                                        | (1,148)                                    | 1,887                                          | (2,734)                                        | (4,218)                               |
| 8       | Exceptional item gain/(loss) - net                                                | 171                                        | 190                                        | -                                          | (198)                                          | -                                              | -                                     |
| 9       | Profit/(loss) from ordinary activities before tax                                 | 1,624                                      | 470                                        | (1,148)                                    | 1,689                                          | (2,734)                                        | (4,218)                               |
| 10      | Tax expense                                                                       | -                                          | -                                          | -                                          | -                                              | -                                              | -                                     |
| 11      | Net profit/(loss)                                                                 | 1,624                                      | 470                                        | (1,148)                                    | 1,689                                          | (2,734)                                        | (4,218)                               |
| 12      | Paid up equity share capital                                                      | 4,923                                      | 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                                           | 5.00                                  |
| 13      | Reserves                                                                          |                                            |                                            |                                            |                                                |                                                | 47,509                                |
|         | Basic and diluted earnings per share (Rs) (Non annualised)                        | 1.65                                       | 0.48                                       | (1.17)                                     | 1.72                                           | (2.78)                                         | (4.28)                                |
| 15      | Aggregate of public shareholding                                                  |                                            |                                            |                                            |                                                |                                                |                                       |
|         | - No of shares                                                                    | 44,317,588                                 | 44,317,588                                 | 45,617,588                                 | 44,317,588                                     | 45,617,588                                     | 45,617,588                            |
|         | - % of holding (to total shareholding)                                            | 45.01                                      | 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                                 | 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                                            | 100                                   |
|         | - % of holding (as a % of the total share capital of the company)                 | 54.99                                      | 54.99                                      | 53.67                                      | 54.99                                          | 53.67                                          | 53.67                                 |

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

2 With effect from April 01, 2011 the Company has voluntarily adopted 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 and do not conflict with Accounting Standards as notified under Section 211 (c) of the Companies Act, 1956. The impact of the above adoption is as follows :

i. In respect of a derivative contract, a fair valuation gain of Rs. 284 lakhs for the quarter ended December 31, 2011, a fair valuation gain of Rs. 222 lakhs for the quarter ended September 30, 2011 and a fair valuation loss of Rs. 42 lakhs for the nine months ended December 31, 2011 has been recognized in the Profit and Loss account and has been disclosed as an exceptional item.

ii. The profit for the quarter ended December 31, 2011 is higher by Rs. 921 lakhs, the profit for the quarter ended September 30, 2011 is higher by Rs 507 lakhs and the profit for the quarter ended nine months ended December 31, 2011 is higher Rs. 1428 lakhs, on accounting of certain forward exchange contracts as cash flow hedges.

3 Exceptional item represents change in mark-to-market gain/(loss) and monthly settlements on a foreign exchange derivative contract.

4 There were no pending investor complaints at the beginning of the quarter. During the quarter ended December 31, 2011, the Company received 12 investor complaints, which have been attended to and no complaints remain unresolved as on December 31, 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 December 31, 2011.

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

Mumbai  
January 25, 2012

Shrikant Himatsingka  
Executive Director



# Himatsingka Seide Limited

10/24, Kumara Krupa Road, High Grounds, Bangalore - 560 001, India

## Consolidated unaudited results

(Rs lakhs)

| Sl. No. | Particulars                                                                      | Quarter ended<br>31.12.2011<br>(Unaudited) | Quarter ended<br>30.09.2011<br>(Unaudited) | Quarter ended<br>31.12.2010<br>(Unaudited) | Nine months ended<br>31.12.2011<br>(Unaudited) | Nine months ended<br>31.12.2010<br>(Unaudited) | Year ended<br>31.03.2011<br>(Audited) |
|---------|----------------------------------------------------------------------------------|--------------------------------------------|--------------------------------------------|--------------------------------------------|------------------------------------------------|------------------------------------------------|---------------------------------------|
| 1       | (a) Net sales                                                                    | 39,566                                     | 36,096                                     | 29,429                                     | 107,731                                        | 94,085                                         | 120,715                               |
|         | (b) Other operating income                                                       | 552                                        | 407                                        | 118                                        | 1,525                                          | 1,647                                          | 2,552                                 |
|         | (c) Total Income from operations                                                 | 40,118                                     | 36,503                                     | 29,547                                     | 109,256                                        | 95,732                                         | 123,267                               |
| 2       | Expenditure                                                                      |                                            |                                            |                                            |                                                |                                                |                                       |
|         | a. (Increase)/decrease in stock in trade and work in progress                    | (1,561)                                    | (2,776)                                    | 1,715                                      | (2,526)                                        | (1,129)                                        | (1,768)                               |
|         | b. Consumption of raw materials                                                  | 9,951                                      | 11,774                                     | 7,155                                      | 31,307                                         | 27,998                                         | 35,205                                |
|         | c. Purchase of traded goods                                                      | 17,566                                     | 14,240                                     | 10,416                                     | 41,968                                         | 35,003                                         | 45,931                                |
|         | d. Employee cost                                                                 | 3,932                                      | 3,560                                      | 3,669                                      | 11,013                                         | 11,010                                         | 14,678                                |
|         | e. Depreciation                                                                  | 1,420                                      | 1,392                                      | 1,438                                      | 4,196                                          | 4,285                                          | 5,646                                 |
|         | f. Other expenditure                                                             | 5,675                                      | 5,539                                      | 4,645                                      | 16,260                                         | 15,216                                         | 20,528                                |
|         | g. Foreign exchange fluctuation loss/(gain) - net                                | 387                                        | 577                                        | (146)                                      | 447                                            | (370)                                          | (434)                                 |
|         | h. Total                                                                         | 37,370                                     | 34,306                                     | 28,892                                     | 102,665                                        | 92,013                                         | 119,786                               |
| 3       | Profit from operations before other income, interest and exceptional items       | 2,748                                      | 2,197                                      | 655                                        | 6,591                                          | 3,719                                          | 3,481                                 |
| 4       | Other income                                                                     | 62                                         | 36                                         | 94                                         | 282                                            | 270                                            | 367                                   |
| 5       | Profit before interest and exceptional items                                     | 2,810                                      | 2,233                                      | 749                                        | 6,873                                          | 3,989                                          | 3,848                                 |
| 6       | Interest and finance charges                                                     | 1,266                                      | 1,126                                      | 1,219                                      | 3,476                                          | 3,887                                          | 5,245                                 |
| 7       | Profit/(loss) before exceptional items                                           | 1,544                                      | 1,107                                      | (470)                                      | 3,397                                          | 102                                            | (1,397)                               |
| 8       | Exceptional items gain / (loss)                                                  | 1                                          | 189                                        | -                                          | 759                                            | -                                              | -                                     |
| 9       | Profit/(loss) from ordinary activities before tax                                | 1,545                                      | 1,296                                      | (470)                                      | 4,156                                          | 102                                            | (1,397)                               |
| 10      | Tax expense                                                                      | 375                                        | 227                                        | 314                                        | 940                                            | 434                                            | 180                                   |
| 11      | Net profit/(loss) before minority interest                                       | 1,170                                      | 1,069                                      | (784)                                      | 3,216                                          | (332)                                          | (1,577)                               |
| 12      | Minority interest - net                                                          | 49                                         | 44                                         | 24                                         | 114                                            | 174                                            | 80                                    |
| 13      | Net profit/(loss)                                                                | 1,121                                      | 1,025                                      | (808)                                      | 3,102                                          | (506)                                          | (1,657)                               |
| 14      | Paid up equity share capital                                                     | 4,923                                      | 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                                           | 5.00                                  |
| 15      | Reserves                                                                         |                                            |                                            |                                            |                                                |                                                | 47,375                                |
| 16      | Basic and diluted earnings per share (Rs) (Non annualised)                       | 1.14                                       | 1.04                                       | (0.82)                                     | 3.15                                           | (0.51)                                         | (1.68)                                |
| 17      | Aggregate of public shareholding                                                 |                                            |                                            |                                            |                                                |                                                |                                       |
|         | - No of shares                                                                   | 44,317,588                                 | 44,317,588                                 | 45,617,588                                 | 44,317,588                                     | 45,617,588                                     | 45,617,588                            |
|         | - % of holding (to total shareholding)                                           | 45.01                                      | 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                                 | 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                                            | 100                                   |
|         | - % of holding (as a % of the total share capital of the company)                | 54.99                                      | 54.99                                      | 53.67                                      | 54.99                                          | 53.67                                          | 53.67                                 |

1. 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.

2. Exceptional items for the quarter ended December 31, 2011 includes a mark to market gain and monthly settlements on a foreign exchange derivative contract of Rs.171 lakhs as reduced by certain one time costs of Rs 170 lakhs.

3. The notes to standalone results should also be considered as notes to consolidated results.

Mumbai  
January 25, 2012

Shrikant Himatsingka  
Executive Director

