



# HISAR SPINNING MILLS LIMITED

REGD. OFF. & WORKS : 9th K.M. STONE, HISAR-BHIWANI ROAD, V.P.O. DABRA (HISAR)- 125005

TEL/FAX : 91-1662-260397. Mob. : 98120-22682

CIN : L17112HR1992 PLCO31621, E-mail : hsm12000@rediffmail.com

Dated: May 30, 2022

Dept. of Corporate Services  
The Bombay Stock Exchange Limited  
Registered Office: Floor 25,  
P J Towers, Dalal Street,  
Mumbai 400001

Sub: Compliance of Clause 33(3) (d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter & year ended on March 31, 2022 – (SCRIP CODE 521068).

Dear Sir,

We are to inform that the Board of Directors of the Company at the meeting held on Monday, May 30, 2022, considered and approved the Audited Financial Results for the quarter and year ended on March 31, 2022. The said Audited Financial Results together with the Report of the Statutory Auditors', are attached hereto.

We confirm that the Auditor's Report is with unmodified opinion in respect of the Audited Financial Results of the Company for the year ended on March 31, 2022.

We inform that the meeting started at 13.30 Hrs. and concluded at 14.45 Hrs.

We hope you will find the same in order.

Thanking You,

Yours faithfully



Authorised Signatory

Encl: As above.



## ROMESH K. AGGARWAL & ASSOCIATES

CHARTERED ACCOUNTANTS

Head Office - G.T. ROAD, MILLER GANJ, LUDHIANA-141003

Delhi

Chandigarh

Ludhiana

Phones: 2532920, 2534289.

**Independent Auditor's Review Report On the Quarterly and Year to Date Audited Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

To  
The Board of Directors,  
Hisar Spinning Mills Limited

**Report on the audit of the Financial Results**

**Opinion**

We have audited the accompanying statement of quarterly and year to date financial results of **Hisar Spinning Mills Limited** ("the Company") for the quarter and year ended March 31, 2022 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligation and disclosure requirements) Regulations, 2015 as amended ("the Listing Regulations").

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

i. are presented in accordance with the requirements of the Listing Regulations in this regard;

and

ii. give a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the quarter ended March 31, 2022 and for the year ended March 31, 2022.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.



## **Management's Responsibilities for the Financial Results**

The Statement has been prepared on the basis of the annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.



- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company of which we are the independent auditors to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of the financial information of the Company of which we are the independent auditors.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### Other Matters

The annual financial results include the results for the quarter ended March 31, 2022 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For Romesh K Aggarwal & Associates  
Chartered Accountants  
FRN - 000711N



Place - Chandigarh

Dated - May 30, 2022

UDIN - 22519347 ASU 2D 61676



HISAR SPINNING MILLS LIMITED  
 STEEL STONE, HISAR SHIVAN ROAD, V.P.O. DABRA, HISAR - 126005  
 DIN - 171121P012200001521, PAN - AAACH3254M  
 Tel - 01662-260369, Email - hsm12000@rediffmail.com  
 Website - www.hisarspinningmills.com

STATEMENT OF FINANCIAL RESULTS  
 FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2022

Sr. No.	Particulars	(Rs. in lakhs) except per equity share data				
		3 Months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Year ended	Previous accounting year ended
		31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
		Audited	Unaudited	Audited	Audited	Audited
1.	Revenue					
	Revenue from operations	1052.88	790.14	864.00	3693.11	2870.72
	Other income	43.78	7.06	31.80	92.32	41.82
	Total income	1096.66	797.20	895.80	3785.43	2912.54
2.	Expenses					
	Cost of materials consumed	511.10	515.87	497.39	1948.54	1630.83
	Purchases of stock-in-trade	0.00	0.00	0.00	0.00	2.57
	Changes in inventories of finished goods and work-in-progress	-7.02	-140.81	68.09	-228.94	-60.35
	Employee benefits expense	74.17	73.30	54.37	294.04	219.27
	Finance costs	8.75	1.72	1.46	10.72	8.49
	Depreciation expense	18.45	13.82	18.81	59.56	70.22
	Consumption of stores and spare parts	44.10	38.93	21.68	129.88	105.53
	Packing materials consumed	7.59	12.40	10.94	46.02	33.48
	Power and fuel expenses	138.35	128.11	150.17	579.25	525.63
	Contract labour charges	10.32	10.97	11.68	43.98	31.88
	Freight and cartage outward	77.65	13.08	28.67	164.81	56.40
	Other expenses	30.53	18.19	21.72	93.08	75.57
	Total expenses	910.08	883.37	878.72	3137.52	2707.38
3.	Profit before exceptional items and tax	186.58	113.83	106.88	647.91	204.88
	Exceptional items	0.00	0.00	0.00	0.00	0.00
4.	Profit before tax	186.58	113.83	106.88	647.91	204.88
5.	Tax expense					
	- Current tax	18.38	24.92	18.32	68.51	33.88
	- Adjustment of tax relating to earlier periods	0.00	0.24	0.07	0.24	-5.14
	- Deferred tax	26.54	3.88	11.78	48.37	28.20
	Total tax expense	44.92	29.04	29.17	117.12	66.94
6.	Profit for the period (A)	141.66	84.79	77.71	530.79	137.94
	Other Comprehensive Income					
	Items that will not be reclassified to profit or loss					
	remeasurements of the defined benefit plans	1.09	-0.48	2.36	-6.98	-2.50
	income tax relating to items that will not be reclassified to profit or loss	-0.27	0.11	-0.59	1.75	0.03
7.	Total Other Comprehensive Income (-) Expense (B)	0.82	-0.34	1.77	-5.19	-1.87
8.	Total Comprehensive Income for the period (A+B)	142.48	84.45	79.48	525.60	136.07
9.	Paid-up equity share capital (Face value of Rs. 10 Per share)	373.50	373.50	373.50	373.50	373.50
10.	Other Equity	0.00	0.00	0.00	1517.49	609.69
11.	Earnings per equity share (Rs.) Basic and diluted (not rounded)	3.81	2.29	2.11	11.05	3.94

By Order of the Board of Directors  
 for Hisar Spinning Mills Limited

(Signature)  
 Managing Director  
 DIN: 00182988

Place: Chandigarh  
 Date: 30.05.2022

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**HISAR SPINNING MILLS LIMITED**  
**5TH KM. STONE, HISAR BHIWANI ROAD, V.P.O. DABRA, HISAR - 125005**

**STATEMENT OF ASSETS AND LIABILITIES**

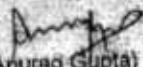
Particulars	(Rs. In lakhs)	
	As at	As at
	31.03.2022 Audited	31.03.2021 Audited
<b>(A) ASSETS</b>		
<b>(1) Non-Current Assets :</b>		
(a) Property, plant and equipment	907.97	271.13
(b) Capital work-in-progress	6.67	0.00
(c) Financial assets		
(i) Other financial assets	51.47	22.31
(d) Deferred tax assets (net)	47.52	95.89
(e) Other non-current assets	35.44	0.06
<b>Sub-total - Non-Current Assets</b>	<b>1050.07</b>	<b>389.39</b>
<b>(2) Current Assets :</b>		
(a) Inventories	1087.01	778.89
(b) Financial assets		
(i) Trade receivables	240.29	301.73
(ii) Cash and cash equivalents	102.58	54.45
(iii) Bank balances other than (ii) above	0.00	145.01
(iv) Other financial assets	42.31	19.87
(c) Current tax assets (net)	11.71	8.31
(d) Other current assets	202.61	118.39
(e) Non-current assets classified as held for sale	4.94	0.00
<b>Sub-total - Current Assets</b>	<b>1691.45</b>	<b>1426.65</b>
<b>TOTAL - ASSETS</b>	<b>2741.52</b>	<b>1816.04</b>
<b>(B) EQUITY AND LIABILITIES</b>		
<b>(1) Equity :</b>		
(a) Equity Share capital	373.50	373.50
(b) Other Equity	1317.49	909.89
<b>Sub-total - Equity</b>	<b>1690.99</b>	<b>1283.39</b>
<b>Liabilities</b>		
<b>(2) Non-Current Liabilities :</b>		
(a) Financial Liabilities		
(i) Borrowings	290.96	20.37
(ii) Other financial liabilities	2.57	3.81
(b) Other non-current liabilities	89.67	3.66
<b>Sub-total - Non-Current Liabilities</b>	<b>383.20</b>	<b>27.84</b>

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Particulars	(Rs. in lakhs)	
	As at: 31.03.2022 Audited	As at: 31.03.2021 Audited
<b>(3) Current Liabilities</b>		
(a) Financial Liabilities	172.98	145.17
(i) Borrowings		
(ii) Trade payables	17.33	3.65
(A) total outstanding dues of micro enterprises and small enterprises	334.62	122.27
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	70.04	119.00
(ia) Other financial liabilities	59.02	106.11
(b) Other current liabilities	13.34	6.44
(c) Provisions	0.00	2.17
(d) Current tax liabilities (net)	667.33	504.81
<b>Sub-total - Current Liabilities</b>		
	1050.53	532.65
<b>Total - Liabilities</b>		
	2741.52	1816.04
<b>TOTAL - EQUITY AND LIABILITIES</b>		

By Order of the Board of Directors  
for Hissar Spinning Mills Limited

  
(Anurag Gupta)  
Managing Director  
DIN: 00192888

Place: Chandigarh  
Dated: 30.05.2022

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**HISAR SPINNING MILLS LIMITED**  
 WITH K.M. STONE, HISAR BHIWANI ROAD, V.P.O. DABRA, HISAR - 125005

Statement of Cash Flows for the year ended 31st March 2022

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	647.91	204.98
Adjustments for:		
Depreciation expense	59.56	78.22
Net loss/(-) gain on disposal of property, plant and equipment	0.00	0.09
Government grant relating to EPCG Scheme	-82.94	-45.22
Government grant relating to property, plant and equipment	-0.04	-0.04
Fair value loss/(-) gain on financial instruments at FVTPL	0.00	-0.06
Net loss/(-) gain on foreign currency transactions and translation	-1.31	0.34
Provision for interest written back	-73.65	-20.39
Interest on shortfall in payment of advance income tax written back	0.00	-0.12
Deferred processing fees	0.03	0.06
Interest income	-6.76	-2.10
Finance costs	10.72	8.49
<b>Operating profit before working capital changes</b>	<b>453.57</b>	<b>208.23</b>
<b>Changes in working capital:</b>		
<b>Adjustments for decrease/(-) increase in operating assets:-</b>		
Inventories	-306.12	-111.54
Trade receivables	52.75	78.62
Other financial assets (current)	-33.49	-47.55
Other financial assets (non-current)	-1.62	0.00
Other assets (current)	-94.25	-27.40
Other assets (non-current)	-98.38	5.71
<b>Adjustments for increase/(-) decrease in operating liabilities:-</b>		
Trade payables	226.08	-35.62
Other financial liabilities (current)	23.99	20.78
Other financial liabilities (non-current)	-1.24	-22.64
Other liabilities (current)	32.40	5.78
Provisions (current)	-0.04	2.10
<b>Cash generated from operations</b>	<b>333.60</b>	<b>-35.39</b>
Income taxes paid (net of refund)	-90.58	-25.05
<b>Net cash flows from/(-) used in operating activities</b>	<b>243.02</b>	<b>-61.44</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment (including capital work-in-progress)	-618.51	-7.68
Proceeds from disposal of property, plant and equipment	0.00	0.21
<b>Bank balances not considered as cash and cash equivalents</b>		
(-) Increase/decrease in deposits with more than twelve months maturity (pledged with banks towards margin against bank guarantees)	-26.80	18.82
(-) Increase/decrease in deposits with original maturity more than twelve months but remaining maturity of less than twelve months (pledged with banks towards margin against bank guarantees)	17.01	-17.01
(-) Increase/decrease in deposits with original maturity more than three months but remaining maturity of less than twelve months	128.00	60.07
Interest received	10.18	8.52
<b>Net cash flows from/(-) used in investing activities</b>	<b>-484.12</b>	<b>83.03</b>

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Particulars	(Rs. in lakhs)	
	For the year ended 31.03.2022	For the year ended 31.03.2021
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from borrowings (non-current)	347.02	0.00
Repayment of borrowings (non-current)	-41.62	-67.25
Proceeds from borrowings (current) (net)	7.40	12.47
Finance costs paid (net of RTUEB subsidy and interest subvention for MSMEs)	-8.80	-8.95
Net cash flows from (-) used in financing activities	283.23	-53.73
Net increase/ (-) decrease in cash and cash equivalents	48.13	-72.14
Cash and cash equivalents at the beginning of the year	54.45	126.59
Cash and cash equivalents at the end of the year	102.58	54.45
<u>Components of cash and cash equivalents at the end of the year</u>		
Balance with Banks	100.23	50.27
- in current accounts	2.35	4.18
Cash on hand	102.58	54.45

**Notes:**

- The Statement of Cash Flows has been prepared in accordance with 'Indirect Method' as set out in Indian Accounting Standard (Ind AS) - 7 'Statement of Cash Flows', as notified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder.

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*Amrinder*

2. Changes in liability arising from financing activities:

Particulars	(Rs. in lakhs)	
	For the year ended 31.03.2022	For the year ended 31.03.2021
Opening balance of borrowings		
Borrowings (non-current)		
- Term loans (including current maturities)	60.71	164.06
- Other long-term borrowings (including current maturities)	1.25	4.77
Borrowings (current)	103.58	91.11
Cash Flows		
Proceeds from borrowings (non-current)		
- Term Loans	347.07	0.00
- Other long-term borrowings	0.00	0.00
Repayment of borrowings (non-current)		
- Term Loans	40.37	93.73
- Other long-term borrowings	1.25	3.52
Increase (or) decrease in borrowings (current)	7.44	12.47
Effective rate of interest adjustment	0.38	0.38
Closing balance of borrowings		
Borrowings (non-current)		
- Term Loans (including current maturities)	367.79	60.71
- Other long-term borrowings (including current maturities)	0.00	1.25
Borrowings (current)	98.14	103.58

By Order of the Board of Directors  
for Hissar Spinning Mills Limited

*Anurag Gupta*  
(Anurag Gupta)  
Managing Director  
DIN: 00192888

Place: Chandigarh  
Dated: 30.05.2022

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**Notes:**

1. The financial results have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 (and with relevant rules issued thereunder) and IASB's circular no. CS/2019/150 dated July 6, 2019 as amended from time to time.
2. The above results were reviewed by the Audit Committee and thereafter were approved by the Board of Directors at their respective meeting held on 31st May, 2022. The Statutory Auditors have expressed an unmodified opinion on the aforesaid results.
3. The figures of the quarter ended 31st March are the balancing figures between the audited figures in respect of the full financial year and the published year-to-date figures upto 31st December.
4. Previous reporting period figures in the financial results, including the notes thereto, have been reclassified wherever required in conformity to the current reporting period presentation classification.
5. The Company is primarily in the business of manufacturing and sale of cotton yarn blends (textile product). The Board of Directors of the Company, which has been designated as being the Chief Operating Decision Maker (CODM), evaluates the Company's performance, allocates resources based on the analysis of the various performance indicators of the Company as a single unit. Therefore, there is only one reportable segment for the Company.
6. The Company has decided to adopt the option permitted under Section 115BAA of the Income-tax Act, 1961 with effect from the year ended 31st March, 2020 relevant to the assessment year 2020-21. Accordingly, the Company has written back the excess provision of Income Tax amounting to Rs. 6.21 lakhs during the financial year 2020-21, out of provision for Income Tax of Rs. 74.83 lakhs made during the year ended 31st March, 2020, which was made on the basis of normal income tax rates prescribed for corporate assesses, other than those which have opted for payment of tax in certain special cases such as under Section 115BAA of the Income-tax Act, 1961. Accordingly, the Company has also recognized provision for taxation and measured its deferred tax assets/liabilities on the basis of rate prescribed in the said section and the impact of tax expense of current year and re-measurement of deferred tax assets/liabilities is recognised in these financial statements. Therefore, tax expenses are not comparable for all the periods presented in the above results.
7. The Company's operations and financial results for the year ended 31st March, 2022 and the corresponding year ended 31st March, 2021 are not comparable as the results of the previous year were impacted by COVID-19 pandemic and the consequent lockdown announced by the Central / State Governments, due to which the operations were suspended for part of the year ended 31st March, 2021.  
  
The Company has considered the possible effects that may result from the COVID-19 pandemic in the preparation of these audited financial results including but not limited to the assessment of liquidity position and recoverability of carrying value of its assets, comprising inventories and trade receivables. In servicing the assumptions relating to the possible future uncertainties in the global economic conditions because of the pandemic, the Company has, at the date of approval of these audited financial results, used internal and external sources of information and expects that the carrying amount of these assets will be recovered. Given the uncertainties associated with nature, condition and duration of COVID-19, the Company will closely monitor any material changes arising out of the future economic conditions and its impact on the business of the Company.
8. The Code on Social Security 2020 has been notified in the Official Gazette on 29th September, 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 becomes effective and the rules framed thereunder are published.
9. The new scheme for Remission of Duties and Taxes on Exported Products (RoDTEP) was introduced by Ministry of Commerce and Industry vide notification dated 17th August, 2021 for eligible exported goods. Accordingly, the Company has recognised in Revenue from operations the benefit of RoDTEP of Rs. 6.47 Lakhs during the year ended 31st March, 2022 relating to eligible export sales for the period from 1st January, 2021 to 31st March, 2021.

By Order of the Board of Directors  
for Hjar Spinning Mills Limited

Place: Chandigarh  
Date: 30.05.2022

  
(Anand Gupta)  
Managing Director  
DIN: 00192088

