

October 27, 2023

To BSE Limited Corporate Relationship Department 1 ST Floor, New Trading Ring Rotunda Building, P. J. Towers Dalal Street, Mumbai - 400 001 Scrip: 506390 E-mail: corp.relations@bseindia.com	To The National Stock Exchange of India Limited Listing Department, Exchange Plaza, 5 th floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051 Scrip: HEUBACHIND E-mail: cmlist@nse.co.in
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Subject: Outcome of Board Meeting held on October 27, 2023

Respected Sir/Ma'am,

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the Board of Directors of the Company at their meeting held today i.e., October 27, 2023, *inter alia*, approved and taken on record the Un-Audited Financial Results and Limited Review Report (enclosed herewith) for the quarter and half year ended September 30, 2023 along with the Statement of Assets and Liabilities and Cash Flow Statement as on September 30, 2023.

The Board Meeting commenced at 1:00 p.m. and concluded at 2:30 p.m.

Kindly take the above information on record and acknowledge the receipt.

Thanking you,

For **Heubach Colorants India Limited**



Amee Joshi

Company Secretary

Encl: As above

Independent Auditor's Review Report on unaudited financial results of Heubach Colorants India Limited (formerly Clariant Chemicals (India) Limited) pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To the Board of Directors of Heubach Colorants India Limited (formerly Clariant Chemicals (India) Limited)

1. We have reviewed the accompanying statement of unaudited financial results of Heubach Colorants India Limited (formerly Clariant Chemicals (India) Limited) ('the Company') for the quarter ended September 30, 2023 and the year to-date results for the period from April 01, 2023 to September 30, 2023 ('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 Regulations').
2. This Statement, which is the responsibility of the Company's Management and approved by its 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 and in compliance with the Regulations. 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. A review of interim financial information 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 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 and other recognized accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.105047W



Vishal Vilas Divadkar
Partner
Membership No.: 118247
UDIN: 23118247BGYDLF1747



Place: Mumbai
Date: October 27, 2023

Heubach Colorants India Limited

(formerly Clariant Chemicals (India) Limited)

Corporate Identity Number: L24110MH1956PLC010806

Registered Office : Rupa Renaissance, B Wing, 25th Floor, D-33, MIDC Road,
TTC Industrial Area, Juinagar, Navi Mumbai - 400705, India.

Website: www.heubach.com Email: investor.relations_india@heubach.com



STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2023

(₹ in Lakhs)

Particulars	As at	As at
	30-09-2023 (Unaudited)	31-03-2023 (Audited)
ASSETS		
Non-current assets		
(a) Property, plant and equipment	13,534	13,721
(b) Capital work-in-progress	915	753
(c) Goodwill	894	894
(d) Right of use assets	2,769	8
(e) Financial assets		
(i) Investments	423	300
(ii) Loans	12	5
(iii) Others	1,048	991
(f) Other non-current assets	742	1,170
(g) Non-current tax assets (net)	3,634	3,634
Sub-total - Non-current assets	23,971	21,476
Current assets		
(a) Inventories	11,564	12,930
(b) Financial assets		
(i) Trade receivables	27,513	21,773
(ii) Cash and cash equivalents	2,528	3,394
(iii) Bank balances other than (ii) above	486	488
(iv) Loans	4	14
(v) Other financial assets	2,159	351
(c) Other current assets	4,552	5,747
Sub-total - Current assets	48,806	44,697
TOTAL - ASSETS	72,777	66,173
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	2,308	2,308
(b) Other equity	43,713	40,934
Sub-total - Equity	46,021	43,242
Non-current liabilities		
(a) Financial liabilities		
(i) Lease liabilities	2,589	-
(b) Provisions	970	731
(c) Deferred tax liabilities (net)	440	571
Sub-total - Non-current liabilities	3,999	1,302
Current liabilities		
(a) Financial liabilities		
(i) Trade payables		
(a) Total outstanding dues of micro and small enterprises	534	393
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	16,295	17,341
(ii) Lease liabilities	204	-
(iii) Other financial liabilities	1,548	1,551
(b) Other current liabilities	1,937	288
(c) Provisions	1,080	1,067
(d) Current tax liabilities (net)	1,159	989
Sub-total - Current liabilities	22,757	21,629
TOTAL - EQUITY AND LIABILITIES	72,777	66,173

For Heubach Colorants India Limited



Bharath Seshu
Managing Director
DIN: 01983066

Place : Navi Mumbai
Date : October 27, 2023
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STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2023

(₹ in Lakhs)

Particulars	3 months ended	3 months ended	3 months ended	6 months ended	6 months ended	Year ended
	30-09-2023	30-06-2023	30-09-2022	30-09-2023	30-09-2022	31-03-2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 Income						
(a) Revenue from operations	20,035	20,935	18,841	40,970	40,850	76,642
(b) Other income	199	36	174	235	457	542
Total Income	20,234	20,971	19,015	41,205	41,307	77,184
2 Expenses						
(a) Cost of materials consumed	9,236	11,729	10,510	20,965	20,754	38,728
(b) Purchases of stock-in-trade	2,272	1,982	1,841	4,254	3,707	7,255
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	760	(1,102)	(639)	(342)	1,646	1,900
(d) Employee benefits expense	1,799	1,703	1,784	3,502	3,399	6,920
(e) Finance costs	63	10	8	73	16	45
(f) Depreciation and amortisation expense	582	492	517	1,074	1,034	2,040
(g) Other expenses	3,780	4,034	3,922	7,814	8,208	15,669
Total expenses	18,492	18,848	17,943	37,340	38,764	72,557
3 Profit before tax and exceptional item	1,742	2,123	1,072	3,865	2,543	4,627
Exceptional item (Refer note 3)	-	-	(632)	-	(632)	(630)
4 Profit before tax	1,742	2,123	440	3,865	1,911	3,997
5 Income Tax expense						
(a) Current tax	500	570	293	1,070	710	1,406
(b) Deferred tax	(47)	(47)	(20)	(94)	(60)	(223)
(c) Tax expense of prior period / years (Refer note 3)	-	-	940	-	940	896
Total tax expense	453	523	1,213	976	1,590	2,079
6 Net Profit/ (Loss) for the period / year	1,289	1,600	(773)	2,889	321	1,918
7 Other comprehensive Income / (Loss) (net of tax) (Items that will not be reclassified to profit or loss)						
(a) Remeasurement of the defined benefit plans	(127)	(20)	(3)	(147)	(5)	(83)
(b) Income tax relating to items that will not be reclassified to profit or loss	32	5	1	37	1	21
	(95)	(15)	(2)	(110)	(4)	(62)
8 Total comprehensive Income / (loss) for the period / year	1,194	1,585	(775)	2,779	317	1,856
9 Paid up equity share capital (Face value of ₹10 each)	2,308	2,308	2,308	2,308	2,308	2,308
10 Other equity (including reserves)						40,934
11 Earnings per share (of ₹ 10 each) Basic and diluted (₹)	5.58	6.93	(3.35)	12.52	1.39	8.31



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Notes:

- 1) The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on October 27, 2023. In terms of SEBI Circular CIR/CFD/CMD56/2016 dated May 27, 2016, the Company hereby declares that the Auditors have issued Limited Review Report with unmodified opinion on above results for the quarter and six months period ended September 30, 2023.
- 2) This Statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- 3) The Company had recorded tax expense ₹ 892 Lakhs and interest thereon ₹ 630 aggregating to ₹ 1,522 Lakhs in respect of AY 2012-13 against the final assessment order dated November 22, 2022 consequent to "Mutual Agreement Procedure" (MAP) resolution agreed between Indian and Singapore competent authorities in accordance with rule 44G(6) of the Income Tax Rules, 1962. This case was primarily related to transfer pricing adjustment arising from international transactions with Associated Enterprise "Clariant (Singapore) Pte Ltd". The Company had deposited ₹ 1,832 lakhs under protest with Income Tax Authorities in earlier years. The tax expenses and interest thereon had been disclosed under "Tax expense of prior years" and Exceptional item" respectively for the year ended March 31, 2023.
- 4) The Company had been reporting its operating segments as (1) Plastic and Coating and (2) Specialty Chemicals. However, from the current financial year, the Chief Operating Decision Maker ('CODM') has revisited their review of the company's performance and allocation of resources to be under a single operating segment viz "Colorants" having similar economic characteristics primarily with operations in India. As such, the Company's business activity falls within a single primary business segment viz "Colorants" in line with IND AS -108 "Operating Segments".
- 5) The Company had entered into a "Power Purchase Agreement" (PPA) with Dalavaipuram Renewables Private Limited ('DRPL') dated January 31, 2023 pursuant to which (Captive Power Producer) would produce and supply solar power for captive use by the Company (Captive User). As part of the arrangement, the Company, Continuum Green Energy (India) Private Limited ('CGEIPL') and DRPL had entered into a "Share Purchase and Shareholders Agreement" (SPSA) dated May 15, 2023. Both the PPA and the SPSA had been executed as the same are required for a Power Plant to qualify as a Captive Generating Power Plant as per the Electricity laws. During the quarter, the investment of Rs.123.16 lakhs represented by 3,07,896 equity shares of Rs.10 each and 9,23,662 Non-interest bearing optionally convertible debenture of Rs. 10 each of DRPL was made by the Company and the same will be carried at fair value through Profit and Loss.
- 6) The Board, at their meeting held on February 03, 2023, based on recommendation of the Nomination & Remuneration Committee, approved the appointment of Mr. Jugal Sahu, Chief Financial Officer of the Company as Executive Director and Chief Financial Officer for a period of 3 years from February 3, 2023 to February 2, 2026, which was approved by the shareholders by way of a Special Resolution through Postal Ballot on March 24, 2023.
- 7) The Company had entered into a "Captive Power Agreement" (CPA) with First Energy 2 Private Limited ('FE2PL') dated December 02, 2022 pursuant to which FE2PL (Captive Power Producer) would produce and supply solar power for captive use by the Company (Captive User). As part of the arrangement, the Company, First Energy Private Limited ('FEPL') and FE2PL had entered into a "Share Subscription & Shareholders Agreement (SSSA) dated December 02, 2022. Both the CPA and the SSSA had been executed as the same are required for a Power Plant to qualify as a Captive Generating Power Plant as per the Electricity laws. The investment of Rs.300 lakhs represented by 30,00,000 equity shares of Rs.10 each of FE2PL as made by the Company, had been designated as investment in Unquoted Equity Shares and the same will be carried at fair value through Profit and Loss.
- 8) Subsequent to the quarter end, the Honourable Supreme Court of India has on 19th October 2023 delivered a judgment in favour of the Revenue authorities, for another Company, with respect to the 'Most Favoured Nation (MFN)' clause benefit. The Company had also availed this MFN benefit in the past and accordingly deducted withholding tax on dividend repatriations at a lower tax rate. While the Company continues to assess the implications of this judgment on itself and is seeking independent legal and tax advice, a liability of INR 1,734 lakhs has been created in the books in the current quarter, for the differential tax liability. Further, basis indemnification rights available to the Company, as confirmed by the Promoter Shareholders, a receivable of the same amount has also been recorded, in accordance with Ind AS 37. The impact on Profit & Loss is therefore NIL. This is considered as an adjusting subsequent event for the current quarter".
- 9) The figures for the previous periods have been regrouped/ reclassified wherever necessary, to conform to the current period's classification.

Place : Navi Mumbai
Date : October 27, 2023
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For Heubach Colorants India Limited



Bharath Saha
Bharath Saha
Managing Director
DIN: 01983066

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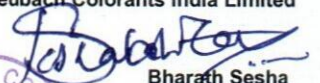


STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2023

(₹ in Lakhs)

Particulars	Six Months ended 30-09-2023	Six Months ended 30-09-2022
	(Unaudited)	(Unaudited)
A. Cash flow from operating activities :		
Profit before tax	3,865	1,911
Adjustments for:		
Depreciation and amortisation expense	1,074	1,034
Unrealised foreign exchange (Gain) / loss (net)	(151)	(93)
Interest income	(31)	(1)
Profit on sale of property, plant and equipment	(3)	(3)
Fair value gain on investments	-	(1)
Provision for allowances for Credit Losses	5	(10)
Finance costs	73	16
Exceptional Item	-	632
Operating profit before working capital changes	4,832	3,485
Adjustments for changes in working capital :		
Trade receivables	(5,597)	2,005
Other current assets	1,195	399
Other non-current assets	427	(136)
Other financial assets	(1,860)	5
Inventories	1,366	2,189
Trade payables	(901)	(4,316)
Non-current provisions	92	56
Current provisions	13	(91)
Other current liabilities	1,649	(33)
Other financial liabilities	(10)	(193)
Cash generated from operations	1,206	3,370
Taxes paid (net of refunds)	(900)	(598)
Net cash generated from operating activities	306	2,772
B. Cash flow from investing activities :		
Purchase of property, plant and equipment (Including capital work-in-progress)	(979)	(874)
Sale proceeds of property, plant and equipment	5	4
Investment made during the period	(123)	-
Sale proceeds of current investments	-	932
Interest income received	31	1
Net cash generated from / (used in) investing activities	(1,066)	63
C. Cash flow from financing activities :		
Finance costs paid	(9)	-
Principal payment of lease liabilities	(40)	(17)
Interest payment of lease liabilities	(57)	(1)
Net Cash used in financing activities	(106)	(18)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(866)	2,817
CASH AND CASH EQUIVALENTS AS AT BEGINNING OF THE YEAR	3,394	693
CASH AND CASH EQUIVALENTS AS AT THE END OF THE PERIOD (NET OF BANK OVERDRAFT)	2,528	3,510

For Heubach Colorants India Limited



Bharath Sesha
Managing Director
DIN: 01983066



Place : Navi Mumbai
Date : October 27, 2023
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