

11<sup>th</sup> July, 2017

BSE Limited  
Corporate Relationship Department,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai-400 001  
Fax No: 022-22721919, 3121  
BSE Scrip code: 502873

**RE-SUBMISSION OF FINANCIAL RESULTS**

**Sub: Discrepancies in Financial Results of the Company for the Quarter\Year ended March, 2017**

**Ref: E-mail dated 10<sup>th</sup> July, 2017**

Dear Sir,

In response to your captioned e-mail dated 10<sup>th</sup> July, 2017, please find enclosed herewith Audited Financial Results for the Quarter\Year ended 31<sup>st</sup> March, 2017 with correction of following discrepancies:

1. Financial Result is in the format of Schedule III of the Companies Act, 2013 as per the SEBI circular Ref. CIR/CFD/FAC/62/2016 dated July 05, 2016.
2. Statement of Assets & Liabilities is now tallied.
3. Submission of Audited Result for quarter ended 31<sup>st</sup> March, 2017 & 31<sup>st</sup> March, 2016 as per the Regulation 33 (3) (e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, pursuant to Regulation 46(3) (b) of SEBI (LODR) Regulations, the revised financial results are being uploaded on the website of the Company.

Kindly acknowledge the receipt.

**Thanking you,**

**Yours truly,**  
For *H P Cotton Textile Mills Limited*,

  
**Shashi Ranjan Kumar**  
(Company Secretary & Compliance Officer)

**H.P. Cotton Textile Mills Limited**

Regd. Office & Works:  
15 K.M. Stone, Delhi Road, VPO Mayar, Hisar - 125 044, Haryana, India  
Tel: 01662 261425/26/27 | Fax: 01662 261417  
Email: hisar@hpthreads.com

**Corporate Office:**

1E/12 Jhandewalan Extension, 4th Floor, New Delhi - 110 055, India  
Tel: +91 (0)11 23636663/64, 41540471 | Fax: +91 (0)11 2354 1076, 23610076  
Email: info@hpthreads.com

**H P COTTON TEXTILE MILLS LIMITED**

Regd. Office: 15th K.M. Stone, Delhi Road, Hisar 125044, Haryana  
 CIN: L18101HR1981PLC012274 - Ph. No. 91-11-41540471, Fax: 91-11-49073410,  
 Website: <http://www.hpthreads.com> - E-mail: [info@hpthreads.com](mailto:info@hpthreads.com)

**FINANCIAL RESULTS FOR THE QUARTER/YEAR ENDED 31.03.2017****PART-1****(Rs. In Lakhs)**

Particulars	Quarter Ended			Year Ended	
	*31-Mar-2017 Audited	31-Dec-2016 Unaudited	*31-Mar-2016 Audited	31-Mar-2017 Audited	31-Mar-2016 Audited
<b>1. Income from Operations</b>					
(a) Net Sales/Income from Operations (Net of excise duty)	2917	2167	2161	9024	8851
(b) other income	14	24	27	46	52
<b>Total income from Operations (net) ( (a)+(b) )</b>	<b>2931</b>	<b>2191</b>	<b>2188</b>	<b>9070</b>	<b>8903</b>
<b>2. Expenses</b>					
Cost of Materials consumed	1490	1182	1066	4683	4052
Changes in inventories of finished goods, work-in progress and stock-in-trade	110	(42)	(62)	6	101
Employee benefits expense	416	522	490	1852	1767
Finance costs	47	59	25	168	139
Depreciation and amortization expense	27	28	39	108	120
Corporate Social Responsibility Exp.	-	-	-	-	-
Other expenses	763	659	601	2589	2427
<b>Total Expenses</b>	<b>2853</b>	<b>2408</b>	<b>2159</b>	<b>9406</b>	<b>8606</b>
<b>3. Profit / (Loss) exceptional and extraordinary items (1-2)</b>	<b>78</b>	<b>(217)</b>	<b>29</b>	<b>(336)</b>	<b>297</b>
<b>4. Exceptional Items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>5. Profit / (Loss) extraordinary items (3 + 4)</b>	<b>78</b>	<b>(217)</b>	<b>29</b>	<b>(336)</b>	<b>297</b>
<b>6. Extraordinary items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>7. Profit / (Loss) Profit before tax (5-6)</b>	<b>78</b>	<b>(217)</b>	<b>29</b>	<b>(336)</b>	<b>297</b>
<b>8. Tax expense</b>	<b>22</b>	<b>(70)</b>	<b>2</b>	<b>(113)</b>	<b>95</b>
<b>9. Profit / (Loss) after tax (7-8)</b>	<b>56</b>	<b>(147)</b>	<b>27</b>	<b>(223)</b>	<b>202</b>
<b>10. Paid-up equity share capital (Face Value of the Share shall be indicated)</b>	<b>381</b>	<b>381</b>	<b>381</b>	<b>381</b>	<b>381</b>
<b>11. Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1276</b>	<b>1499</b>

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16. Earnings per share (of Rs 10 each) not annualized in Rs Basic	1.48	(3.85)	0.72	(5.85)	5.30
Diluted	1.48	(3.85)	0.72	(5.85)	5.30

**PART-2**

(Rs. In Lakhs)

**ASSETS AND LIABILITIES AS AT 31<sup>ST</sup> MARCH, 2017**

Particulars	31-Mar-2017 (Audited)	31-Mar-2016 (Audited)
<b>SHARE CAPITAL</b>	381	381
<b>RESERVE</b>	1276	1499
<b>Sub Total- Shareholder Funds</b>	<b>1657</b>	<b>1880</b>
<b>NON-CURRENT LIABILITIES</b>		
Long Term Borrowing	710	8
Deferred Tax Liabilities	-	-
Other Long-Term Liabilities	-	-
Long Term Provisions	282	237
<b>Sub Total-Non-Current Liabilities</b>	<b>992</b>	<b>245</b>
<b>CURRENT LIABILITIES</b>		
Short Term Borrowing	1253	1054
Trade Payables	1487	624
Other Current Liabilities	379	336
Short Term Provisions	145	273
<b>Sub Total-Current Liabilities</b>	<b>3264</b>	<b>2287</b>
<b>Total Equity and Liabilities</b>	<b>5913</b>	<b>4412</b>
<b>NON-CURRENT ASSETS</b>		
Fixed Assets:		
Tangible Assets	745	778
Capital Work-in-progress	1022	-
Long Term Loan and Advances	151	124
Deferred Tax assets	128	10
<b>Sub Total-Non-Current Assets</b>	<b>2046</b>	<b>912</b>
<b>CURRENT ASSETS</b>		
Inventories	2100	2076
Trade Receivables	870	733
Cash and Bank Balance	211	79



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Short Term Loan & Advances	686	612
<b>Sub Total-Current Assets</b>	<b>3867</b>	<b>3500</b>
<b>Total Assets</b>	<b>5913</b>	<b>4412</b>

### **Note:**

1. The above financial results were reviewed and recommended by the Audit Committee and has been approved by the Board of Directors and taken on record in their meeting held on 29<sup>th</sup> May, 2017.
2. In accordance with the provision of Accounting Standard 17, the company has primary reportable segment consisting of 'Textile' (Spinning). Hence segment wise reporting as defined is not applicable.
3. Due to loss during this financial year, Board is not able to recommend any dividend.
4. The Company does not have any exceptional or extraordinary item to report for the above period.
5. \*Figures for the quarter ending 31/03/2017 and 31/03/2016 are the balancing figures between Audited figures for the full financial year and the published year to date figures up to the third quarter of the financial year of the Company.
6. Previous period figures have been regrouped, rearranged, restarted and re classified wherever necessary, for the purpose of comparison.
7. This statement is as per Reg. 33 of SEBI(LODR) Regulation, 2015.
8. The quarterly/annual financial results are available on the Company website ([www.hpthreads.com](http://www.hpthreads.com)) and also on the website of BSE Limited ([www.bseindia.com](http://www.bseindia.com)).

For H P Cotton Textile Mills Limited

  
Kailash Kumar Agarwal  
Managing Director  
DIN: 00063470

Place: New Delhi  
Date: 29/05/2017

# A K ASSOCIATES

Chartered Accountants

## INDEPENDENT AUDITOR'S REPORT

To the Members of H P Cotton Textile Mills Limited

### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **H P Cotton Textile Mills Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting

principles generally accepted in India, of the state of affairs of the Company as at 31 March 2017, and its loss and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by the law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016.
  - (e) On the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:-
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 26 and 27 to the financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management –Refer Note 28 to the financial statements.

For A.K. ASSOCIATES  
Chartered Accountants  
Firm's Registration No. 000596N

  
(A.K. GUPTA)

PARTNER

Membership No. 16533

Place of Signature: NEW DELHI

Date: 29<sup>th</sup> May, 2017

# A K ASSOCIATES

Chartered Accountants

**Annexure referred to in paragraph 'Report on Other Legal and Regulatory Requirements' of our report of even date**

**Re: H P Cotton Textile Mills Limited ('the Company')**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have been physically verified by the management during the year. No material discrepancies were noticed on such verification.
- (c) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the title deeds of immovable properties are held in the name of the Company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, guarantees, and securities granted and investments made in respect of which provisions of Section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits from the public. Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company and hence not commented upon.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013, related to the manufacture of products, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues were outstanding at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, there are no dues of income tax or sales tax or service tax or customs duty or excise duty or value added tax which have not been deposited on account of any dispute.
- (viii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the

management, we are of the opinion that the Company has not defaulted in repayment of dues of loans and borrowing from banks. Further, the Company does not have any debentures and loans from financial institutions and government.

(ix) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments. The term loans were applied for the purposes for which those are raised.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud on or by the officers and employees of the Company has been noticed or reported during the year.

(xi) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

(xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.

(xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.

(xvi) According to the information and explanations given to us, the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For A.K. ASSOCIATES  
Chartered Accountants  
Firm's Registration No. 000596N



(A.K.GUPTA)  
PARTNER  
Membership No. 16533

Place of Signature: NEW DELHI

Date: 29<sup>th</sup> May, 2017





# A K ASSOCIATES

Chartered Accountants

## **ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF H P COTTON TEXTILE MILLS LIMITED**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

To the Members of H P Cotton Textile Mills Limited

We have audited the internal financial controls over financial reporting of H P Cotton Textile Mills Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial