



BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400001

October 29, 2021

Ref: H.P. Cotton Textile Mills Limited (Scrip Code: 502873)

Sub: Outcome of Board Meeting of H.P. Cotton Textile Mills Limited held on October 29, 2021

Dear Sir,

We wish to inform you that the Board of Director's in their Meeting held today i.e. October 29, 2021 has inter alia, considered and approved the Un-Audited Financial Results along with the Limited Review Report for the quarter/half year ended September 30, 2021.

Pursuant to Regulation 33 of Securities Exchange Board of India (Listing and other Disclosure Requirements) Regulations, 2015, please find enclosed herewith Un-audited Financial Results along with Limited Review Report for the quarter/half year ended September 30, 2021.

The copies of the above results are also uploaded on the Company's website <https://www.hpthreads.com>

The said meeting of the Board of Directors commenced at 02:30 P.M. and concluded at 03:12 P.M.

You are requested to kindly take the same on your record.

Yours Faithfully,

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



Shubham Jain
Company Secretary and Compliance Officer

Encl: As above



H.P. Cotton Textile Mills Limited

(A Government of India recognised Star Export House)

Corporate Office:

F-0, The Mira Corporate Suites,
1 & 2, Old Ishwar Nagar, Mathura Road,
New Delhi - 110065, India

www.hpthreads.com

T: +91 11 26927387, 49073415

+91 11 41540471 / 72 / 73

F: +91 11 49073410

E: info@hpthreads.com

Regd. Office & Works:

15 K.M. Stone, Delhi Road,
V.P.O. Mayar, Hisar - 125 044,
Haryana, India

CIN NO. L18101HR1981PLC012274



Walker Chandiook & Co LLP

Walker Chandiook & Co LLP

21st Floor, DLF Square
Jacaranda Marg, DLF Phase II
Gurgaon 122002
India

T +91 124 462 8000
F +91 124 462 8001

Independent Auditor's Review Report on Unaudited Quarterly Financial Results and Year to Date 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 of H.P. Cotton Textile Mills Limited

1. We have reviewed the accompanying statement of unaudited financial results ('the Statement') of H.P. Cotton Textile Mills Limited ('the Company') for the quarter ended 30 September 2021 and the year to date results for the period 01 April 2021 to 30 September 2021, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. The Statement, which is the responsibility of the Company's management and approved by the Company's 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 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. 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 Engagements (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 the Standards on Auditing specified under section 143(10) of the Act, 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.



Walker Chandiook & Co LLP

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

4. Based on our review conducted as 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, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Walker Chandiook & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013

Rohit Arora

Rohit Arora
Partner
Membership No. 504774
UDIN: 21504774AAAAJP6014



Place: New Delhi
Date: 29 October 2021

H.P. Cotton Textile Mills Limited

Regd. Office:- 15th Km Stone, Delhi Road, VPO- Mayar, Hisar, Haryana-125044
 CIN: L1810HR1981PLC012274, Email: info@hpthreads.com, Website: www.hpthreads.com
 Tel: +91-11-41540471, Fax: +91-11-49073410

Statement of unaudited financial results for the quarter and six months ended 30 September 2021

(₹ in lakhs except as stated)

Particulars	Three months ended 30 September 2021	Three months ended 30 June 2021	Three months ended 30 September 2020	Six months ended 30 September 2021	Six months ended 30 September 2020	Year ended 31 March 2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Income:						
I. Revenue from operations	3,351	3,093	2,476	6,444	4,215	9,657
II. Other income	37	59	41	96	56	132
III. Total income (I + II)	3,388	3,152	2,517	6,540	4,271	9,789
Expenses:						
IV. Cost of materials consumed	1,448	1,370	866	2,818	1,462	3,775
Changes in inventories of finished goods and work-in-progress	(188)	(47)	36	(235)	160	(214)
Employee benefits expense	818	656	780	1,474	1,149	2,537
Finance costs	66	62	68	128	128	249
Depreciation and amortisation expense	71	68	68	139	133	271
Other expenses	821	652	618	1,473	1,036	2,622
Total expenses (IV)	3,036	2,761	2,436	5,797	4,068	9,240
V. Profit before tax (III - IV)	352	391	81	743	203	549
VI. Tax expense:						
- Current tax	59	65	14	124	22	93
- Deferred tax	21	33	16	54	39	96
Total tax expense	80	98	30	178	61	189
VII. Profit for the period/year (V - VI)	272	293	51	565	142	360
VIII. Other comprehensive income						
Items that will not be reclassified to profit or loss						
Re-measurement (loss)/gain of defined benefit obligations	-	-	-	-	-	(22)
Income tax relating to these items that will not be reclassified to profit or loss	-	-	-	-	-	6
IX. Total comprehensive income for the period/year (comprising profit and other comprehensive income for the period/year) (VII+ VIII)	272	293	51	565	142	344
X. Paid-up equity share capital (face value per share Rs. 10)	381	381	381	381	381	381
XI. Other equity						1,853
XII. Earnings per share (face value of Rs. 10 each)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(annualised)
(a) Basic (Rs.)	7.14	7.70	1.34	14.82	3.73	9.46
(b) Diluted (Rs.)	7.14	7.70	1.34	14.82	3.73	9.46

1. The unaudited financial results of H.P. Cotton Textile Mills Limited ("the Company") have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 29 October 2021. The statutory auditors have carried out a limited review of unaudited financial results of the Company for the quarter and six months ended 30 September 2021, in accordance with Regulation 33 of the Securities and Exchange Board of India (Listing and other Disclosure Requirements) Regulation, 2015 and have issued an unmodified review report.

2. The above results have been prepared in accordance with the recognition and measurement principles of applicable Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), specified under section 133 of the Companies Act, 2013.

3. In accordance with Ind AS 108, the Board of Directors being the chief operating decision maker of the Company has determined its only business segment viz Textile (spinning). Since the Company's business is from manufacturing and sale of textile (spinning) and there are no other identifiable reportable segments, the segment revenue, segment results, total carrying amount of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of charge for depreciation during the period is as reflected in the financial results.

4. As notified vide disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 dated 19 March 2019, the Company's promoters have entered into a family agreement dated 14 March 2019, which would result in inter-se transfer of equity shares of the Company by and among member of the Promoter Group over next two years (collectively, the "Proposed Family Re-arrangement"), which has partially been executed and partially would be executed in due course.

In continuance of the above family arrangement, Mr. Ravindra Agarwal, Mr. Surendra Kumar Agarwal and Mr. Kailash Kumar Agarwal have executed another re-arrangement agreement dated 12 February 2020, which would result in an inter-se transfer of all equity shares of Mr. Ravindra Agarwal & family and Mr. Surendra Kumar Agarwal & family to Mr. Kailash Kumar Agarwal. The proposed family re-arrangement would also entail an indirect acquisition of shares of the Company held by certain entities, namely, Jainish Products Limited, Sailsesh Textile Manufacturing Company Limited, Achhar Investments Limited and Sacred Trading & Investment Co. Limited, all of which belong to the Promoter Group (collectively, the and "Promoter group Companies"), by the same persons belonging to the promoter group.

5. During the current quarter, the new scheme for Remission of Duties and Taxes on Exported Products (RoDTEP) was introduced by Ministry of Commerce and Industry vide notification dated 17 August 2021 for eligible exported goods. Accordingly the company has recognised in Revenue from operations the benefit of RoDTEP of Rs 129.08 lakhs during the quarter ended 30 September 2021, out of which Rs 45.51 lakhs benefit pertains to eligible export sales for the period from 1 January 2021 to 31 March 2021 and Rs 41.88 lakhs benefit pertains to export sales for the period from 1 April 2021 to 30 June 2021.

6. Pursuant to notification issued by Ministry of Corporate Affairs dated March 24, 2021, in respect of changes incorporated in Schedule III of the Companies Act, 2013, the figures of the corresponding previous period/year have been regrouped/reclassified wherever necessary, to make them comparable.

For H P Cotton Textile Mills Limited


 Raghav Kumar Agarwal
 Executive Director, CEO & CFO
 DIN: 02836610



SIGNED FOR IDENTIFICATION PURPOSES



Place : New Delhi
 Date : 29 October 2021

H.P. Cotton Textile Mills Limited

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7 Unaudited Statement of assets and liabilities as at 30 September 2021

(₹ in lacs except as stated otherwise)

Particulars	As at	As at
	30 September 2021 (Unaudited)	31 March 2021 (Audited)
I ASSETS		
Non-current assets		
(a) Property, plant and equipment	2,264	2,080
(b) Capital work-in-progress	402	103
(c) Right-of-use assets	82	106
(d) Other intangible assets	63	74
(e) Financial assets		
(i) Other financials assets	143	143
(f) Non current tax assets (net)	14	13
(g) Other non-current assets	59	51
	3,027	2,570
Current assets		
(a) Inventories	2,852	2,821
(b) Financial assets		
(i) Trade receivables	1,535	1,382
(ii) Cash and cash equivalents	7	10
(iii) Bank balance other than (ii) above	250	320
(iv) Other financial assets	371	230
(c) Other current assets	729	814
	5,744	5,577
Total assets	8,771	8,147
II EQUITY AND LIABILITIES		
EQUITY		
(a) Equity share capital	381	381
(b) Other equity	2,418	1,853
	2,799	2,234
LIABILITIES		
Non current liabilities		
(a) Financial liabilities		
(i) Borrowings	486	255
(ii) Lease liability	24	52
(b) Deferred tax liabilities (net)	118	64
(c) Provisions	375	274
	1,003	645
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	1,822	1,633
(ii) Lease liability	54	52
(iii) Trade payables		
i) total outstanding dues of micro enterprises and small enterprises	64	80
ii) total outstanding dues of creditor other than micro enterprises and small	1,685	2,061
(iv) Other financial liabilities	523	437
(b) Other current liabilities	508	768
(c) Provisions	187	193
(d) Current tax liabilities (net)	126	44
	4,969	5,268
Total equity and liabilities	8,771	8,147

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[Handwritten Signature]



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8. Unaudited Statement of cash flow for the six months ended 30 September 2021

₹ in lacs except as stated otherwise

Particulars	Six months ended 30 September 2021	Six months ended 30 September 2020
	(Unaudited)	(Unaudited)
A. Cash flows from operating activities		
Net profit before tax	743	203
Adjustment for:		
Depreciation and amortisation expense	138	133
Unrealised foreign exchange fluctuation	(30)	(7)
Bad-debts written off	19	-
Interest income	(13)	(12)
Interest expense	128	128
Interest and expenses for fair valuation of deposits	_*	_*
Operating profit before working capital changes	985	445
Movements in working capital :		
(Increase) in other non-current assets	(5)	(1)
(Increase)/decrease in other financial assets	(141)	2
(Increase) in trade receivables	(154)	(378)
Decrease/ (Increase) in other current assets	86	(220)
(Increase)/ decrease in inventories	(31)	16
(Decrease) in trade payables	(393)	(156)
Increase in other financial liabilities	38	87
(Decrease)/ Increase in other current liabilities	(260)	321
Increase in provisions	95	58
Cash generated from operations	220	174
Income taxes paid (net of refund received during the period)	(42)	38
Net cash flow generated from operating activities	178	212
B. Cash flows from investing activities		
Purchase of property, plant and equipment, including intangible assets, capital work in progress and capital advances	(571)	(120)
Proceeds from fixed deposits	71	-
Interest received	11	8
Net cash flow (used in) investing activities	(489)	(112)
C. Cash flows from financing activities		
Proceeds from long-term borrowings	180	376
Repayment of long-term borrowings	(85)	(18)
Repayment of short-term borrowings(net)	338	(307)
Payment of principal portion of lease liability	(26)	(24)
Payment of interest portion of lease liability	(5)	(7)
Finance charges paid	(94)	(90)
Net cash flow generated from/(used in) financing activities	308	(70)
D. Net (decrease)/increase in cash and cash equivalents (A+B+C)	(3)	30
E. Cash and cash equivalents at the beginning of the period	10	11
F. Cash and cash equivalents at the end of the period (D+E)	7	41
G. Cash and cash equivalents comprises of:		
i. Balances with scheduled banks - in current accounts	6	41
ii. Cash on hand	1	_*
	7	41

*rounded off to nil

Note:

The above cash flow statement has been prepared under the 'indirect method' as set out in Ind AS 7, 'Statement of cash flows'.

For H P Cotton Textile Mills Limited

Raghav Kumar Agarwal
 Executive Director, CEO & CFO
 DIN: 02836610



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Place : New Delhi
 Date : 29 October 2021

