



BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400001

November 14, 2022

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

Sub: Outcome of Board Meeting of H.P. Cotton Textile Mills Limited held on November 14, 2022

Dear Sir,

We wish to inform you that the Board of Directors in their Meeting held today i.e. November 14, 2022 has, inter alia, considered and approved the Un-audited Standalone and Consolidated Financial Results along with the Limited Review Report of the Company for the quarter and half year ended September 30, 2022.

Pursuant to Regulation 33 of Securities Exchange Board of India (Listing and other Disclosure Requirements) Regulations, 2015, please find enclosed Un-audited Standalone and Consolidated Financial Results along with Limited Review Report for the quarter and half year ended September 30, 2022.

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 04:30 P.M. and concluded at 05:09 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

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

CIN NO. L18101HR1981PLC012274



ISO 9001 : 2008

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Independent Auditor's Review Report on Consolidated 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 consolidated financial results ('the Statement') of H.P. Cotton Textile Mills Limited ('the Holding Company') and its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group'), (refer Annexure 1 for the list of subsidiary included in the Statement) for the quarter ended 30 September 2022 and the consolidated year to date results for the period 01 April 2022 to 30 September 2022, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding 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 Listing 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 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.

We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the Listing Regulation, to the extent applicable.

4. As stated in note 6 to the unaudited consolidated financial results, the Holding Company has recorded work-in-progress inventory held as at 30 September 2022 aggregating to Rs. 2,824.99 lakhs at cost computed in accordance with Indian Accounting Standard 2, Inventories ('Ind AS 2'). For reasons described in note 6 to unaudited consolidated financial results, the management of the Holding Company has not been able to determine the net realisable value of aforesaid work-in-progress inventory balance, and thus, the valuation of such work-in-progress inventory is not in accordance with Ind AS 2. In the absence of necessary assessment by the Holding Company's management and lack of sufficient appropriate evidence from any alternate procedures, we are unable to comment upon the adjustments (if any) that may be required to the carrying value of the aforesaid work-in-progress inventory and its consequential impact on the accompanying unaudited consolidated financial results as of 30 September 2022 and for the quarter and six months then ended.



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5. Based on our review conducted and procedures performed as stated in paragraph 3 above, except for the possible effects of the matter described in paragraph 4, 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.
6. The Statement includes the interim financial information of one subsidiary, which have not been reviewed by us, whose interim financial information reflect total assets of ₹ 1 lakh as at 30 September 2022, and total revenues of ₹ Nil and ₹ Nil, net profit after tax of ₹ Nil and ₹ Nil, total comprehensive income of ₹ Nil and ₹ Nil for the quarter and six-month period ended 30 September 2022 respectively, cash flow (net) of ₹ 1 lakh for the period ended 30 September 2022 as considered in the Statement, and have been furnished to us by the Holding Company's management. Our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, are based solely on such unreviewed interim financial information. According to the information and explanations given to us by the management, this interim financial information is not material to the Group.

Our conclusion is not modified in respect of this matter with respect to our reliance on the financial information certified by the Board of Directors.

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

Ashish
Gera

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Ashish Gera
Date: 2022.11.14
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Ashish Gera
Partner
Membership No. 508685
UDIN: 22508685BDBGSM9935



Place: Gurugram
Date: 14 November 2022

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Annexure 1

List of entities included in the Statement

Name of Holding Company

- a. H.P. Cotton Textile Mills Limited

Name of Subsidiary

- a. HP MMF Textiles Limited

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 consolidated financial results for the quarter and six months ended 30 September 2022

(₹ in lacs except as stated otherwise)

Particulars	Quarter ended 30 September 2022	Six months ended 30 September 2022
	(Unaudited)	(Unaudited)
Income:		
I. Revenue from operations	1,820	3,800
II. Other income	50	138
III Total income (I + II)	1,870	3,938
IV Expenses:		
Cost of materials consumed	1,251	2,588
Changes in inventories of finished goods and work-in-progress	(520)	(1,065)
Employee benefits expense	536	1,132
Finance costs	106	202
Depreciation and amortisation expense	90	179
Other expenses	715	1,394
Total expenses (IV)	2,178	4,430
V Loss before tax (III - IV)	(308)	(492)
VI Tax expense:		
- Current tax	-	-
- Deferred tax (credit)/expense	(85)	(128)
Total tax expense	(85)	(128)
VII Loss for the period/year (V - VI)	(223)	(364)
VIII Other comprehensive income		
Items that will not be reclassified to profit or loss		
Re-measurement gain of defined benefit obligations	-	-
Income tax relating to these items that will not be reclassified to profit or loss	-	-
IX Total comprehensive loss for the period/year {comprising loss and other comprehensive income for the period/year} (VII+ VIII)	(223)	(364)
X Paid-up equity share capital (face value per share Rs. 10)	387	387
XI Other equity		2,282
XII Earnings per share (face value of Rs. 10 each)	(not annualised)	(not annualised)
(a) Basic (Rs.)	(9.41)	(9.41)
(b) Diluted (Rs.)	(9.41)	(9.41)

1. The unaudited consolidated financial results of H.P. Cotton Textile Mills Limited ("the Holding Company") for the quarter and period ended 30 September 2022 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 14 November 2022. The statutory auditors have carried out a limited review of unaudited consolidated financial results of the Holding Company, in accordance with Regulation 33 of the Securities and Exchange Board of India (Listing and other Disclosure Requirements) Regulation, 2015 and have issued a modified 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, other accounting principles generally accepted in India and in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements), 2015 as amended.

3. In accordance with Ind AS 108, the Board of Directors of the Holding Company, being the chief operating decision maker, have determined their only business segment viz Textile (spinning). Since the Group'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 consolidated financial results.

4. As notified vide disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 dated 19 March 2019, the Holding 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 Holding Company by and among members 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.



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Statement of unaudited consolidated financial results for the quarter and six months ended 30 September 2022

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. During the previous year, the proposed inter-se transfer from Mr. Surendra Kumar Agarwal and family to Mr. Kailash Kumar Agarwal and the indirect acquisition of shares of the Holding Company held by certain entities, namely, Jainish Products Limited, Sailesh Textile Manufacturing Company Limited, Achhar Investments Limited and Sacred Trading & Investment Co. Limited has been completed in favour of Mr. Kailash Kumar Agarwal.

5. The Holding Company's application under the Production Linked Incentive (PLI) Scheme for Textiles (PLI-Textiles) has been selected by the Ministry of Textiles, Government of India vide letter dated 29 April 2022. As per the applicable guidelines, the Holding Company has incorporated a wholly owned subsidiary in the name of "HP MMF Textiles Limited" on 24th June 2022 [under CIN-U17299HR2022PLC104655] with the object to manufacture all kinds of textiles, yarns, fabrics, garments and other related products. The Holding Company has made investment of ₹ 100,000 in the wholly owned subsidiary in the month of August 2022. Consequently, in these consolidated results, cash flow for the period ended 30 September 2021, amounts for the quarter ended 30 June 2022 and 30 September 2021, amounts for the six months ended 30 September 2021 and for the year ended 31 March 2022 have not been presented.

6. The Holding Company has been consistently valuing the inventory at lower of cost or net realizable value in accordance with the Indian Accounting Standard 2 on Inventories. However, the net realisable value of the Holding Company's work-in-progress inventory is not determinable due to the voluminous nature and complexities involved and accordingly, and the valuation of work-in-progress inventory is being carried at cost, as determined under Accounting Standard 2 on Inventories. Further, both Raw Material and Finished goods are valued at Cost or Net Realisable Value whichever is lower.

For H.P. Cotton Textile Mills Limited


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



Place : New Delhi

Date : 14 November 2022



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H.P. Cotton Textile Mills Limited

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Statement of unaudited consolidated assets and liabilities as at 30 September 2022

(₹ in lacs except as stated otherwise)

Particulars	As at
	30 September 2022 (Unaudited)
I ASSETS	
Non-current assets	
(a) Property, plant and equipment	3,713
(b) Capital work-in-progress	40
(b) Right-of-use assets	35
(c) Other intangible assets	47
(d) Financial assets	
(i) Other Financials Assets	146
(f) Other non-current assets	11
	3,992
Current assets	
(a) Inventories (including work-in-progress ₹ 2,824.99 lakhs)	4,134
(b) Financial assets	
(i) Investments	52
(ii) Trade receivables	1,245
(iii) Cash and cash equivalents	6
(iv) Bank balance other than (ii) above	130
(v) Other financial assets	208
(c) Other current assets	794
(d) Assets held for sale	12
	6,581
Total assets	10,573
II EQUITY AND LIABILITIES	
EQUITY	
(a) Equity share capital	387
(b) Other equity	2,282
	2,669
LIABILITIES	
Non current liabilities	
(a) Financial liabilities	
(i) Borrowings	933
(b) Deferred tax liabilities (net)	33
(c) Provisions	359
	1,325
Current liabilities	
(a) Financial liabilities	
(i) Borrowings	2,382
(ii) Lease liability	24
(iii) Trade payables	
i) total outstanding dues of micro enterprises and small enterprises	296
ii) total outstanding dues of creditor other than micro enterprises and small	2,928
(iv) Other financial liabilities	298
(b) Other current liabilities	311
(c) Provisions	233
(d) Current tax liabilities (net)	107
	6,579
Total equity and liabilities	10,573



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Statement of unaudited consolidated cash flow for the six months ended 30 September 2022

(₹ in lacs except as stated otherwise)

Particulars	Six months ended 30 September 2022
	(Unaudited)
A. Cash flows from operating activities	
Net loss before tax	(492)
Adjustment for:	
Depreciation and amortisation expense	179
Liabilities no longer required written back	(27)
Profit on sale of fixed assets	(30)
Unrealised foreign exchange fluctuation	(6)
Amounts written off	27
Interest income	(7)
Interest expense	202
Interest and expenses for fair valuation of deposits	.*
Operating profit before working capital changes	(154)
Movements in working capital :	
Decrease in other non-current assets	2
Increase in other non current financial assets	(1)
Decrease in trade receivables	444
Increase in other current assets	(38)
Decrease in other financial assets	89
Increase in inventories	(897)
Increase in trade payables	545
Decrease in other financial liabilities	(92)
Decrease in other current liabilities	(31)
Increase in provisions	62
Cash flow from operations	(71)
Income taxes paid (net of refund received during the year)	(1)
Net cash flow used in from operating activities	(72)
B. Cash flows from investing activities	
Purchase of property, plant and equipment, including intangible assets, capital work in progress and capital advances	(86)
Investments in mutual funds	(52)
Proceeds from/ (investment in) fixed deposits	31
Proceeds from sale of fixed assets	35
Interest received	4
Net cash flow used in investing activities	(68)
C. Cash flows from financing activities	
Proceeds from long-term borrowings	196
Repayment of long-term borrowings	(101)
Proceeds/repayment of short term borrowings (net)	168
Payment of principal portion of lease liability	(28)
Payment of interest portion of lease liability	(3)
Finance charges paid	(142)
Net cash flow generated from financing activities	90
D. Net decrease in cash and cash equivalents (A+B+C)	(50)
E. Cash and cash equivalents at the beginning of the period	56
F. Cash and cash equivalents at the end of the period (D+E)	6
G. Cash and cash equivalents comprises of:	
i. Balances with scheduled banks - in current accounts	5
ii. Cash on hand	1
	6

*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'.



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Independent Auditor's Review Report on Standalone 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 standalone unaudited financial results ('the Statement') of H.P. Cotton Textile Mills Limited ('the Company') for the quarter ended 30 September 2022 and the year to date results for the period 01 April 2022 to 30 September 2022, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
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 Listing 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 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.
4. As stated in note 6 to the unaudited standalone financial results, the Company has recorded work-in-progress inventory held as at 30 September 2022 aggregating to Rs. 2,824.99 lakhs at cost computed in accordance with Indian Accounting Standard 2, Inventories ('Ind AS 2'). For reasons described in note 6 to unaudited standalone financial results, the management of the Company has not been able to determine the net realisable value of aforesaid work-in-progress inventory balance, and thus, the valuation of such work-in-progress inventory is not in accordance with Ind AS 2. In the absence of necessary assessment by the Company's management and lack of sufficient appropriate evidence from any alternate procedures, we are unable to comment upon the adjustments (if any) that may be required to the carrying value of the aforesaid work-in-progress inventory and its consequential impact on the accompanying unaudited standalone financial results as of 30 September 2022 and for the quarter and six months then ended.



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5. Based on our review conducted as above, except for the possible effects of the matter described in paragraph 4, 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

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Ashish Gera

Partner

Membership No. 508685

UDIN: 22508685BDBGKI4976



Place: Gurugram

Date: 14 November 2022

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

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Statement of standalone unaudited financial results for the quarter and six months ended 30 September 2022

(₹ in lacs except as stated otherwise)

Particulars	Quarter ended 30 September 2022	Quarter ended 30 June 2022	Quarter ended 30 September 2021	Six months ended 30 September 2022	Six months ended 30 September 2021	Year ended 31 March 2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Income:						
I. Revenue from operations	1,820	1,980	3,351	3,800	6,444	13,219
II. Other income	50	88	37	138	96	231
III Total income (I + II)	1,870	2,068	3,388	3,938	6,540	13,450
IV Expenses:						
Cost of materials consumed	1,251	1,337	1,448	2,588	2,818	6,307
Changes in inventories of finished goods and work-in-progress	(520)	(545)	(188)	(1,065)	(235)	(832)
Employee benefits expense	536	596	818	1,132	1,474	3,126
Finance costs	106	96	66	202	128	307
Depreciation and amortisation expense	90	89	71	179	139	296
Other expenses	715	679	821	1,394	1,473	3,283
Total expenses (IV)	2,178	2,252	3,036	4,430	5,797	12,487
V (Loss)/profit before tax (III - IV)	(308)	(184)	352	(492)	743	963
VI Tax expense:						
- Current tax	-	-	59	-	124	164
- Deferred tax (credit)/expense	(85)	(43)	21	(128)	54	95
Total tax expense	(85)	(43)	80	(128)	178	259
VII (Loss)/profit for the period/year (V - VI)	(223)	(141)	272	(364)	565	704
VIII Other comprehensive income						
Items that will not be reclassified to profit or loss						
Re-measurement gain of defined benefit obligations	-	-	-	-	-	10
Income tax relating to these items that will not be reclassified to profit or loss	-	-	-	-	-	(3)
IX Total comprehensive (loss)/income for the period/year {comprising (loss)/profit and other comprehensive income for the period/year} (VII+ VIII)	(223)	(141)	272	(364)	565	711
X Paid-up equity share capital (face value per share Rs. 10)	387	387	381	387	381	387
XI Other equity				2,282		2,685
XII Earnings per share (face value of Rs. 10 each)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(annualised)
(a) Basic (Rs.)	(5.77)	(3.64)	7.14	(9.41)	14.82	18.48
(b) Diluted (Rs.)	(5.77)	(3.64)	7.14	(9.41)	14.82	18.48

1. The unaudited financial results of H.P. Cotton Textile Mills Limited ("the Company") for the quarter and six months ended 30 September 2022 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 14 November 2022. The statutory auditors have carried out a limited review of unaudited standalone financial results of the Company, in accordance with Regulation 33 of the Securities and Exchange Board of India (Listing and other Disclosure Requirements) Regulation, 2015 and have issued a modified 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, other accounting principles generally accepted in India and in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements), 2015 as amended.

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 standalone 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 members 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. During the previous year, the proposed inter-se transfer from Mr. Surendra Kumar Agarwal and family to Mr. Kailash Kumar Agarwal and the indirect acquisition of shares of the Company held by certain entities, namely, Jainish Products Limited, Satesh Textile Manufacturing Company Limited, Achhar Investments Limited and Sacred Trading & Investment Co. Limited has been completed in favour of Mr. Kailash Kumar Agarwal.

5. The Company's application under the Production Linked Incentive (PLI) Scheme for Textiles (PLI-Textiles) has been selected by the Ministry of Textiles, Government of India vide letter dated 29 April 2022. As per the applicable guidelines, the Company has incorporated a wholly owned subsidiary in the name of "HP MMF Textiles Limited" on 24th June 2022 [under CIN-U17299HR2022PLC104655] with the object to manufacture all kinds of textiles, yarns, fabrics, garments and other related products. The Company has made investment of ₹ 100,000 in the wholly owned subsidiary in the month of August 2022.



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Statement of standalone unaudited financial results for the quarter and six months ended 30 September 2022

6. The Company has been consistently valuing the inventory at lower of cost or net realizable value in accordance with the Indian Accounting Standard 2 on Inventories. However, the net realisable value of the Company's work-in-progress inventory is not determinable due to the voluminous nature and complexities involved and accordingly, and the valuation of work-in-progress inventory is being carried at cost, as determined under Accounting Standard 2 on Inventories. Further, both Raw Material and Finished goods are valued at Cost or Net Realisable Value whichever is lower.

7. The figures of the corresponding previous quarter / period / year have been regrouped / reclassified / recasted, wherever considered necessary, to correspond to current period disclosures.

For H.P. Cotton Textile Mills Limited


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



Place : New Delhi
Date : 14 November 2022



**SIGNED FOR
IDENTIFICATION
PURPOSES ONLY**

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 standalone assets and liabilities as at 30 September 2022

(₹ in lacs except as stated otherwise)

Particulars	As at	As at
	30 September 2022	31 March 2022
	(Unaudited)	(Audited)
I ASSETS		
Non-current assets		
(a) Property, plant and equipment	3,713	3,643
(b) Capital work-in-progress	40	172
(b) Right-of-use assets	35	58
(c) Other intangible assets	47	52
(d) Financial assets		
(i) Investments	1	-
(ii) Other Financials Assets	146	144
(f) Other non-current assets	11	16
	3,993	4,085
Current assets		
(a) Inventories (including work-in-progress ₹ 2,824.99 lakhs, 31 March 2022: ₹ 1,969.26 lakhs)	4,134	3,236
(b) Financial assets		
(i) Investments	52	-
(ii) Trade receivables	1,245	1,689
(iii) Cash and cash equivalents	5	56
(iv) Bank balance other than (ii) above	130	158
(v) Other financial assets	208	325
(c) Other current assets	794	756
(d) Assets held for sale	12	17
	6,580	6,237
Total assets	10,573	10,322
II EQUITY AND LIABILITIES		
EQUITY		
(a) Equity share capital	387	387
(b) Other equity	2,282	2,685
	2,669	3,072
LIABILITIES		
Non current liabilities		
(a) Financial liabilities		
(i) Borrowings	933	874
(ii) Lease liability	-	-
(b) Deferred tax liabilities (net)	33	161
(c) Provisions	359	280
	1,325	1,315
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	2,382	2,186
(ii) Lease liability	24	52
(iii) Trade payables		
i) total outstanding dues of micro enterprises and small enterprises	296	177
ii) total outstanding dues of creditor other than micro enterprises and small enterprises	2,928	2,499
(iv) Other financial liabilities	298	295
(b) Other current liabilities	311	369
(c) Provisions	233	250
(d) Current tax liabilities (net)	107	107
	6,579	5,935
Total equity and liabilities	10,573	10,322



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Statement of unaudited standalone cash flow for the six months ended 30 September 2022.

(` in lacs except as stated otherwise)

Particulars	Six months ended 30 September 2022	Six months ended 30 September 2021
	(Unaudited)	(Unaudited)
A. Cash flows from operating activities		
Net (loss)/profit before tax	(492)	743
Adjustment for:		
Depreciation and amortisation expense	179	138
Liabilities no longer required written back	(27)	-
Profit on sale of fixed assets	(30)	-
Unrealised foreign exchange fluctuation	(6)	(30)
Amounts written off	27	-
Bad-debts written off	-	19
Interest income	(7)	(13)
Interest expense	202	128
Interest and expenses for fair valuation of deposits	-*	-*
Operating (loss)/profit before working capital changes	(154)	985
Movements in working capital :		
Decrease/(increase) in other non-current assets	2	(5)
Increase in other non current financial assets	(1)	(141)
Decrease/(increase) in trade receivables	444	(154)
(Increase)/decrease in other current assets	(38)	86
Decrease in other financial assets	89	-
Increase in inventories	(897)	(31)
Increase/(decrease) in trade payables	545	(393)
(Decrease)/increase in other financial liabilities	(92)	38
Decrease in other current liabilities	(31)	(260)
Increase in provisions	62	95
Cash generated from operations	(71)	220
Income taxes paid (net of refund received during the year)	(1)	(42)
Net cash flow (used in) / generated from operating activities	(72)	178
B. Cash flows from investing activities		
Purchase of property, plant and equipment, including intangible assets, capital work in progress and capital advances	(86)	(571)
Investments in mutual funds	(52)	-
Investments in shares	(1)	-
Proceeds from fixed deposits	31	71
Proceeds from sale of fixed assets	35	-
Interest received	4	11
Net cash flow used in investing activities	(69)	(489)
C. Cash flows from financing activities		
Proceeds from long-term borrowings	196	180
Repayment of long-term borrowings	(101)	(85)
Proceeds/repayment of short term borrowings (net)	168	338
Payment of principal portion of lease liability	(28)	(26)
Payment of interest portion of lease liability	(3)	(5)
Finance charges paid	(142)	(94)
Net cash flow generated from financing activities	90	308
D. Net decrease in cash and cash equivalents (A+B+C)	(51)	(3)
E. Cash and cash equivalents at the beginning of the period	56	10
F. Cash and cash equivalents at the end of the period (D+E)	5	7
G. Cash and cash equivalents comprises of:		
i. Balances with scheduled banks - in current accounts	4	6
ii. Cash on hand	1	1
	5	7

*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'.



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