



**BSE Limited**

Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai - 400001

**November 04, 2023**

**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 04, 2023**

Dear Sir,

We wish to inform you that the Board of Directors in their Meeting held today i.e. November 04, 2023 has, inter alia, considered and approved the Unaudited Standalone and Consolidated Financial Results along with the Limited Review Report of the Company for the quarter and half year ended September 30, 2023.

Pursuant to Regulation 33 of Securities Exchange Board of India (Listing and other Disclosure Requirements) Regulations, 2015, please find enclosed Unaudited Standalone and Consolidated Financial Results along with Limited Review Report for the quarter and half year ended September 30, 2023.

The said meeting of the Board of Directors commenced at 11 AM and concluded at 11:19 AM

The copies of the above results will also be available on the website of the Company at [www.hpthreads.com](http://www.hpthreads.com).

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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**Regd. Office & Works:**

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

**CIN NO.** L18101HR1981PLC012274



ISO 9001 2008



# D. KOTHARY & CO.

## Chartered Accountants

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

Review Report to  
The Board of Directors  
H.P. Cotton Textile Mills Limited

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of H.P. Cotton Textile Mills Limited ("the Parent"), which includes its subsidiary (the Parent and its subsidiary together referred to as "the Group"), for the quarter ended September 30, 2023 and year-to-date from April 1, 2023 to September 30, 2023 (the "Statement") attached herewith, being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Listing Regulations'). The financial results for the quarter and half year ended September 30, 2022, the year ended March 31, 2023 and the quarter ended June 30, 2023, have been audited/reviewed by other auditors.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent'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 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India read with the Circular. 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 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.

We also performed procedures in accordance with the Circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:

**Parent**

- i) H.P. Cotton Textile Mills Limited

**Subsidiary**

- i) HP MMF Textiles Limited

5. The accompanying statement includes the interim financial results and other financial information in respect of one subsidiary, whose interim financial results/information reflects total assets of Rs. 0.99 lakhs as at September 30, 2023, total revenues is Nil and Rs. Nil, total net profit/(loss) after tax of Rs. (0.55) lakhs and Rs. (1.05) lakhs, for the quarter ended September 30, 2023 and year-to-date from April 1, 2023 to September 30, 2023 respectively, and net cash outflows of Rs. 0.00 lakhs as at September 30, 2023, which have been reviewed by us.





# D. KOTHARY & CO.

## Chartered Accountants

6. Based on our review conducted and procedures performed as stated in para 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 the aforesaid Indian Accounting Standard specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For D. Kothary & Co.  
Chartered Accountants  
Firm Registration No. 105335W



Deepak O. Narsaria  
Partner

Membership No. 121190

UDIN: 23121190B GXRMY9731.

Place: Mumbai

Date: 4<sup>th</sup> November, 2023

**Statement of consolidated unaudited financial results for the quarter and six months ended 30 september 2023**

(₹ in lacs except as stated otherwise)

Particulars	Quarter ended 30 September 2023	Quarter ended 30 June 2023	Quarter ended 30 September 2022	Six months ended 30 September 2023	Six months ended 30 September 2022	Year ended 31 March 2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>Income:</b>						
I. Revenue from operations	2,249	2,629	1,820	4,878	3,800	8,398
II. Other income	58	35	50	93	138	208
<b>III Total income (I + II)</b>	<b>2,307</b>	<b>2,664</b>	<b>1,870</b>	<b>4,971</b>	<b>3,938</b>	<b>8,606</b>
<b>IV Expenses:</b>						
Cost of materials consumed	953	957	1,251	1,910	2,588	4,383
Changes in inventories of finished goods and work-in-progress	(319)	273	(520)	(46)	(1,065)	(119)
Employee benefits expense	592	582	536	1,174	1,132	2,263
Finance costs	166	146	106	312	202	535
Depreciation and amortisation expense	88	89	90	177	179	397
Power and fuel	370	358	345	728	657	1,335
Other expenses	371	379	369	750	738	1,691
<b>Total expenses (IV)</b>	<b>2,221</b>	<b>2,784</b>	<b>2,178</b>	<b>5,005</b>	<b>4,430</b>	<b>10,485</b>
<b>V (Loss)/profit before tax (III - IV)</b>	<b>86</b>	<b>(120)</b>	<b>(308)</b>	<b>(34)</b>	<b>(492)</b>	<b>(1,879)</b>
<b>VI Tax expense:</b>						
- Current tax	-	-	-	-	-	-
- Tax credit of earlier years	-	-	-	-	-	(2)
- Deferred tax (credit)/expense	(448)	(27)	(85)	(475)	(128)	(70)
<b>Total tax expense</b>	<b>(448)</b>	<b>(27)</b>	<b>(85)</b>	<b>(475)</b>	<b>(128)</b>	<b>(72)</b>
<b>VII (Loss)/profit for the period/year (V - VI)</b>	<b>534</b>	<b>(93)</b>	<b>(223)</b>	<b>441</b>	<b>(364)</b>	<b>(1,807)</b>
<b>VIII Other comprehensive income</b>						
Items that will not be reclassified to profit or loss						
Re-measurement gain of defined benefit obligations	-	(1)	-	(1)	-	(4)
Income tax relating to these items that will not be reclassified to profit or loss	-	0	-	0	-	1
<b>IX Total comprehensive (loss)/income for the period/year {comprising (loss)/profit and other comprehensive income for the period/year} (VII+ VIII)</b>	<b>534</b>	<b>(94)</b>	<b>(223)</b>	<b>440</b>	<b>(364)</b>	<b>(1,810)</b>
<b>X Paid-up equity share capital (face value per share Rs. 10)</b>	<b>392</b>	<b>392</b>	<b>387</b>	<b>392</b>	<b>387</b>	<b>392</b>
<b>XI Other equity</b>				<b>1,348</b>	<b>2,282</b>	<b>908</b>
<b>XII Loss per share (face value of Rs. 10 each)</b>	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(annualised)
(a) Basic (Rs.)	13.66	(2.36)	(5.77)	11.31	(9.41)	(46.66)
(b) Diluted (Rs.)	13.66	(2.36)	(5.77)	11.31	(9.41)	(46.66)

1. The consolidated unaudited financial results of H.P. Cotton Textile Mills Limited ("the Holding Company") for the quarter ended 30 September 2023 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 04 November 2023. The statutory auditors have carried out a limited review of consolidated unaudited 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.

2. The above consolidated unaudited financial results have been prepared in accordance with the recognition and measurement principles of applicable Indian Accounting Standards ('Ind AS-34'), 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 Operating Segments, 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), hence, no additional disclosures have been furnished.

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.

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 FY 2021-22, 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. During the quarter, Deferred tax asset on business losses has been recognized for Rs. 433.37 lakhs. The management is of the opinion that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which the deferred tax asset can be realized.

6. The figures of the corresponding previous quarter/year have been regrouped/reclassified wherever considered necessary to correspond to current period classification/grouping/disclosures.

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

  


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

Place : New Delhi

Date : 04 November 2023

**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 assets and liabilities as at 30 September 2023***(₹ in lacs except as stated otherwise)*

Particulars	As at	As at
	30 September 2023	31 March 2023
	(Unaudited)	(Audited)
<b>I ASSETS</b>		
<b>Non-current assets</b>		
(a) Property, plant and equipment	3,474	3,592
(b) Right-of-use assets	456	484
(c) Other intangible assets	27	37
(d) Financial assets		
(i) Other financials assets	153	151
(e) Deferred tax assets (net)	386	-
(f) Non current tax assets (net)	1	14
(g) Other non-current assets	12	13
	<b>4,509</b>	<b>4,291</b>
<b>Current assets</b>		
(a) Inventories	3,304	3,204
(b) Financial assets		
(i) Investments	56	54
(ii) Trade receivables	711	851
(iii) Cash and cash equivalents	6	106
(iv) Bank balance other than (iii) above	59	58
(v) Other financial assets	82	70
(c) Other current assets	680	599
	<b>4,898</b>	<b>4,942</b>
<b>Total assets</b>	<b>9,407</b>	<b>9,233</b>
<b>II EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
(a) Equity share capital	392	392
(b) Other equity	1,348	906
	<b>1,740</b>	<b>1,298</b>
<b>LIABILITIES</b>		
<b>Non current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	852	857
(ii) Lease liability	436	451
(b) Deferred tax liabilities (net)	-	90
(b) Provisions	275	275
	<b>1,563</b>	<b>1,673</b>
<b>Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	3,215	3,180
(ii) Lease liability	29	28
(iii) Trade payables		
i) total outstanding dues of micro enterprises and small enterprises	78	225
ii) total outstanding dues of creditor other than micro enterprises and small	1,973	2,007
(iv) Other financial liabilities	196	175
(b) Other current liabilities	343	426
(c) Provisions	270	221
	<b>6,104</b>	<b>6,262</b>
<b>Total equity and liabilities</b>	<b>9,407</b>	<b>9,233</b>



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**Statement of unaudited consolidated cash flow for the six months ended 30 September 2023**

Particulars	(₹ in lacs except as stated otherwise)	
	Six months ended 30 September 2023	Six months ended 30 September 2022
	(Unaudited)	(Unaudited)
<b>A. Cash flows from operating activities</b>		
Net loss before tax	(34)	(492)
Adjustments for:		
Depreciation and amortisation expense	178	179
Liabilities no longer required written back	(25)	(27)
Amount written off	1	27
Profit on sale of property, plant and equipment	-	(30)
Unrealised foreign exchange fluctuation	2	(6)
Interest income classified as investing cash flow	(5)	(7)
Interest expense	312	202
Changes in fair value of financial assets at fair value through profit and loss*	(0)	-
<b>Operating loss before working capital changes</b>	<b>429</b>	<b>(154)</b>
<b>Movements in working capital :</b>		
Increase/(Decrease ) in other non-current assets*	0	2
Increase/(Decrease ) in other non-current financial assets	(2)	(1)
Increase/(Decrease ) in trade receivables	145	444
Increase/(Decrease ) in other current assets	(81)	(38)
Increase/(Decrease ) in other current financial assets	(12)	89
Increase/(Decrease ) in inventories	(100)	(897)
Increase/(Decrease ) in trade payables	(179)	545
Increase/(Decrease ) in other financial liabilities	21	(92)
Increase/(Decrease ) in other current liabilities	(58)	(31)
Increase/(Decrease ) in provisions	49	62
<b>Cash flow from operations</b>	<b>212</b>	<b>(71)</b>
Income taxes paid (net of refund received during the year)	12	(1)
<b>Net cash flow used in from operating activities</b>	<b>224</b>	<b>(72)</b>
<b>B. Cash flows from investing activities</b>		
Purchase of property, plant and equipment, including intangible assets, capital work in progress and capital advances	(22)	(86)
Investments in mutual funds	-	(52)
Proceeds from fixed deposits	(2)	31
Proceeds from sale of property, plant and equipment	-	35
Interest received	5	4
<b>Net cash flow used in investing activities</b>	<b>(19)</b>	<b>(68)</b>
<b>C. Cash flows from financing activities</b>		
Proceeds from long-term borrowings	60	196
Repayment of long-term borrowings	(80)	(101)
Proceeds/repayment of short term borrowings (net)	42	168
Payment of principal portion of lease liability	(14)	(28)
Payment of interest portion of lease liability	(22)	(3)
Dividend paid*	0	-
Finance charges paid	(290)	(142)
<b>Net cash flow generated from financing activities</b>	<b>(304)</b>	<b>90</b>
<b>D. Net decrease in cash and cash equivalents (A+B+C)</b>	<b>(99)</b>	<b>(50)</b>
<b>E. Cash and cash equivalents at the beginning of the year</b>	<b>105</b>	<b>56</b>
<b>F. Cash and cash equivalents at the end of the year (D+E)</b>	<b>6</b>	<b>6</b>
<b>G. Cash and cash equivalents comprises of:</b>		
i. Balances with scheduled banks - in current accounts	5	5
ii. Cash on hand	1	1
	<b>6</b>	<b>6</b>

\*rounded off to zero

**Note:**

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





# D. KOTHARY & CO.

## Chartered Accountants

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

Review Report to  
The Board of Directors  
H.P. Cotton Textile Mills Limited

1. We have reviewed the accompanying Statement of unaudited standalone financial results of H.P. Cotton Textile Mills Limited (the "Company") for the quarter ended September 30, 2023 and year to date from April 1, 2023 to September 30, 2023 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'Listing Regulations'). The financial results for the quarter and half year ended September 30, 2022, the year ended March 31, 2023 and the quarter ended June 30, 2023, have been audited/reviewed by other auditors.
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, read with the Circular is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. 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 audit. Accordingly, we do not express an audit opinion.
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 the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For D. Kothary & Co.  
Chartered Accountants  
Firm Regn No. 105335W

Deepak O. Narsaria  
(Partner)

Membership No. 121190

UDIN: 23121190BGRM X5907.

Place: Mumbai

Date: 4<sup>th</sup> November, 2023



**Statement of standalone unaudited financial results for the quarter and six months ended 30 September 2023**

(₹ in lacs except as stated otherwise)

Particulars	Quarter ended 30 September 2023	Quarter ended 30 June 2023	Quarter ended 30 September 2022	Six months ended 30 September 2023	Six months ended 30 September 2022	Year ended 31 March 2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>Income:</b>						
I. Revenue from operations	2,249	2,629	1,820	4,878	3,800	8,398
II. Other income	58	35	50	93	138	208
III <b>Total income (I + II)</b>	<b>2,307</b>	<b>2,664</b>	<b>1,870</b>	<b>4,971</b>	<b>3,938</b>	<b>8,606</b>
<b>Expenses:</b>						
Cost of materials consumed	953	957	1,251	1,910	2,588	4,383
Changes in inventories of finished goods and work-in-progress	(319)	273	(520)	(46)	(1,065)	(119)
Employee benefits expense	592	582	536	1,174	1,132	2,263
Finance costs	166	146	106	312	202	535
Depreciation and amortisation expense	88	89	90	177	179	397
Power and fuel	370	358	345	728	657	1,335
Other expenses	370	378	369	748	738	1,689
<b>Total expenses (IV)</b>	<b>2,220</b>	<b>2,783</b>	<b>2,178</b>	<b>5,003</b>	<b>4,430</b>	<b>10,483</b>
V <b>(Loss)/profit before tax (III - IV)</b>	<b>87</b>	<b>(119)</b>	<b>(308)</b>	<b>(32)</b>	<b>(492)</b>	<b>(1,877)</b>
<b>Tax expense:</b>						
- Current tax	-	-	-	-	-	-
- Tax credit of earlier years	-	-	-	-	-	(2)
- Deferred tax (credit)/expense	(448)	(27)	(85)	(475)	(128)	(70)
<b>Total tax expense</b>	<b>(448)</b>	<b>(27)</b>	<b>(85)</b>	<b>(475)</b>	<b>(128)</b>	<b>(72)</b>
VII <b>(Loss)/profit for the period/year (V - VI)</b>	<b>535</b>	<b>(92)</b>	<b>(223)</b>	<b>443</b>	<b>(364)</b>	<b>(1,805)</b>
<b>Other comprehensive income</b>						
<b>Items that will not be reclassified to profit or loss</b>						
Re-measurement gain of defined benefit obligations	-	(1)	-	(1)	-	(4)
Income tax relating to these items that will not be reclassified to profit or loss	-	0	-	0	-	1
IX <b>Total comprehensive (loss)/income for the period/year (comprising (loss)/profit and other comprehensive income for the period/year) (VII+VIII)</b>	<b>535</b>	<b>(93)</b>	<b>(223)</b>	<b>442</b>	<b>(364)</b>	<b>(1,808)</b>
X <b>Paid-up equity share capital (face value per share Rs. 10)</b>	<b>392</b>	<b>392</b>	<b>387</b>	<b>392</b>	<b>387</b>	<b>392</b>
XI <b>Other equity</b>				<b>1,351</b>	<b>2,282</b>	<b>908</b>
XII <b>Loss per share (face value of Rs. 10 each)</b>	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(annualised)
(a) Basic (Rs.)	13.66	(2.36)	(5.77)	11.31	(9.41)	(46.66)
(b) Diluted (Rs.)	13.66	(2.36)	(5.77)	11.31	(9.41)	(46.66)

1. The standalone unaudited financial results of H.P. Cotton Textile Mills Limited ("the Company") for the quarter ended 30 September 2023 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 04 November 2023. The statutory auditors have carried out a limited review of standalone unaudited 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.

2. The above standalone unaudited financial results have been prepared in accordance with the recognition and measurement principles of applicable Indian Accounting Standards ('Ind AS-34'), 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 Operating Segments, 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), hence, no additional disclosures have been furnished.

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 FY 2021-22, 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, 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. During the quarter, Deferred tax asset on business losses has been recognized for Rs. 433.37 lakhs. The management is of the opinion that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which the deferred tax asset can be realized.

6. The figures of the corresponding previous quarter/year have been regrouped/reclassified wherever considered necessary to correspond to current period classification/grouping/disclosures

For H.P. Cotton Textile Mills Limited

  
**RaghavKumar Agarwal**  
 Executive Director, CEO & CFO  
 DIN: 02836610



Place : New Delhi  
 Date : 04 November 2023

## 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 2023

(₹ in lacs except as stated otherwise)

Particulars	As at	As at
	30 September 2023 (Unaudited)	31 March 2023 (Audited)
<b>I ASSETS</b>		
<b>Non-current assets</b>		
(a) Property, plant and equipment	3,474	3,592
(b) Right-of-use assets	456	484
(c) Intangible assets	27	37
(d) Financial assets		
(i) Investments	1	1
(ii) Other financial assets	153	151
(e) Deferred tax assets (net)	386	-
(f) Non current tax assets (net)	1	14
(g) Other non-current assets	12	13
	<b>4,510</b>	<b>4,292</b>
<b>Current assets</b>		
(a) Inventories	3,304	3,204
(b) Financial assets		
(i) Investments	56	54
(ii) Trade receivables	711	851
(iii) Cash and cash equivalents	5	105
(iv) Bank balance other than (iii) above	59	58
(v) Other financial assets	82	70
(c) Other current assets	680	599
	<b>4,897</b>	<b>4,941</b>
<b>Total assets</b>	<b>9,407</b>	<b>9,233</b>
<b>II EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
(a) Equity share capital	392	392
(b) Other equity	1,351	908
	<b>1,743</b>	<b>1,300</b>
<b>LIABILITIES</b>		
<b>Non current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	852	857
(ii) Lease liability	436	451
(b) Deferred tax liabilities (net)	-	90
(c) Provisions	275	275
	<b>1,563</b>	<b>1,673</b>
<b>Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	3,215	3,180
(ii) Lease liability	29	28
(iii) Trade payables		
i) total outstanding dues of micro enterprises and small enterprises	78	225
ii) total outstanding dues of creditor other than micro enterprises and small enterprises	1,970	2,005
(iv) Other financial liabilities	196	175
(b) Other current liabilities	343	426
(c) Provisions	270	221
	<b>6,101</b>	<b>6,260</b>
<b>Total equity and liabilities</b>	<b>9,407</b>	<b>9,233</b>



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**Statement of unaudited standalone cash flow for the six months ended 30 September 2023**

(₹ in lacs except as stated otherwise)

Particulars	Six months ended 30 September 2023	Six months ended 30 September 2022
	(Unaudited)	(Unaudited)
<b>A. Cash flows from operating activities</b>		
Net (loss)/profit before tax	(32)	(492)
Adjustments for:		
Depreciation and amortisation expense	178	179
Liabilities no longer required written back	(25)	(27)
Amount written off	1	-
Profit on sale of property, plant and equipment	-	(30)
Unrealised foreign exchange fluctuation	2	(6)
Bad-debts written off	-	27
Interest income classified as investing cash flow	(5)	(7)
Interest expense	312	202
<b>Operating (loss)/profit before working capital changes</b>	<b>431</b>	<b>(154)</b>
<b>Movements in working capital :</b>		
(Increase)/decrease in other non-current assets*	0	2
Increase in other non-current financial assets	(2)	(1)
Decrease/(increase) in trade receivables	145	444
Decrease in other current assets	(81)	(38)
Decrease/(increase) in other current financial assets	(12)	89
Decrease/(increase) in inventories	(100)	(897)
(Decrease)/increase in trade payables	(182)	545
Decrease in other financial liabilities	21	(92)
Increase/(decrease) in other current liabilities	(58)	(31)
(Decrease)/increase in provisions	49	62
<b>Cash generated from operations</b>	<b>211</b>	<b>(71)</b>
Income taxes paid (net of refund received during the year)	12	(1)
<b>Net cash flow generated from operating activities</b>	<b>223</b>	<b>(72)</b>
<b>B. Cash flows from investing activities</b>		
Purchase of property, plant and equipment, including intangible assets, capital work in progress and capital advances	(22)	(86)
Investments in mutual funds	-	(52)
Investment in subsidiary	-	(1)
Proceeds from fixed deposits	(2)	31
Proceeds from sale of property, plant and equipment	-	35
Interest received	5	4
<b>Net cash flow used in investing activities</b>	<b>(19)</b>	<b>(69)</b>
<b>C. Cash flows from financing activities</b>		
Proceeds from long-term borrowings	60	196
Repayment of long-term borrowings	(80)	(101)
Proceeds/repayment of short term borrowings (net)	42	168
Payment of principal portion of lease liability	(14)	(28)
Payment of interest portion of lease liability	(22)	(3)
Finance charges paid	(290)	(142)
<b>Net cash flow generated from financing activities</b>	<b>(304)</b>	<b>90</b>
<b>D. Net decrease in cash and cash equivalents (A+B+C)</b>	<b>(100)</b>	<b>(51)</b>
<b>E. Cash and cash equivalents at the beginning of the year</b>	<b>105</b>	<b>56</b>
<b>F. Cash and cash equivalents at the end of the year (D+E)</b>	<b>5</b>	<b>6</b>
<b>G. Cash and cash equivalents comprises of:</b>		
i. Balances with scheduled banks - in current accounts	4	4
ii. Cash on hand	1	1
	<b>5</b>	<b>6</b>

\*rounded off to zero

**Note:**

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

