



To,
BSE Limited,
Corporate Relationship Dept.
P J Towers, Dalal Street,
Mumbai - 400001

Date: February 11, 2020

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

Sub: Outcome of Board Meeting of H.P. Cotton Textile Mills Limited held on February 11, 2020

Dear Sir,

We wish to inform you that the Board of Director's in their Meeting held today i.e. February 11, 2020 inter alia, considered and approved the Un-audited Financial Results along with the Limited Review Report for the quarter and nine months ended 31st December, 2019.

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 and nine months ended 31st December, 2019.

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 02:00 P.M. and concluded at 04:00 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 & 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



ISO 9001 : 2008

Walker ChandioK & Co LLP

Walker ChandioK & Co LLP
(Formerly Walker, ChandioK & Co)
L-41 Connaught Circus
New Delhi 110001
India

T +91 11 4278 7070
F +91 11 4278 7071

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 31 December 2019 and the year to date results for the period 01 April 2019 to 31 December 2019, 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 as per the presentation requirements of SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016, (hereinafter referred to as 'the SEBI Circular'), and other accounting principles generally accepted in India. 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.



Chartered Accountants

Offices in Bengaluru, Chandigarh Chennai, Gurgaon, Hyderabad, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker ChandioK & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

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) (Cont'd)

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 as per the presentation requirements of the SEBI Circular, 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: 20504774 AAAAUA8771



Place: New Delhi
Date: 11 February 2020

Statement of unaudited financial results for the quarter and nine months ended 31 December 2019

Particulars	Three months ended 31 December 2019	Three months ended 30 September 2019	Three months ended 31 December 2018	Nine months ended 31 December 2019	Nine months ended 31 December 2018	Year ended 31 March 2019
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Income:						
I. Revenue from operations	2,136	2,053	2,464	5,749	6,196	9,141
II. Other income	22	53	62	116	188	209
III Total income (I + II)	2,158	2,106	2,526	5,865	6,384	9,350
IV Expenses:						
Cost of materials consumed	859	930	1,018	2,578	3,189	4,285
Changes in inventories of finished goods and work-in-progress	(161)	(195)	38	(552)	(608)	(264)
Employee benefits expense	584	548	528	1,674	1,539	2,136
Finance costs	87	86	76	262	192	303
Depreciation and amortisation expense	66	64	35	195	146	185
Other expenses	683	610	674	1,791	1,990	2,703
Total expenses (IV)	2,118	2,043	2,369	5,948	6,448	9,348
V Profit/(loss) before tax (III - IV)	40	63	157	(83)	(64)	2
VI Tax expense:						
- Current tax	(19)	-	-	(19)	-	-
- Deferred tax	-	25	26	(9)	6	30
Total tax expense	(8)	25	26	(28)	6	30
VII Profit/(loss) for the period (V - VI)	48	38	131	(55)	(70)	(28)
VIII Other comprehensive income						
(i) Items that will not be reclassified to profit or loss	-	-	-	-	-	2
(ii) Income tax relating to these items that will not be reclassified to profit or loss	-	-	-	-	-	-
IX Total comprehensive income/(loss) for the period (VII+ VIII)	48	38	131	(55)	(70)	(26)
X Paid-up equity share capital (face value per share Rs. 10)	381	381	381	381	381	381
XI Other equity						1,445
XII Earnings/(loss) per share (of Rs. 10 each)	(not annualized)	(not annualized)	(not annualized)	(not annualized)	(not annualized)	(annualized)
(a) Basic (Rs.)	1.25	0.99	3.44	(1.44)	(1.84)	(0.73)
(b) Diluted (Rs.)	1.25	0.99	3.44	(1.44)	(1.84)	(0.73)

Notes:

- The 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 11 February 2020. The statutory auditors have carried out a limited review of unaudited financial results of the Company for the quarter and nine months ended 31 December 2019, 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.
- The unaudited financial results have been prepared in accordance with the Indian Accounting Standards (IND AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, as specified in Section 133 of the Companies Act, 2013.
- 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 year is as reflected in the financial results.
- 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").
- The Company has adopted IND AS 116 "Leases" effective 01 April 2019, as notified by the Ministry of Corporate Affairs (MCA) in the Companies (Indian Accounting Standard) Amendment rules, 2019 using the modified retrospective method. This has resulted in recognising a right-of-use asset and a corresponding lease liability of Rs. 189 lacs as at 1 April 2019. The impact on the profit for the nine months period ended 31 December 2019 is not material.
- As notified vide disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements), 2015 dated 29 September 2019, 38th Annual General Meeting ("AGM") was cancelled due to complaint received from some of the large shareholders of the Company as their e-voting rights had been fraudulently been exercised without their knowledge, consent and authorisation. The Company had filed an application with Registrar of Companies ("ROC") on 29 September 2019, requesting for an extension of time for re-convening the AGM. The Company received the extension from MCA vide letter dated 04 October 2019 and conducted the AGM on 08 November 2019 within the extended time period.
- In the Annual General Meeting of the members of the Company held on 8 November 2019, the ordinary resolutions for appointment of Mr. Surendra Kumar Agarwal and Mr. Ravindra Kumar Agarwal, additional directors (Non-Executive), as Directors have not been passed, and hence they have ceased to be directors of the Company w.e.f. 8 November 2019.
- Pursuant to the Taxation Law (Amendment) Ordinance, 2019 ("Ordinance") promulgated on 20 September 2019 with 01 April 2019, Section 115BBA has been inserted whereby the Company has an option to pay income tax at 22% plus applicable surcharge and cess ("new tax regime") as against current tax rate of 25% plus applicable surcharge and cess, subject to certain conditions such as Company would not be able to set off any brought forward loss on account of additional depreciation and would not be able to take credit of the MAT credit. The Company has evaluated the option available in the Ordinance and has decided not to opt for the revised rates under Section 115BAA and would exercise such option after utilising the MAT credit and loss arising on additional depreciation.
- The figures for the corresponding previous period/year have been regrouped/reclassified/recasted, wherever necessary, to make them comparable.

For H.P. Cotton Textile Mills Limited

Kailash Kumar Agarwal
Managing Director
DIN: 00063470

Place : New Delhi
Date : 11 February 2020



SIGNED FOR
IDENTIFICATION
PURPOSES