



May 14, 2024

**BSE Limited**

Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai - 400001

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

**Sub: Outcome of Board Meeting of H.P. Cotton Textile Mills Limited held on May 14, 2024**

Dear Sir,

We wish to inform you that the Board of Directors in their Meeting held today i.e. May 14, 2024 has, inter alia, considered and approved the audited Standalone and Consolidated Financial Results along with the Auditor's Report of the Company for the quarter and year ended March 31, 2024.

Pursuant to Regulation 33 of Securities Exchange Board of India (Listing and other Disclosure Requirements) Regulations, 2015, we enclose herewith the following:

- a) Audited Standalone and Consolidated Financial Results along with Auditor's Report for the quarter and year ended March 31, 2024.
- b) Declaration pursuant to regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements), 2015 as amended regarding unmodified opinion of the Statutory Auditors on the aforesaid Results.

The said meeting of the Board of Directors commenced at 11:30 AM and concluded at 12:09 PM.

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:**

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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 Auditors' Report on Consolidated Financial Results of the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To The Board of Directors of  
H.P. Cotton Textile Mills Limited

### Opinion

We have audited the accompanying Statement of Consolidated Financial Results of H.P. Cotton Textile Mills Limited ("the Parent" or "the Company") and its subsidiary (the Parent Company and its subsidiary together referred to as "the Group") for the quarter and year ended March 31, 2024 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (as amended) ("the Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- a. includes the results of the following subsidiary:
  - a. HP MMF Textile Mills Limited
- b. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations, as amended; and
- c. gives a true and fair view, in conformity with Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under Section 133 of the Companies Act 2013 (the "Act") read with relevant rules issued thereunder the applicable accounting standards, and other accounting principles generally accepted in India of the consolidated net profit after tax and consolidated total comprehensive income and other financial information of the Group for the quarter and year ended March 31, 2024.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

### Management's Responsibilities for the Consolidated Financial Results

These quarterly financial results as well as the year to date consolidated financial results have been prepared on the basis of the interim financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of the consolidated financial results that give a true and fair view of the net profit or loss and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.





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The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial results, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Results**

Our objectives are to obtain reasonable assurance about whether the consolidated financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based





# D. KOTHARY & CO.

## Chartered Accountants

on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group to express an opinion on the consolidated financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

### Other Matters

- a. The accompanying Statement includes the audited financial result and other financial information, in respect of subsidiary, whose financial result include total assets of Rs 0.99 lakhs as at March 31, 2024, total revenues of Rs. 0.00 lakhs and Rs. 0.00 lakhs, total net profit/(loss) after tax of Rs. (0.41) lakhs and Rs. (1.47) lakhs, total comprehensive income/(loss) of Rs. 0.00 lakhs and Rs. 0.00 lakhs, for the quarter and year ended on that date respectively, and net cash outflows of Rs. 0.01 lakhs for the year ended March 31, 2024, as considered in the Statement which have been audited by us.

Our opinion on the consolidated financial results is not modified in respect of the above matters with respect to the financial results and other financial information.

- b. The Statement includes the results for the quarter ended March 31, 2024 being the balancing figures between audited figures in respect of the full financial year and the published unaudited year-to-date consolidated figures up to the nine months of the current financial year which were subject to limited review by us.

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

Deepak O. Narsaria  
Partner

Membership No. 121190  
UDIN: 24121190BKBOSS5910



Place: Mumbai  
Date: 14<sup>th</sup> May 2024

## 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 consolidated audited financial results for the quarter and financial year ended 31 March 2024

(₹ in lacs except as stated otherwise)

Particulars	Quarter ended 31 March 2024 (refer note 5)	Quarter ended 31 December 2023	Quarter ended 31 March 2023 (refer note 5)	Year ended 31 March 2024	Year ended 31 March 2023
		(Unaudited)		(Audited)	(Audited)
<b>Income:</b>					
I. Revenue from operations	1,907	2,570	1,997	9,358	8,398
II. Other income	61	26	44	180	208
<b>III Total income (I + II)</b>	<b>1,968</b>	<b>2,596</b>	<b>2,041</b>	<b>9,538</b>	<b>8,606</b>
<b>IV Expenses:</b>					
Cost of materials consumed	719	849	889	3,477	4,383
Changes in inventories of finished goods and work-in-progress	44	305	(105)	304	(119)
Employee benefits expense	566	591	511	2,331	2,263
Finance costs	172	183	181	667	535
Depreciation and amortisation expense	86	86	92	350	397
Power and fuel	293	326	319	1,347	1,335
Other expenses	361	371	556	1,480	1,691
<b>Total expenses (IV)</b>	<b>2,241</b>	<b>2,711</b>	<b>2,443</b>	<b>9,956</b>	<b>10,485</b>
<b>V (Loss)/profit before tax (III - IV)</b>	<b>(273)</b>	<b>(115)</b>	<b>(402)</b>	<b>(420)</b>	<b>(1,879)</b>
<b>VI Tax expense:</b>					
- Current tax	-	-	-	-	-
- Tax credit of earlier years	-	-	(2)	-	(2)
- Deferred tax (credit)/expense	(46)	10	(16)	(510)	(70)
<b>Total tax expense</b>	<b>(46)</b>	<b>10</b>	<b>(18)</b>	<b>(510)</b>	<b>(72)</b>
<b>VII (Loss)/profit for the period/year (V - VI)</b>	<b>(227)</b>	<b>(125)</b>	<b>(384)</b>	<b>90</b>	<b>(1,807)</b>
<b>VIII Other comprehensive income</b>					
<b>Items that will not be reclassified to profit or loss</b>					
Re-measurement gain of defined benefit obligations	(19)	-	(20)	(20)	(4)
Income tax relating to these items that will not be reclassified to profit or loss	5	-	6	6	1
<b>IX Total comprehensive loss for the period/year (comprising loss and other comprehensive income for the period/year) (VII+ VIII)</b>	<b>(241)</b>	<b>(125)</b>	<b>(398)</b>	<b>76</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>392</b>	<b>392</b>	<b>392</b>
<b>XI Other equity</b>				<b>983</b>	<b>908</b>
<b>XII Earning/Loss per share (face value of Rs. 10 each)</b>	(not annualised)	(not annualised)	(not annualised)	(annualised)	(annualised)
(a) Basic (Rs.)	(5.78)	(3.18)	(9.87)	2.35	(46.66)
(b) Diluted (Rs.)	(5.78)	(3.18)	(9.87)	2.35	(46.66)

1. The consolidated financial results of H.P. Cotton Textile Mills Limited ("the Holding Company") for the year ended 31 March 2024 which have been extracted from the audited consolidated financial statements and have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 14 May 2024. The statutory auditors of the company have expressed an unmodified audit opinion on these financial results.

2. The above consolidated audited 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. The figures for the quarter ended 31 March 2024 and 31 March 2023 represent the balancing figures between audited figures for the full financial year and published year to date figures upto the third quarter of the year ended 31 March 2024 and 31 March 2023 respectively, which have been subject to limited review.

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 : 14 May 2024

H.P. Cotton Textile Mills Limited

Regd. Office:- 15th Km Stone, Delhi Road, VPO- Mayar, Hisar, Haryana-125044

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**Statement of audited consolidated assets and liabilities as at 31 March 2024**

(₹ in lacs except as stated otherwise)

Particulars	As at 31 March 2024	As at 31 March 2023
	(Audited)	(Audited)
<b>I ASSETS</b>		
<b>Non-current assets</b>		
(a) Property, plant and equipment	3,347	3,592
(b) Capital work-in-progress*	-	-
(c) Right-of-use assets	429	484
(d) Other intangible assets	17	37
(e) Financial assets		
(i) Other financial assets	163	151
(f) Deferred tax assets (net)	427	-
(g) Non current tax assets (net)	1	14
(h) Other non-current assets	10	13
	<b>4,394</b>	<b>4,291</b>
<b>Current assets</b>		
(a) Inventories	2,901	3,204
(b) Financial assets		
(i) Investments	-	54
(ii) Trade receivables	628	851
(iii) Cash and cash equivalents	7	106
(iv) Bank balance other than (iii) above	121	58
(v) Other financial assets	84	70
(c) Other current assets	706	599
	<b>4,447</b>	<b>4,942</b>
<b>Total assets</b>	<b>8,841</b>	<b>9,233</b>
<b>II EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
(a) Equity share capital	392	392
(b) Other equity	983	906
	<b>1,375</b>	<b>1,298</b>
<b>LIABILITIES</b>		
<b>Non current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	625	857
(ii) Lease liability	421	451
(b) Deferred tax liabilities (net)	-	90
(c) Provisions	304	275
	<b>1,350</b>	<b>1,673</b>
<b>Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	2,849	3,180
(ii) Lease liability	30	28
(iii) Trade payables		
i) total outstanding dues of micro enterprises and small enterprises	250	225
ii) total outstanding dues of creditor other than micro enterprises and small enterprises	2,044	2,007
(iv) Other financial liabilities	214	175
(b) Other current liabilities	527	426
(c) Provisions	202	221
	<b>6,116</b>	<b>6,262</b>
<b>Total equity and liabilities</b>	<b>8,841</b>	<b>9,233</b>

\*Rounded off to zero



Statement of audited consolidated cash flow for the year ended 31 March 2024

(₹ in lacs except as stated otherwise)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
	(Audited)	(Audited)
<b>A. Cash flows from operating activities</b>		
Net loss before tax	(420)	(1,880)
Adjustments for:		
Depreciation and amortisation expense	350	397
Liabilities no longer required written back	(51)	(44)
Amount written off	2	168
Profit on sale of property, plant and equipment	-	(38)
Unrealised foreign exchange fluctuation	7	(4)
Interest income classified as investing cash flow	(10)	(9)
Interest expense	667	535
Changes in fair value of financial assets at fair value through profit and loss*	(4)	(3)
<b>Operating loss before working capital changes</b>	<b>541</b>	<b>(878)</b>
<b>Movements in working capital :</b>		
Increase/(Decrease ) in other non-current assets*	2	(0)
Increase/(Decrease ) in other non-current financial assets	(12)	1
Increase/(Decrease ) in trade receivables	228	849
Increase/(Decrease ) in other current assets	(108)	131
Increase/(Decrease ) in other current financial assets	(15)	176
Increase/(Decrease ) in inventories	302	33
Increase/(Decrease ) in trade payables	65	(125)
Increase/(Decrease ) in other financial liabilities	41	(116)
Increase/(Decrease ) in other current liabilities	153	100
Increase/(Decrease ) in provisions	(4)	(37)
<b>Cash flow from operations</b>	<b>1,193</b>	<b>134</b>
Income taxes paid (net of refund received during the year)	7	(119)
<b>Net cash flow used in from operating activities</b>	<b>1,200</b>	<b>15</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	(31)	(96)
Investments in mutual funds	57	(52)
Proceeds from fixed deposits	(63)	95
Proceeds from sale of property, plant and equipment	-	44
Interest received	10	8
<b>Net cash flow used in investing activities</b>	<b>(27)</b>	<b>(1)</b>
<b>C. Cash flows from financing activities</b>		
Proceeds from long-term borrowings	135	608
Repayment of long-term borrowings	(455)	(605)
Proceeds/repayment of short term borrowings (net)	(264)	573
Payment of principal portion of lease liability	(28)	(54)
Payment of interest portion of lease liability	(44)	(9)
Dividend paid*	-	(33)
Proceeds from share warrant application money	-	76
Finance charges paid	(616)	(520)
<b>Net cash flow generated from financing activities</b>	<b>(1,272)</b>	<b>36</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>106</b>	<b>56</b>
<b>F. Cash and cash equivalents at the end of the year (D+E)</b>	<b>7</b>	<b>106</b>
<b>G. Cash and cash equivalents comprises of:</b>		
i. Balances with scheduled banks - in current accounts	6	105
ii. Cash on hand	1	1
	<b>7</b>	<b>106</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'.





**Independent Auditor's Report on Audited Standalone Quarterly and Year to Date Financial 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**

**Opinion**

We have audited the accompanying Standalone Financial Results of **H.P. Cotton Textile Mills Limited** ("the Company") for the quarter and year ended 31<sup>st</sup> March 2024 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (as amended) ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these standalone financial results:

- I. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- II. gives a true and fair view in conformity with Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34) prescribed under Section 133 of the Companies Act 2013 (the "Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India, of the standalone net profit after tax and other comprehensive income and other financial information for the quarter and year ended 31<sup>st</sup> March, 2024.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

**Management's Responsibilities for the Standalone Financial Results**

These quarterly financial results as well as the year to date standalone financial results have been prepared on the basis of the interim financial statements. The Company's Board of Directors are responsible for the preparation and presentation of the standalone financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating







effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.





# D. KOTHARY & CO.

## Chartered Accountants

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### Other Matters

The statement includes the results for the quarter ended 31st March, 2024 being the balancing figure between audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the nine months of the current financial year which were subject to limited review by us.

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

Deepak O. Narsaria  
Partner  
Membership No. 121190  
UDIN: 24121190BKBOSR5003



Place: Mumbai  
Date: 14<sup>th</sup> May 2024

## 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 standalone audited financial results for the quarter and financial year ended 31 March 2024

(₹ in lacs except as stated otherwise)

Particulars	Quarter ended 31 March 2024 (refer note 5)	Quarter ended 31 December 2023	Quarter ended 31 March 2023 (refer note 5)	Year ended 31 March 2024	Year ended 31 March 2023
		(Unaudited)		(Audited)	(Audited)
<b>Income:</b>					
I. Revenue from operations	1,907	2,570	1,997	9,356	8,398
II. Other income	61	26	44	180	208
<b>III Total income (I + II)</b>	<b>1,968</b>	<b>2,596</b>	<b>2,041</b>	<b>9,536</b>	<b>8,606</b>
<b>IV Expenses:</b>					
Cost of materials consumed	719	849	889	3,477	4,383
Changes in inventories of finished goods and work-in-progress	44	305	(105)	304	(119)
Employee benefits expense	566	591	511	2,331	2,263
Finance costs	172	183	181	667	535
Depreciation and amortisation expense	86	86	92	350	397
Power and fuel	293	326	319	1,347	1,335
Other expenses	360	370	555	1,478	1,689
<b>Total expenses (IV)</b>	<b>2,240</b>	<b>2,710</b>	<b>2,442</b>	<b>9,954</b>	<b>10,483</b>
<b>V (Loss)/profit before tax (III - IV)</b>	<b>(272)</b>	<b>(114)</b>	<b>(401)</b>	<b>(418)</b>	<b>(1,877)</b>
<b>VI Tax expense:</b>					
- Current tax	-	-	-	-	-
- Tax credit of earlier years	-	-	(2)	-	(2)
- Deferred tax (credit)/expense	(46)	10	(16)	(510)	(70)
<b>Total tax expense</b>	<b>(46)</b>	<b>10</b>	<b>(18)</b>	<b>(510)</b>	<b>(72)</b>
<b>VII (Loss)/profit for the period/year (V - VI)</b>	<b>(226)</b>	<b>(124)</b>	<b>(383)</b>	<b>92</b>	<b>(1,805)</b>
<b>VIII Other comprehensive income</b>					
Items that will not be reclassified to profit or loss					
Re-measurement gain of defined benefit obligations	(19)	-	(20)	(20)	(4)
Income tax relating to these items that will not be reclassified to profit or loss	5	-	6	6	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>(240)</b>	<b>(124)</b>	<b>(397)</b>	<b>78</b>	<b>(1,808)</b>
<b>X Paid-up equity share capital (face value per share Rs. 10)</b>	<b>392</b>	<b>392</b>	<b>392</b>	<b>392</b>	<b>392</b>
<b>XI Other equity</b>				<b>986</b>	<b>908</b>
<b>XII Earning/Loss per share (face value of Rs. 10 each)</b>	(not annualised)	(not annualised)	(not annualised)	(annualised)	(annualised)
(a) Basic (Rs.)	(5.78)	(3.18)	(9.87)	2.35	(46.66)
(b) Diluted (Rs.)	(5.78)	(3.18)	(9.87)	2.35	(46.66)

1. The Standalone financial results of H.P. Cotton Textile Mills Limited ("the Company") for the year ended 31 March 2024 which have been extracted from the audited standalone financial statements and have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 14 May 2024. The statutory auditors of the company have expressed an unmodified audit opinion on these financial results.

2. The above standalone audited financial 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 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, Saitesh 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 figures for the quarter ended 31 March 2024 and 31 March 2023 represent the balancing figures between audited figures for the full financial year and published year to date figures upto the third quarter of the year ended 31 March 2024 and 31 March 2023 respectively, which have been subject to limited review.

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 : 14 May 2024

**Statement of audited standalone assets and liabilities as at 31 March 2024**

(₹ in lacs except as stated otherwise)

Particulars	As at	As at
	31 March 2024	31 March 2023
	(Audited)	(Audited)
<b>I ASSETS</b>		
<b>Non-current assets</b>		
(a) Property, plant and equipment	3,347	3,592
(b) Capital work-in-progress*	-	-
(c) Right-of-use assets	429	484
(d) Intangible assets	17	37
(e) Financial assets		
(i) Investments	1	1
(ii) Other financial assets	163	151
(f) Deferred tax assets (net)	427	-
(g) Non current tax assets (net)	1	14
(h) Other non-current assets	10	13
	<b>4,395</b>	<b>4,292</b>
<b>Current assets</b>		
(a) Inventories	2,901	3,204
(b) Financial assets		
(i) Investments	-	54
(ii) Trade receivables	628	851
(iii) Cash and cash equivalents	6	105
(iv) Bank balance other than (iii) above	121	58
(v) Other financial assets	84	70
(c) Other current assets	709	599
	<b>4,449</b>	<b>4,941</b>
<b>Total assets</b>	<b>8,844</b>	<b>9,233</b>
<b>II EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
(a) Equity share capital	392	392
(b) Other equity	986	908
	<b>1,378</b>	<b>1,300</b>
<b>LIABILITIES</b>		
<b>Non current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	625	857
(ii) Lease liability	421	451
(b) Deferred tax liabilities (net)	-	90
(c) Provisions	304	275
	<b>1,350</b>	<b>1,673</b>
<b>Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	2,849	3,180
(ii) Lease liability	30	28
(iii) Trade payables		
i) total outstanding dues of micro enterprises and small enterprises	250	225
ii) total outstanding dues of creditor other than micro enterprises and small enterprises	2,044	2,005
(iv) Other financial liabilities	214	175
(b) Other current liabilities	527	426
(c) Provisions	202	221
	<b>6,116</b>	<b>6,260</b>
<b>Total equity and liabilities</b>	<b>8,844</b>	<b>9,233</b>

\*Rounded off to zero



Statement of audited standalone cash flow for the year ended 31 March 2024

(₹ in lacs except as stated otherwise)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
	(Audited)	(Audited)
<b>A. Cash flows from operating activities</b>		
Net (loss)/profit before tax	(418)	(1,878)
Adjustments for:		
Depreciation and amortisation expense	350	397
Liabilities no longer required written back	(51)	(44)
Amount written off	2	168
Profit on sale of property, plant and equipment	-	(38)
Unrealised foreign exchange fluctuation	7	(4)
Interest income classified as investing cash flow	(10)	(9)
Interest expense	667	535
Changes in fair value of financial assets at fair value through profit and loss*	(4)	(3)
<b>Operating (loss)/profit before working capital changes</b>	<b>543</b>	<b>(876)</b>
Movements in working capital :		
(Increase)/decrease in other non-current assets*	2	(0)
Increase in other non-current financial assets	(12)	1
Decrease/(increase) in trade receivables	228	849
Decrease in other current assets	(110)	131
Decrease/(increase) in other current financial assets	(14)	176
Decrease/(increase) in inventories	302	33
(Decrease)/increase in trade payables	64	(127)
Decrease in other financial liabilities	41	(116)
Increase/(decrease) in other current liabilities	153	100
(Decrease)/increase in provisions	(4)	(37)
<b>Cash generated from operations</b>	<b>1,193</b>	<b>134</b>
Income taxes paid (net of refund received during the year)	7	(119)
<b>Net cash flow generated from operating activities</b>	<b>1,200</b>	<b>15</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	(31)	(96)
Investments in mutual funds	57	(52)
Investment in subsidiary	-	(1)
Proceeds from fixed deposits	(63)	95
Proceeds from sale of property, plant and equipment	-	44
Interest received	10	8
<b>Net cash flow used in investing activities</b>	<b>(27)</b>	<b>(2)</b>
<b>C. Cash flows from financing activities</b>		
Proceeds from long-term borrowings	135	608
Repayment of long-term borrowings	(455)	(605)
Proceeds/repayment of short term borrowings (net)	(264)	573
Payment of principal portion of lease liability	(28)	(54)
Payment of interest portion of lease liability	(44)	(9)
Dividend paid*	-	(33)
Proceeds from share warrant application money	-	76
Finance charges paid	(616)	(520)
<b>Net cash flow generated from financing activities</b>	<b>(1,272)</b>	<b>36</b>
<b>D. Net decrease in cash and cash equivalents (A+B+C)</b>	<b>(99)</b>	<b>49</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>105</b>
<b>G. Cash and cash equivalents comprises of:</b>		
i. Balances with scheduled banks - in current accounts	5	104
ii. Cash on hand	1	1
	<b>6</b>	<b>105</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'.



**DECLARATION ON UNMODIFIED OPINION OF STATUTORY AUDITORS ON THE  
AUDITED STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR  
ENDED MARCH 31, 2024**

This is to declare that M/s D. Kothary & Co., Chartered Accountants, Statutory Auditors of the Company, has formed their unmodified opinion on the Audited Standalone and Consolidated Financial Results of the Company for the year ended March 31, 2024 being published after review of the Audit Committee and approval of Board of Directors of the Company at their respective meetings held on May 14, 2024.

The above declaration is made pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

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



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

Date: May 14, 2024  
Place: New Delhi

**Corporate Office:**

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**CIN NO.** L18101HR1981PLC012274