

**25 May 2017**
**CMP:** Rs. 36.1

**Industry:** Textile

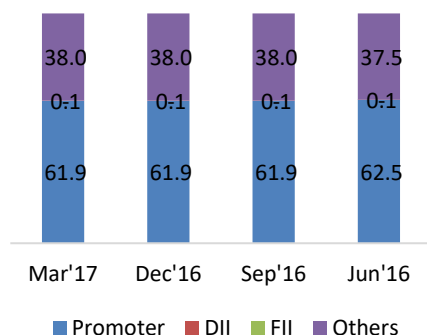
**BSE group:** XD

**Promoters**

 Surendra Agarwal, Ghanshyam Das  
 Agarwal, Ashok Kumar Agarwal, Kailash  
 Kumar Agarwal

**Key Data**

BSE	502873
ISIN	INE950C01014
Face Value (Rs.)	10.0
Mkt Cap (Rs. mn)	141.0
Current P/E	(6.2)
Current P/BV	0.9
52 week high-low	57.55-33.55
30 days avg. daily trading volume (shares)	1.3
Equity capital (Rs mn)	38.1
Net worth (Rs mn)	165.7

**Shareholding Pattern (%)**


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**Company business**

HP Cotton Textile Mills Limited was promoted in association with the Haryana State Industrial Infrastructure Development Corporation (HSIIDC). Later on, HSIIDC's entire stake was bought back by the other promoters. The company is primarily involved in the manufacturing of gazed and mercerized yarns for knitting, weaving, lace material, fashion garments, T-shirts, and socks; sewing threads; and crochet and hand knitting yarns. It also provides industrial sewing threads, glazed and soft threads for stitching, kite flying, and embroidery, as well as cotton mink threads for fur stitching.

**Financials**

Particulars (Rs. mn)	Mar'17	Mar'16	% Change <sup>1</sup>	Dec'16	% Change <sup>2</sup>
Total income	291.7	216.1	35.0%	216.7	34.6%
Total expenditure	276.5	206.8	33.7%	229.7	20.4%
EBITDA	15.2	9.3	63.4%	-13.0	-216.9%
EBITDA margin (%)	5.2%	4.3%		-6.0%	
PBT	7.8	2.9	169.0%	-21.7	-135.9%
PAT (after extraordinary items)	5.6	2.7	107.4%	-14.7	-138.1%
PAT margin (%)	1.9%	1.2%		-6.8%	
EPS (Rs.)	1.5	0.7	107.0%	(3.9)	-138.1%

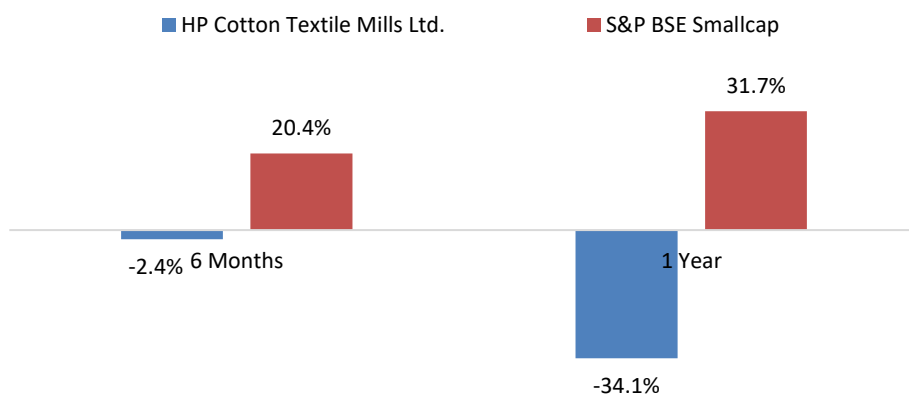
<sup>1</sup> compared to corresponding quarter in the previous year

Source: ACE Equity, Company

<sup>2</sup> sequential comparisons

**Financial Performance**

The company's revenues were up ~35% this quarter at Rs. 291.7 mn. The company's EBITDA margin was up from 4.3% in the March quarter in the previous year to 5.2 % this year, while the PAT margin was up from 1.2% to 1.9%.

**Share Price Performance**


## Financials

<b>P&amp;L (Rs. mn)</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Total income	921.2	890.3	907.0
EBITDA	63.6	55.6	-5.9
EBITDA margin (%)	6.9%	6.2%	-0.7%
Depreciation	12.6	12.0	10.8
EBIT	51.1	43.6	-16.7
Interest	18.9	13.9	16.9
PBT (before exceptional items)	32.1	29.7	-33.6
Exceptional items	-	-	-
PAT	19.7	20.2	-22.3
PAT margin (%)	2.1%	2.3%	-2.5%
Earnings Per share (Rs.)	5.2	5.3	-5.8
<b>Cash Flow (Rs.mn)</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
PBT (after exceptional items)	32.1	29.7	-33.6
CF from operations	63.3	12.5	45.4
CF from investing	-17.7	2.6	-105.7
CF from financing	-44.4	-17.4	73.4
Inc/(dec) in cash	1.2	-2.3	13.1
<b>Closing Balance</b>	<b>10.4</b>	<b>8.0</b>	<b>21.1</b>

<b>Balance Sheet (Rs. mn)</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Equity Share Capital	38.1	38.1	38.1
Preference Share Capital	-	-	-
Share Warrants	-	-	-
Reserves & Surplus	134.3	149.9	127.6
<b>Shareholders' Funds</b>	<b>172.4</b>	<b>188.0</b>	<b>165.7</b>
Minority Interest	-	-	-
Borrowings	127.2	131.5	230.7
Current Liabilities & Provisions	136.2	132.5	194.9
<b>Total liabilities</b>	<b>435.8</b>	<b>452.0</b>	<b>591.4</b>
Net fixed assets	87.8	77.8	74.5
Capital WIP	0.2	-	102.2
Investments	12.4	12.4	15.1
Inventories	197.0	207.6	210.0
Sundry Debtors	51.8	73.4	87.0
Cash & Bank	10.4	8.0	21.1
Other Current Assets	59.9	51.6	53.5
Loans and Advances	17.9	20.3	15.1
Miscellaneous Expenses not w/off	-	-	-
Deferred Tax Assets/(Liabilities)	-1.4	1.0	12.8
<b>Total assets</b>	<b>435.8</b>	<b>452.0</b>	<b>591.4</b>

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