



# Axita Cotton Limited

Mfg. & Exporter of Cotton

ISO 9001:2015  
CERTIFIED

CIN No. : L17200GJ2013PLC076059  
GST IN : 24AALCA8092L1Z6  
PAN : AALCA8092L

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Tele : +91 6358747514 | E-mail : cs@axitacotton.com | Website : www.axitacotton.com

Date: 25/05/2023

To,  
The General Manager-Market Operations  
**BSE Limited,**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai-400 001.

To,  
The General Manager-Listing Department  
**The National Stock Exchange of India Limited**  
Exchange Plaza, 5<sup>th</sup> Floor Plot No. C/11, G Block,  
Bandra Kurla Complex, Bandra (E), Mumbai- 400  
051.

Ref.: Security Code: 542285

Ref.: Symbol: AXITA

Dear Sir/Madam,

**Subject: Intimation of Press Release**

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the Press Release, being issued by the Company, which is self-explanatory.

You are requested to kindly take on your record and oblige.

Thanking You,

Yours Faithfully,  
**FOR AXITA COTTON LIMITED**

**Nitinbhai Govindbhai Patel**  
Chairman and Managing Director  
DIN: 06626646



Encl.: a/a



**AXITA COTTON**

**Press Release**

## **Axita Cotton Limited Announced Share Buyback at Rs.56 and Achieves Strong Financial Performance**

Axita Cotton Limited, one of India's leading raw cotton manufacturers and exporters, experienced a significant boost in its stock price during the recent trading session. This surge was driven by the news that the company is considering a buyback of equity shares. As a result, the stock rallied by 5%, hitting the upper circuit limit.

To formalize this proposal, the board meeting of Axita Cotton Limited was scheduled to convene on Tuesday, May 23, 2023 and the Company has announced whopping Buy back of Rs.56 Per share which is almost Double then its closing Market Price as on May 24, 2023 at Rs.27.41. The Board carefully evaluated the feasibility of the buyback in accordance with the provisions outlined in the Companies Act, 2013, and the Securities and Exchange Board of India (SEBI) (Buyback of Securities) Regulations, 2018, while maintaining full compliance with all relevant regulations throughout this process. Axita Cotton Limited has shown a good compounded profit growth of 265% for the Past 3 years. They've also been maintaining healthy ROE of 38% over the past 3 years.

Following the announcement, shares of Axita Cotton Limited surged by 5%, reaching a price of Rs 27.30 at 9:55 am, which triggered the buyer's circuit limit. With this upward momentum, Axita Cotton Limited now commands a total market capitalization of Rs 550 crore. Notably, the stock had settled at approximately 50% over the past year. Axita Cotton Limited has declared a dividend in Sept. 19, 2022. They had given Bonus issue of share twice in last 4 Years. The company is debt free and profitability is increasing on a Y-o-Y basis. No shares of Axita Cotton Limited are pledged.

In terms of financial performance, gross margins are improving and Axita Cotton Limited has delivered robust results. For the quarter ending on March 31, 2023, the Company reported a net profit after tax of Rs 5.6 crore, with revenue from operations amounting to Rs 125.88 crore. Furthermore, for the entire financial year 2022-23, Axita Cotton Limited achieved a net profit after tax of Rs 17.09 crore, accompanied by revenue from operations of Rs 552.6 crore.

Moving forward, Axita Cotton Limited remains dedicated to upholding our strong performance, ensuring compliance with regulatory requirements and creating value for their stakeholders. Axita Cotton Limited has a high promoter holding of 69.65%. The cash conversion cycle is of 24 days (in financial year 2022-2023), a ROCE of 48.7 % (in financial year 2022-2023) and high cash liquidity.



## AXITA COTTON

Also, in compliance with Regulation 42(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Regulation 9(i) of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, the Company has fixed, Friday, June 02, 2023 as the record date for buyback.

### **About Axita Cotton Limited**

Axita Cotton Limited produces cotton bales and cotton seeds, with a focus on two varieties of cotton bales: Shankar-6 and MCU-5/MECH. The production facility is located in Kadi, in the Mahesana District of Gujarat state, which is strategically positioned near the major cotton growing areas of Saurashtra and other regions of Gujarat.



For more information, please visit [www.axitacotton.com](http://www.axitacotton.com)

For more information please contact:

**Axita Cotton Limited**

**Email:** [cs@axitacotton.com](mailto:cs@axitacotton.com)

**DISCLAIMER:** Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Further, past performance is not necessarily indicative of future results. Given these risks, uncertainties and other risk factors, viewers are cautioned not to place undue reliance on these forward-looking statements. The Company will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.