



# Axita Cotton Limited

Mfg. & Exporter of Cotton

ISO 9001:2015  
CERTIFIED

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

Reg. Office : Servey No. 324, 357, 358, Kadi Thol Road, Borisana Kadi,  
Mahesana-382715. Gujarat. India  
Tele : +91 6358747514 | E-mail : cs@axitacotton.com | Website : www.axitacotton.com

Date: November 14, 2019

To,  
Department of Corporate Service  
BSE Limited  
Phiroze Jeejeebhoy Tower  
Dalal Street,  
Mumbai-400 001.

**Ref: Axita Cotton Limited (Security Code/Security Id: 542285/ AXITA).**

Respected Sir/Madam,

**Sub: Outcome of Board Meeting in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").**

The Board of Directors of the Company at their meeting held today i.e. November 14, 2019, has inter alia, considered and approved the following:

1. Consideration and approval of Unaudited Standalone Financial Results of the Company for half year ended on September 30, 2019 as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 together with Limited Review Report by the Statutory Auditors are enclosed herewith;
2. Recommended the issuance of bonus equity shares in the ratio of 1:1 [i.e. 1 (One) bonus equity share of ₹ 10/- each for every 1 (One) fully paid-up equity share held as on record date] subject to the approval of shareholder's approval.

The record date for reckoning eligible shareholders entitled to receive bonus shares will be communicated later.

3. Recommended, subject to the approval of shareholders, increase in the Authorized Share Capital of the Company, from the present of ₹ 7,00,00,000/- divided into 70,00,000 equity shares of ₹ 10/- each to ₹ 14,00,00,000/- divide into 1,40,00,000 equity shares of ₹ 10/- each and consequent to the amendment in the Capital Clause (Clause V) of Memorandum of Association of the Company.





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4. Appointed of Mr. Harsh Shah, Chartered Accountant, (Membership No: 189228) as an internal auditor of the Company for the F.Y. 2019-20. Brief profile of Internal Auditor is enclosed.
5. Approved the Notice of Extra-Ordinary General Meeting of the Company will be held on Friday December 13, 2019 at 04:00 p.m. at the registered office of the Company at Servey No. 324 357 358 Kadi Thol Road Borisana Kadi Mahesana-382715, Gujarat.
6. Appointed CS Anand S Lavingia, Practicing Company Secretary as a Scrutinizer for conducting the entire poll process for passing the resolution proposed in the ensuing EOGM No. 02/2019-20 scheduled to be held on Friday, December 13, 2019.
7. Considered and approved all other business as per agenda circulated.

The Meeting of the Board Commenced at **05:50** p.m. and concluded at **07:00** pm.

The above information will be available on the website of the Company at [www.axitacotton.com](http://www.axitacotton.com)

You are kindly requested to acknowledge and update the same in your records.

Thanking you,

Yours truly,  
For Axita Cotton Limited

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







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## Statement of Unaudited Results for the half year ended September 30, 2019 of Axita Cotton Limited

Particulars	Amount in ₹ lakhs				
	6 months ended (30/09/2019)	6 months ended (31/03/2019)	6 months ended (30/09/2018)	Year to date figures for current period ended (31/03/2019)	Year to date figures for current period ended (31/03/2018)
	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Audited)
<b>1. Income from Operations</b>					
(a) Net Sales/Income from Operations (Net of GST)	7,308.68	15,858.36	5,321.48	21,179.84	12,327.03
(b) Other Income	242.05	135.94	96.59	232.53	63.92
<b>Total income from Operations (net)</b>	<b>7,550.72</b>	<b>15,994.30</b>	<b>5,418.07</b>	<b>21,412.37</b>	<b>12,390.95</b>
<b>2. Expenses</b>					
(a) Cost of Materials consumed	1,879.80	5,815.48	842.24	6,657.72	8,823.46
(b) Purchase of stock-in-trade	4,727.55	10,104.94	3,951.31	14,056.25	2,720.39
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	453.88	(473.69)	191.34	(282.35)	166.54
(d) Employee benefits expense	88.01	67.94	55.59	123.53	96.39
(e) Finance Costs	44.13	92.20	87.47	179.67	195.44
(f) Depreciation and amortisation expense	25.71	28.25	28.25	56.50	42.64
(g) Other expenses	320.40	307.49	244.52	552.01	233.97
<b>Total Expenses</b>	<b>7,539.49</b>	<b>15,942.61</b>	<b>5,400.72</b>	<b>21,343.33</b>	<b>12,278.83</b>
<b>3. Profit / (Loss) before exceptional and extraordinary items and tax (1 - 2)</b>	<b>11.24</b>	<b>51.69</b>	<b>17.35</b>	<b>69.04</b>	<b>112.12</b>
4. Exceptional Items	-	-	-	-	-
<b>5. Profit / (Loss) before extraordinary items and tax (3 + 4)</b>	<b>11.24</b>	<b>51.69</b>	<b>17.35</b>	<b>69.04</b>	<b>112.12</b>
6. Extraordinary items	-	-	-	-	-
<b>7. Profit / (Loss) before tax (5 - 6)</b>	<b>11.24</b>	<b>51.69</b>	<b>17.35</b>	<b>69.04</b>	<b>112.12</b>
<b>8. Tax expense</b>					
Current Tax	4.35	12.74	12.73	25.47	-
Deferred Tax	-	1.28	1.28	2.57	3.71
<b>9. Profit/ (Loss) for the period from continuing operations (7-8)</b>	<b>6.88</b>	<b>40.23</b>	<b>5.90</b>	<b>46.14</b>	<b>115.83</b>
10. Profit/ (Loss) from discontinuing operations	-	-	-	-	-
11. Tax Expense of discontinuing operations	-	-	-	-	-
<b>12. Profit/ (Loss) from discontinuing operations (after taxes) (10-11)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>13. Profit/(Loss) for the period (9+12)</b>	<b>6.88</b>	<b>40.23</b>	<b>5.90</b>	<b>46.14</b>	<b>115.83</b>
<b>14. Earnings Per Share</b>					
Face Value of Rs.10/- each) (not annualised):					
(a) Basic	0.11	0.72	0.23	1.13	4.63
(b) Diluted	0.11	0.72	0.23	1.13	4.63
See accompanying note to the Financial Results					

### NOTES:

- The above Results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at its Meeting held on 14th November, 2019. The
- This Statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind As), prescribed under section 133 of the Companies Act,
- The figures have been regrouped /reclassified , wherever necessary.
- The Disclosure is as per Regulation 33 of SEBI (Listing Obligations & Discloser Requirements) Regulations, 2015.
- The Company is operating in single segment, hence AS-17, "Segment Reporting" is not applicable.



For, Axita Cotton Limited

Nitinbhai Patel  
Chairman Cum Managing Director  
DIN: 06626646

Place: Kadi  
Date: 14/11/2019





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Statement of Assets and Liabilities for Half Year ended September 30, 2019 of Axita Cotton Limited		
	Amount in ₹ lakhs	
Standalone Statement of Assets and Liabilities	As at 30/09/2019	As at 31/03/2019*
<b>Particulars</b>		
<b>Â EQUITY AND LIABILITIES</b>		
<b>1 Shareholders' funds</b>		
(a) Share capital	655.20	655.20
(b) Reserves and surplus	1,131.73	1,124.85
(c) Money received against share warrants	-	-
<b>Sub-total - Shareholders' funds</b>	<b>1,786.93</b>	<b>1,780.05</b>
<b>2. Share application money pending allotment</b>		
<b>3. Non-current liabilities</b>		
(a) Long-term borrowings	5.00	35.00
(b) Deferred tax liabilities (net)	-	-
(c) Other long-term liabilities	-	-
(d) Long-term provisions	-	-
<b>Sub-total - Non-current liabilities</b>	<b>5.00</b>	<b>35.00</b>
<b>4. Current liabilities</b>		
(a) Short-term borrowings	693.13	1,448.20
(b) Trade payables	218.96	326.92
(c) Other current liabilities	61.59	127.61
(d) Short-term provisions	20.35	109.44
<b>Sub-total - Current liabilities</b>	<b>994.03</b>	<b>2,012.17</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>2,785.96</b>	<b>3,827.22</b>
<b>B ASSETS</b>		
<b>1. Non-current assets</b>		
(a) Fixed assets		
(i) Tangible Assets	363.45	380.57
(ii) Intangible Assets	-	-
(iii) Capital Work in Progress	-	-
(iv) Intangible Asset under Development	-	-
(b) Non-current investments	-	-
(c) Deferred tax assets (net)	6.71	6.71
(d) Long-term loans and advances	-	-
(e) Other non-current assets	6.72	7.07
<b>Sub-total - Non-current assets</b>	<b>376.88</b>	<b>394.35</b>
<b>2 Current assets</b>		
(a) Current investments	-	-
(b) Inventories	383.13	991.40
(c) Trade receivables	1,283.07	1,043.36
(d) Cash and cash equivalents	388.58	58.78
(e) Short-term loans and advances	35.16	930.66
(f) Other current assets	319.14	408.67
<b>Sub-total - Current assets</b>	<b>2,409.08</b>	<b>3,432.87</b>
<b>Total -Assets</b>	<b>2,785.96</b>	<b>3,827.22</b>

\* Previous Year's figures have been regrouped / reclassified wherever necessary to correspond with current year's classification / disclosure.

For, Axita Cotton Limited



*Nitinbhai Patel*

Nitinbhai Patel  
Chairman Cum Managing Director  
DIN: 06626646

Place: Kadi  
Date: 14/11/2019





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## Unaudited Statement of Cash Flows for Half Year Ended September 30, 2019 of Axita Cotton Limited

Amount in ₹ lakhs

Sr.No.	Particulars	Half Year Ended 30/09/2019	Year Ended 31/03/2019
<b>1</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit (Loss) As per Profit & Loss Account	6.88	46.14
<b>A.</b>	<b>Tax and Extra-Ordinary Item</b>		
a)	Amt Transferred to Reserve	0.00	0.00
b)	Income Tax	4.35	25.47
c)	Deferred Tax	0.00	2.57
	Net Profit (Loss) before tax	11.24	69.04
<b>B.</b>	<b>Adjustments for Non cash and Non Operating Items</b>		
a)	Depreciation	25.71	56.50
b)	Credit written off	0.00	0.00
c)	Preliminary expenses written off	0.35	0.79
d)	Interest Expense	44.13	179.66
e)	Provision Created for the year	0.00	0.00
f)	Interest Income	-1.50	-1.96
	Operating profit(loss) before working capital changes	79.93	304.03
<b>C.</b>	<b>Changes in Working Capital</b>		
a)	Decrease/(Increase) in Inventory	608.26	-360.98
b)	Decrease/(Increase) in Trade Receivables	-239.71	22.33
c)	Decrease/(Increase) in Other Current Assets	89.53	-407.54
d)	Decrease/(Increase) in Short Term Loans and Advances	895.50	-836.86
e)	(Decrease)/Increase in Short Term Provisions	-74.89	72.70
f)	(Decrease)/Increase in Trade Payables	-107.96	304.39
g)	(Decrease)/Increase in Other Current liabilities	-66.02	-60.06
h)	(Decrease)/Increase in Short Term Borrowings	-755.08	-85.56
	Net Cash Flow before tax and extra ordinary item	429.57	-1047.56
	Less: Direct Taxes Paid	18.55	58.73
	Less: Extraordinary Items	0.00	0.00
	Net Cash Flow from Operating Activities	411.02	-1106.29
<b>2</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
a)	Acquisition of Fixed Assets	-8.59	-18.89
b)	Capital Gain Income	0.00	0.00
c)	Dividend received	0.00	0.00
d)	Interest Income	1.50	1.96
	Net Cash Flow from Investing Activities	-7.09	-16.93
<b>3</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
a)	Long Term Borrowing Repaid	-30.00	-67.62
b)	Interest and finance cost	-44.13	-179.66
c)	Shares Issued	0.00	1396.20
d)	Share Issue Expenses	0.00	-12.61
	Net Cash Flow from Financing Activities	-74.13	1136.30
	Net Increase in Cash and Equivalent.	329.80	13.09
	Cash And Cash Equivalents as at the Beginning of the year	58.78	45.69
	Cash And Cash Equivalents as at the Closing of the year	388.58	58.78

For, Axita Cotton Limited

Place: Kadi  
Date: 14/11/2019



  
Nitinbhai Patel  
Chairman Cum Managing Director  
DIN: 06626646



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## Notes:

1. The financial results were reviewed by the Audit Committee and approved by Board of Directors in their meeting held on November 14<sup>th</sup>, 2019.
2. There were no investor Complaints received / pending as on 30-09-2019.
3. Figures of previous period/year have been regrouped/recast wherever necessary to make the Financial Statements comparable.
4. During the Period the company has not issued any kind of Shares.
5. During the period, the valuation of closing stock has been carried out at Cost or Net Realizable Value whichever is lower.
6. Income tax expense has been recognized in each Interim Period based on the best estimates of the weighted average annual effective tax rate as estimated by management.
7. Deferred Tax has been recognized in each Interim Period on the estimates made by management.
8. Claim has been placed for subsidy on GST and the same has been recognized as income in the books to the extent of amount receivable for the period under review.

**For, Axita Cotton Limited**



**Nitinbhai Patel**  
**Chairman Cum Managing Director**  
**DIN: 06626646**  
**Date: November 14<sup>th</sup>, 2019**  
**Place: Kadi**





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## Details required for bonus issue as per Regulations 30 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015:

<b>Whether Bonus is out of free reserves created out of profits or securities premium account or the capital redemption reserve.</b>	The Bonus equity shares will be issued out of securities premium account of the company available as on September 30, 2019.
<b>Bonus Ratio</b>	1:1 i.e. 1 (One) bonus equity shares of ₹ 10/- each for every 1 (One) equity shares held as on the record date. The Record date will be announced in due course.
<b>Details of Share Capital - Pre and Post bonus issue</b>	The pre-bonus issue paid-up equity share capital as on the date of this letter is ₹ 6,55,20,000/- consisting of 65,52,000 equity shares of ₹ 10/- each  The post-bonus paid up equity share capital shall be ₹ 13,10,40,000/- consisting of 1,31,04,000 equity shares of ₹ 10/- each.
<b>Free reserves or securities premium or capital redemption reserve required for implementing the Bonus Issue</b>	₹ 6,55,20,000/- will be utilized for implementation of Bonus Issue.
<b>Free reserve or securities premium or capital redemption reserve available for capitalization and the date on which such balance is available.</b>	Securities premium of ₹ 9,78,38,745.36 is available as on September 30, 2019.
<b>Whether the aforesaid figures are audited</b>	As per Unaudited Financial Results for the half-year ended on September 30, 2019 but which is same as per Audited Financial Results for the year ended on March 31, 2019.
<b>Estimated date by which such Bonus Shares would be credited/dispatched</b>	Within 60 days from the date of Board's approval





**Limited Review Report**

To,  
Board of Directors  
Axita Cotton Limited

We have reviewed the accompanying statement of unaudited financial results of **Axita Cotton Limited** for the period ended **30<sup>th</sup> September, 2019**. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

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 financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Mistry & Shah  
Chartered Accountants  
FRN: 122702W

*M. h. Shah*

Malav Shah  
Partner  
M.No: 117101  
UDIN: 19117101AAAADR4306



Place: Ahmedabad  
Date: 14/11/2019





## CA HARSH SHAH

A-7, Sthapana Flats, Ankur Road, Naranpura, Ahmedabad - 380013

### PROFILE

Qualification	: Chartered Accountant, B.COM, PGDIFA, Direct Tax Practices
Date of Birth	: Feb 15, 1995
Permanent Address	: A-7, Sthapana Flats, Ankur Road, Naranpura, Ahmedabad - 380013
Phone no.	: (M) +91 97221 29886

<b>Name:</b>	Harsh Shah
<b>Membership No.:</b>	189228
<b>Permanent Address:</b>	A-7, Sthapana Flats, Ankur Road, Naranpura, Ahmedabad - 380013
<b>Phone no:</b>	(M) +91 97221 29886
<b>Email Id:</b>	caharshshah15@gmail.com

### Brief Profile:

I am an Associate Member of the Institute of Chartered Accountants of India. I have completed my graduation (B.COM) from S.M. Patel, Institute of Commerce. I did my post-graduation (P.G.D.I.F.A) from S.D. School of Commerce. I did my Direct Tax Practice Degree Course from Maneklal Nanawati Law College.

I have huge experience of working in various fields & Industries like Cotton Industry, Aluminum Industry, CNC Heavy Duty Machine industry, Project Finance Service Sector, Management Consultancy Sector Etc.

### Glimpses Of work done:

- Implemented ERP Process in the Organization.
- Undertaken whole GST implementation in the firm.
- Compliance of company law matters such as incorporation of companies and Limited liability partnerships and drafted resolutions and minutes of meetings.
- Prepared appeals and petitions for income tax cases and service tax cases to be filed before income tax authorities.
- Undertaken Annual Filing of various companies under MCA21 portal.
- Undertaken TDS Return Filing work of various clients.
- Managed Accounting preparation of various clients.
- Guiding on Smooth Implementation of ERP Project in the company.
- Implemented Just in time approach of costing in major Purchase items.
- Conducted Reviews on major expenses and given solution to reduce the cost.

*Harsh Shah*



## **CA HARSH SHAH**

**A-7, Sthapana Flats, Ankur Road, Naranpura, Ahmedabad - 380013**

- Guiding on Advanced Stock taking activity at each month end.
- Undertaken Cost Controlling Activity in whole organization.
- Undertaken Surprise stock audits in each of the units.
- Undertaken Project Finance work in order to procure Cash Credit Facility.
- Recording day to day business transactions.

### **Area of Interest**

- Statutory Audit
- Tax Audit
- Scrutiny Assessment Procedure
- Appeals and Revision proceedings under Income Tax Act
- Bank Statutory Audit, Concurrent Audit, Credit Audit, Stock Audit, Revenue Audit
- GST Compliances and all other areas.
- Project Finance/ Financial Advice/ Financial Assistance
- Management Consultancy
- Export/Import Compliances
- Insolvency & Bankruptcy Process under Insolvency and Bankruptcy Code, 2016.
- Real Estate Regulatory Authority 2017. (RERA 2017)
- Foreign Exchange Risk management, Futures, Forwards, Options & Swaps.
- Companies Act 2013 Compliances.
- Various Cost Reduction Techniques such as JIT, ABC, KAIZEN etc.

### **Personality Traits**

- Flexibility and willingness to learn.
- Sense of Responsibility
- Hard working & Continuous Learner
- Adaptive & Friendly Nature
- Team Leadership and ability to getting work done from subordinates.

Regards,

Thanking You  
CA HARSH SHAH  
Chartered Accountant  
Membership No: 189228