



Pashupati
Mfg. of Cotton Yarn Cotspin Limited

CIN NO: U17309GJ2017PLC098117

03/10/2018

To,
The National Stock Exchange of India Limited,
Exchange Plaza,
Plot no. C/1, G Block,
Bandra-Kurla Complex
Bandra (E), Mumbai-400051

SUB.: Submission of Annual Report

Dear Sir,

With reference to the above captioned subject and pursuant to regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit the soft copy of the Annual Report for the financial year 2017-18 duly approved and adopted by the shareholders of the Company as per the provisions of the Companies Act, 2013, at the 01st Annual general meeting held on 17th September, 2018.

Kindly take the above information on your record.

Thanking You,

Yours faithfully,
For, **PASHUPATI COTSPIN LIMITED**



SAURIN JAGDISH BHAI PARIKH
Managing Director
(DIN: 02136530)



Office & Factory : Kadi-Detroj road, At & Po.: Balasar, Ta.: Kadi-382715. Gujarat-India
Corp Office : D-707, Ganesh Meridian, Opp. Gujarat High Corut S.G.Highway, Ahmedabad-380060. Gujarat-India
Phone : (O) +91.2764.262200,262088 | Email : accounts@pashupaticotton.com

GROWTH WITH VISION

1st
Annual Report

2017 - 2018



PASHUPATI COTSPIN LIMITED

CIN : U17309GJ2017PLC098117



PASHUPATI
COTSPIN LTD.

OUR PRODUCTS



Cotton Bales



Cotton Yarn



Cotton Seeds

CORPORATE INFORMATION**Board of Directors :**

Mr. Saurin Jagdish Bhai Parikh	Chairman & Managing Director (DIN: 02136530)
Mr. Tushar Rameshchandra Trivedi	Whole-Time Director (DIN: 06438707)
Mr. Dakshesh Jayantilal Patel	Director (DIN: 07859419)
Mr. Sandip Ashwinbhai Parikh	Additional Independent Director (DIN: 00030990)
Mr. Mahendrabhai Gulabdas Patel	Additional Independent Director (DIN: 00104706)
Mrs. Sheela Kirtankumar Roy	Additional Independent Director (DIN: 07891440)

Chief Financial Officer :

Mr. Hareshkumar Rameshchandra Shah

Company Secretary & Compliance Officer :

Mr. Pratik Ashokbhai Patel
(Upto 03rd November, 2017)
Ms. Bijal Nareshbhai Thakkar
(w.e.f 03rd November, 2017)

Registered Office :

Survey No.404 At& Post Balasar,
Kadi-Detroj Road, Kadi Mahesana-382715,
Phone: 02764-262200

E-Mail & Website :

cs@pashupaticotspin.com
www.pashupaticotspin.com

Statutory Auditors :

M/s Mahendra N. Shah & Co.
201, Pinnacle Business Park,
Corporate Road, Nr. Auda Garden,
Prahlanagar, Ahmedabad-380015.

Banker :

Oriental Bank of Commerce
Yes Bank Limited

Registrar & Share Transfer Agent :

Sharex Dynamic (India) Private Ltd.
Unit-1, Luthra Industrial Premises,
Safed Pool, Andheri Kurla Road,
Andheri (East), Mumbai-400 072.

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Chairman's Speech to Shareholders**Respected Shareholders,**

Ladies and Gentlemen: Good Morning and welcome to the Annual General Meeting.

I, Saurin Jagdish Bhai Parikh (Managing Director), heartily welcome you all, having joined Pashupati Cotspin Limited family with your participation in our public offer made in the Financial Year 2017-18. It is my desire and wish that this association of ours, will strengthen our hands in to reach glorious heights.

We are fortunate and humbled by the response received for the Initial Public Offering (IPO) of the shares of Pashupati Cotspin Limited which was listed in the financial year 2017-18 on 08th September, 2017 on NSE SME Platform.

The support given to the IPO road shows was very heartwarming and I would like to thank all our investors for showing confidence and trust in Management Capabilities of the "PASHUPATI" team, our philosophy of fairness and transparency and in our commitment to social initiatives to promote economic and social well-being of the society around us.

As the Company is on a growing base, many new projects are expected to come in near future:

- ⇒ As a part of agriculture Industries, we wanted to go Farm to Fashion type in-house production facilities in our unit.
- ⇒ Basically in ginning department, the system is unorganized so we wanted to create a whole organized system in ginning unit.
- ⇒ We wanted to prepare short and long term wish list and challenges in our industries so; we can improve our production cycle specifically in ginning unit.
- ⇒ As we all know that, today our country faces lots of problems for energy consumption. Nowadays electricity consumption rate is higher than the production of electricity. So, we plan to produce the solar energy and wind energy through solar and wind plant.
- ⇒ Starting from cotton industries, we have spinning, weaving unit also. Now, we also plan to diversify our business in other industries to expand our group.
- ⇒ Now, there are some initiatives taken by various companies for society. As a part of society, we have also started human wellness foundation for cancer awareness.
- ⇒ As we all know that company grow with their employees; we also provide training and orientation to our staff to meet the requirements of current scenario and to improve their work standards

I would also like to propose hearty vote of thanks to all the Board of Directors, Key Managerial Personnel, Shareholders, Customers, Bankers and every member of "PASHUPATI" family for extending support, faith and trust in the company and expect the same in the time to come.

NOTICE**(CIN: U17309GJ2017PLC098117)**

NOTICE is hereby given that the 01st (First) Annual General Meeting of the Shareholders of **PASHUPATI COTSPIN LIMITED** will be held on Monday, 17TH September, 2018 at the registered office Survey No.404 At & Post Balasar, Kadi-Detroj Road, Kadi Mahesana-382715 at 11.00 a.m. to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statement of the Company for the financial year ended March 31, 2018 and the reports of the Board of Directors and Auditors thereon;
2. To appoint a Director in place of Mr. Dakshesh Jayantilal Patel (DIN: 07859419) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint **M/s. Mahendra N. Shah & Co. (FRN: 105775W)**, Chartered Accountants as statutory auditors of the Company and fix their remuneration.

To consider and if thought fit to give your assent/dissent to the following resolution as an **Ordinary Resolution**.

“RESOLVED THAT pursuant to the provisions of Section 139,142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory Modification(s) or re-enactments(s) thereof for the time being in force), M/s Mahendra N. Shah & Co. (FRN:105775W), Chartered Accountants, be and is hereby appointed as Statutory Auditors of the Company for a period of Five (5) years to hold office from the conclusion of the 01st (First) Annual General Meeting (AGM) till the conclusion of the 06th (Six) Annual General Meeting of the Company to be held in the year 2023 on such remuneration, excluding all other applicable taxes and levies and out-of-pocket expenses etc. as may be mutually agreed upon by the Board of Directors and Auditors.

FURTHER RESOLVED THAT the Board of Directors of the Company (including its Committee thereof) be and hereby authorized to do all acts and take all such steps as may be considered necessary, proper or expedient to give effect to this resolution.

SPECIAL BUSINESS:

4. **To appoint Mr. Sandip Ashwinbhai Parikh (DIN: 00030990) as an Independent Director of the Company.**

To consider and if thought fit to give your assent/dissent to the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made there under, read with Schedule IV to the said Act, Mr. Sandip A. Parikh (DIN: 00030990) who was appointed as the Additional Director under the category of Independent Director w.e.f. 26/07/2017 and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 to propose him as a candidate for the office of the Director of the Company, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation for a period of five (5) consecutive years.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to sign the form DIR-12 and make arrangement to file the same with Registrar of Companies and intimate to Stock Exchange(s) and to take such other steps as may be necessary in this regard.”

5. **To appoint Mr. Mahendrabhai Gulabdas Patel (DIN: 00104706) as an Independent Director of the Company.**

To consider and if thought fit to give your assent/dissent to the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made there under, read with Schedule IV to the said Act, Mr. Mahendrabhai G. Patel (DIN: 00104706) who was appointed as the Additional Director under the category of Independent Director w.e.f. 26/07/2017 and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 to propose him as a candidate for the office of the Director of the Company, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation for a period of five (5) consecutive years.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to sign the form DIR-12 and make arrangement to file the same with Registrar of Companies and intimate to Stock Exchange(s) and to take such other steps as may be necessary in this regard.”

6. To appoint Mrs. Sheela Kirtankumar Roy (DIN: 07891440) as an Independent Director of the Company.

To consider and if thought fit to give your assent/dissent to the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made there under, read with Schedule IV to the said Act, Mrs. Sheela K. Roy (DIN: 07891440) who was appointed as the Additional Director under the category of Independent Director w.e.f. 26/07/2017 and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 to propose her as a candidate for the office of the Director of the Company, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation for a period of five (5) consecutive years.

RESOLVED FURTHER THAT the Board of Directors of the Company be and hereby authorized to sign the form DIR-12 and make arrangement to file the same with Registrar of Companies and intimate to Stock Exchange(s) and to take such other steps as may be necessary in this regard.”

7. To approve related party transactions to be entered by the Company with related parties:-

To consider and if thought fit, to give your assent/ dissent to the following resolution as a **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 read with the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) the consent of the Company be and is hereby accorded to enter in to the related party transaction by the Company with the respective related parties and for the maximum amounts per annum, as mentioned herein below:

Sr. No.	Nature of the transaction as per section 188 of the companies act, 2013	Name of the director/KMP who is related and nature of their relationship	Name of the related party	Receipts (Rs.In Cr.)	Payment (Rs.In Cr.)
1.	Sale of Goods	Mr. Saurin Parikh and Mr. Dakshesh Patel Directors of Company are also Partners in the all three firms.	Pashupati Cotton Industries	200	–
			Madhav Oil Industries	200	–
			Pashupati Oil Industries	200	–
		Mr. Saurin Parikh Director of the Company is also Director and Share holder in the Company. Mr. Saurin Parikh, Mr. Tushar Trivedi and Mr. Dakshesh Patel all Directors alongwith their relatives are partners of the LLP	S Raja Export Private Limited	350	–
			Shree Pashupati Fabric LLP	200	–
2.	Purchase of raw materials/ goods	Mr. Saurin Parikh and Mr. Dakshesh Patel Directors of Company are also Partners in the all three firms.	Pashupati Cotton Industries	–	200
			Madhav Oil Industries	–	200
			Pashupati Oil Industries	–	200
		Mr. Saurin Parikh Director of the Company is also Director and Share holder in the Company Mr. Saurin Parikh, Mr. Tushar Trivedi and Mr. Dakshesh Patel all Directors alongwith their relatives are partners of the LLP	S Raja Export Private Limited	–	350
			Shree Pashupati Fabric LLP	–	200

Sr. No.	Nature of the transaction as per section 188 of the companies act, 2013	Name of the director/KMP who is related and nature of their relationship	Name of the related party	Receipts (Rs.In Cr.)	Payment (Rs.In Cr.)
3.	Labour & Job Work	Mr. Saurin Parikh and Mr. Dakshesh Patel Directors of Company are also Partners in the all three firms.	Pashupati Cotton Insuatrics	–	0.75
			Madhav Oil Industries	–	0.75
			Pashupati Oil Industries	–	1.50
		Mr. Saurin Parikh, Mr. Tushar Trivedi and Mr. Dakshesh Patel all Directors alongwith their relatives are partners of the LLP	Shree Pashupati Fabric LLP	–	0.75

RESOLVED FURTHER THAT, the transaction may be entered into subject to the compliance of criteria mentioned under Rule 15 of the Companies (Meetings of Board and its Power) Rules, 2014 of the Companies Act, 2014.

RESOLVED FURTHER THAT the Board of Directors of the Company/ or Committee thereof be and is hereby authorised to do or cause to be done all such acts, matters, deeds and things and to settle any queries, difficulties that may arise with regard to any transaction with the related party and execute such agreements, documents and writings and to make such filings as may be necessary or desirable for the purpose of giving effect to this resolution, in the best interest of the Company”.

8. To Increase the Borrowing Power limit of the Board of Directors From Rs. 200 Crores (Two Hundred Crores) to Rs. 500 Crores (Five Hundred Crores):

To consider and if thought fit, to give your assent/ dissent to the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 180 (1) (c) of the Companies Act, 2013 and other enabling provisions, if any, consent of the Company be and is hereby accorded to the Board of Directors of the Company, for borrowing any sum or sums of moneys for and on behalf of the Company, from time to time from any one or more persons, firms, bodies corporate, bankers, financial institutions, or from others by way of advances, deposits, loans or otherwise and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company’s Assets and Properties, whether movable or immovable or stock-in process and debts, advances notwithstanding that the sum or sums of moneys so borrowed together with moneys, if any, already borrowed by the Company (apart from the temporary loans obtained from the Company’s bankers in the ordinary course of business) will or may exceed the aggregate of the paid up capital of the Company and its free reserves which have not been set apart for any specific purpose, provided that the total amount upto which the moneys may be borrowed shall be increased from Rs. 200 Crores (Rupees Two Hundred Crores Only) to Rs. 500 (Five Hundred Crores) at any point of time on account of the principal.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be necessary, expedient and incidental thereto to give effect to this resolution and for matter connected therewith or incidental thereto.”

Regd Office:
SURVEY NO.404, AT& POST BALASAR,
KADI-DETROJ ROAD, KADI
MAHESANA-382715, GUJARAT.

By Order of the Board of Directors
For, PASHUPATI COTSPIN LIMITED

Saurin Jagdish Bhai Parikh
Chairman & Managing Director
(DIN: 02136530)

Date : 02/08/2018
Place : Ahmedabad

NOTES :-

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy/ proxies to attend and vote on a poll instead of himself / herself and such proxy / proxies need not be a member of the company. Duly completed instrument of proxies in order to be effective must be reached the registered office of the Company not less than 48 hours before the scheduled time of the meeting. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company, provided a member holding more 10%, of the total share capital may appoint a single person as proxy and such person shall not act as proxy for any other shareholder.
2. The statement pursuant to Section 102(1) of the Companies Act, 2013, which sets out details relating to the Special Business to be transacted at the meeting, is annexed hereto.
3. Copy of the Annual Report for FY 2017-18 shall be sent to all the members by permitted mode.
4. Corporate members intending to send their authorized representative to attend the Meeting are requested to ensure that the authorized representative carries a certified copy of the Board resolution, Power of Attorney or such other valid authorizations, authorizing them to attend and vote on their behalf at the Meeting.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 10th September, 2018 to Monday, 17th September, 2018 (both days inclusive).
6. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 will be available for inspection at the AGM.
7. Members/ Proxies are requested to bring their attendance slip duly filled in long with copies of their annual report.
8. Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of Companies in which they hold directorships and memberships / chairmanships/ chairmanships of Board Committees as stipulated under Listing Obligation and Disclosure Regulations 2015 are provided in the annexure to the notice calling Annual General Meeting.
9. Members who hold the shares in the dematerialized form are requested to notify any change of address or bank mandates to their Depositories Participants with whom they are maintaining their demat accounts.
10. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company/ Registrar of any change in the address or demise of any member as soon as possible. Members are also advised not to leave their demat accounts dormant for long. Periodic statement of holding should be obtained from concerned Depository Participant and holdings should be verified.
11. The Company is having agreements with NSDL and CDSL to enable Members to have the option of dealing and holding the shares of the Company in electronic form. The ISIN of the equity shares of the Company is INE124Y01010.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their accounts.
13. As per Notification issued by Ministry of Corporate Affairs dated 19th of March, 2015 with reference to the Companies (Management and Administration) Rules, 2014, Companies covered under Chapter XB and Chapter XC as per SEBI (ICDR) Regulations, 2009 will be exempted from e-voting provisions. Also, no such provision is available in SME Equity Listing Agreement. Company is covered under Chapter XB as it is a SME Company and listed on NSE Emerge- the SME platform of National Stock Exchange of India Limited. Therefore Company is not providing e-voting facility to its shareholders.
14. Members are requested to address all correspondence, including change in their addresses, to the Company or to the Registrar and Share Transfer Agent, M/s. Sharex Dynamic (India) Private Limited, Unit No. 1, Luthra Ind. Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai – 400072, E-mail: sharexindia@vsnl.com; Website www.sharexindia.com. Members whose shareholding is in electronic mode are requested to approach their respective depository participants for effecting change of address.
 - The Shareholders are requested to update the Contact address and e-mail address and are requested to notify immediately any change in their address, exclusively on separate letter without clubbing it with any other request, for quicker attention directly to the Company's Share Transfer Agent.
15. All documents referred to in the accompanying notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours upto the date of the Annual General Meeting.

16. Members desirous of getting any information on the Annual Accounts, at the Annual General Meeting, are requested to write to the Company at least 10 days in advance, so as to enable the Company to keep the information ready.
17. Notice of this Annual General Meeting, Audited Financial Statements for 2017-18 along with Directors' Report and Auditors' Report are available on the website of the Company -www.pashupaticotspin.com.
18. The route map showing directions to reach the venue of the 01st AGM is annexed as per requirement of SS-2 on General Meetings.
19. As a part of "Green Initiative in the Corporate Governance", the Ministry of Corporate has permitted the companies to serve the documents, namely, Notice of General Meeting, Balance Sheet, Statement of Profit & Loss, Auditors' Report, Directors' Report etc. to the members through e-mail.
20. Pursuant to the prohibition imposed vide Section 118 of the Companies Act, 2013 read with Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, no gifts/coupons shall be distributed at the Meeting.

BRIEF PROFILE OF DIRECTOR SEEKING APPOINTMENT / RE-APPOINTMENT AT THE 01st ANNUAL GENERAL MEETING OF THE COMPANY

(In pursuance of Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Name of Director	Dakshesh Jayantilal Patel	Sandip Ashwinbhai Parikh	Mahendrabhai Gulabdas Patel	Sheela Kirtankumar Roy
DIN	07859419	00030990	00104706	07891440
Date of Birth	06/01/1968	08/08/1963	26/01/1954	13/10/1969
Date of Appointment	03/07/2017	26/07/2017	26/07/2017	26/07/2017
Relationship Between Directors inter se	Nil	Nil	Nil	Nil
Expertise in Specific functional area	He has around 24 years of experience in areas related to manufacturing of raw cotton, cotton yarn and related Products.	He has a distinguished track record of service to several global organizations providing counsel in addressing tax issues encompassing transfer pricing regulations applicable to multinational corporations.	He has an overall experience of 33 years in the field of Pharmaceuticals industry.	She has an experience of 20 years in the of Teaching.
Qualification	Bachelor of Engineering (Civil)	Chartered Accountant	Bachelor of Arts, LLB	Bachelor of Commerce
Other Board Membership*	Nil	1	2	Nil
Committee Membership in other public companies	Nil	Nil	3	Nil
Number of Shares held in the Company	5,25,000	Nil	22,400	Nil

*Pvt. Companies excluded

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**Item No. 4**

Mr. Sandip Ashwinbhai Parikh (DIN: 00030990) was appointed as an additional director under the category of Independent Director of the Company w.e.f. 26/07/2017. Under section 161 of the Companies Act, 2013, Mr. Sandip Ashwinbhai Parikh (DIN: 00030990) holds his office upto the date of ensuing Annual General Meeting. Due notice under section 160 of the Act has been received alongwith requisite deposit of Rs. 1,00,000. The Board is also of the opinion that based on the declarations submitted by Mr. Sandip Ashwinbhai Parikh, he fulfills the criteria relating to his independence as specified in Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. Mr. Sandip Ashwinbhai Parikh does not hold any Equity Shares of the Company.

The Period of office of Mr. Sandip Ashwinbhai Parikh shall not be liable to determination by retirement of Directors by rotation, in terms of Section 149(13) of the Companies Act, 2013 and the relevant rules made thereunder.

Brief Profile of Mr. Sandip Ashwinbhai Parikh in terms of Regulation 36(3) of the Listing Regulations is forming part of this notice. Mr. Sandip Ashwinbhai Parikh is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the Shareholders.

None of the Director of the Company except Mr. Sandip A. Parikh is concerned or interested in this resolution.

Item No. 5

Mr. Mahendrabhai Gulabdas Patel (DIN: 00104706) was appointed as an additional director under the category of Independent Director of the Company w.e.f. 26/07/2017. Under section 161 of the Companies Act, 2013, Mr. Mahendrabhai Gulabdas Patel (DIN: 00104706) holds his office upto the date of ensuing Annual General Meeting. Due notice under section 160 of the Act has been received alongwith requisite deposit of Rs. 1,00,000. The Board is also of the opinion that based on the declarations submitted by Mr. Mahendrabhai Gulabdas Patel; he fulfills the criteria relating to his independence as specified in Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. Mr. Mahendrabhai Gulabdas Patel holds 22,400 Equity Shares of the Company.

The Period of office of Mr. Mahendrabhai Gulabdas Patel shall not be liable to determination by retirement of Directors by rotation, in terms of Section 149(13) of the Companies Act, 2013 and the relevant rules made thereunder.

Brief Profile of Mr. Mahendrabhai Gulabdas Patel in terms of Regulation 36(3) of the Listing Regulations is forming part of this notice. Mr. Mahendrabhai Gulabdas Patel is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the Shareholders.

None of the Director of the Company except Mr. Mahendrabhai Gulabdas Patel is concerned or interested in this resolution.

Item No. 6

Mrs. Sheela Kirtankumar Roy (DIN: 07891440) was appointed as an additional director under the category of Independent Director of the Company w.e.f. 26/07/2017. Under section 161 of the Companies Act, 2013, Mrs. Sheela Kirtankumar Roy (DIN: 07891440) holds her office upto the date of ensuing Annual General Meeting. Due notice under section 160 of the Act has been received alongwith requisite deposit of Rs. 1,00,000. The Board is also of the opinion that based on the declarations submitted by Mrs. Sheela Kirtankumar Roy; she fulfills the criteria relating to her independence as specified in Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. Mrs. Sheela Kirtankumar Roy does not hold any Equity Shares of the Company.

The Period of office of Mrs. Sheela Kirtankumar Roy shall not be liable to determination by retirement of Directors by rotation, in terms of Section 149(13) of the Companies Act, 2013 and the relevant rules made thereunder.

Brief Profile of Mrs. Sheela Kirtankumar Roy in terms of Regulation 36(3) of the Listing Regulations is forming part of this notice. Mrs. Sheela Kirtankumar Roy is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the Shareholders.

None of the Director of the Company except Mrs. Sheela Kirtankumar Roy is concerned or interested in this resolution.

Item No. 7

The Companies Act, 2013 aims to ensure transparency in the transactions and dealings between the related parties of the Company. The provisions of section 188(1) of the Companies Act, 2013 that govern the Related Party Transactions,

requires that for entering into any contract or arrangement as mentioned herein below with the related party, the Company must obtain the prior approval of Board of Directors and in case of;

1. Sale, purchase or supply of any goods or materials directly or through appointment of agents exceeding ten percent of the turnover of the Company or rupees one hundred crore, whichever is lower as mentioned in Clause (a) and Clause (e) respectively of sub-section (1) of Section 188.
2. Leasing of property of any kind exceeding ten percent of the net worth or exceeding ten percent of turnover of the Company or rupees one hundred crore, whichever is lower as mentioned in clause (c) of sub-section (1) of Section 188.
3. Availing or rendering of any services directly or through appointment of agents exceeding ten percent of the turnover of the Company or rupees fifty Crore, whichever is lower, as mentioned in clause (d) and clause (e) of sub-section (1) of Section 188.

Prior approval of the shareholders by way of an Ordinary Resolution must be obtained:

1. Sale, purchase or supply of any goods or materials;
2. Leasing of property of any kind;
3. Availing or rendering of any services;

In the light of the provisions of the Companies Act, 2013, the Board of Directors of your Company has approved the proposed transactions along with annual limit that your Company may enter into with the related parties (as defined under section 2(76) of the Companies Act, 2013) the name of the related parties, name of the Director or Key Managerial Personnel who is related, if any and nature of relationship is mentioned in the resolution. The respective transactions have been carried out on arm's Length basis and all factors relevant to the respective transactions have been considered by the Board.

None of the Directors except Mr. Saurin Jagdish Bhai Parikh, Mr. Tushar Rameshchandra Trivedi, and Mr. Dakshesh Jayantilal Patel alongwith their relatives are interested in the said resolution.

The Board recommends the Ordinary Resolution set out at Item No. 7 of the Notice for approval by the Shareholders.

Item No. 8

As per the provisions of Section 180 (1) (c) of the Companies Act, 2013, and all other applicable provisions, if any, the Board of Directors of a Company cannot borrow money (apart from temporary loans obtained from the company's bankers in the ordinary course of business) in excess of the Company's Paid Up Capital and Free Reserves without the consent of the shareholders by a Special Resolution,

To enable the Board to borrow money in excess of the Company's Capital and Free Reserves, the sanction of the shareholder is required pursuant to provisions of Section 180 (1) (c) of the Act and the Board of Directors have taken power to borrow upto Rs. 200 Crores (Rupees Two Hundred Crores Only) vide the Shareholders Resolution passed in Extra-Ordinary General Meeting held on 11/07/2017. Your Board of Directors considering to expand the business activities of the Company and consider that they may require to borrow more than the limit prescribed by the earlier resolution passed in Extra-Ordinary General Meeting and therefore the Board of your Company proposes their Resolution under the provisions of Section 180 (1) (c) of the Act for your approval.

The Resolution set out at item No. 8 of the notice is put forth for consideration for the members as a Special Resolution pursuant to Section 180 (1) (c) of the Companies Act, 2013, authorizing the Board of Directors to borrow upto a sum of Rs. 500 Crores (Rupees Five Hundred Crores Only) by increasing the existing limit of Rs. 200 Crores (Rupees Two Hundred Crores only) at any point of time on account of the principal.

None of the Directors/ Key Managerial Personnel of the Company/ their relatives are in, any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

The Board recommends the Special Resolution set out at Item No. 8 of the Notice for approval by the Shareholders.

Regd Office:

**SURVEY NO.404, AT& POST BALASAR,
KADI-DETROJ ROAD, KADI
MAHESANA-382715, GUJARAT.**

**By Order of the Board of Directors
For, PASHUPATI COTSPIN LIMITED**

**Saurin Jagdish Bhai Parikh
Chairman & Managing Director
(DIN: 02136530)**

Date : 02/08/2018

Place : Ahmedabad

DIRECTORS' REPORT

Dear Members,

Your Directors take pleasure in presenting the 01st Annual Report along with Audited Financial Statements of your Company for the financial year ended 31st March, 2018.

1. Company Background

Your Company was originally formed and registered as a Limited Liability Partnership under the Limited Liability Partnership Act, 2008 ("LLP Act") in the name and style of "Pashupati Cotspin LLP" (LLPIN:3046) and received a certificate of incorporation from the Registrar of Companies, Gujarat, Dadra and Nagar Haveli on January 07, 2013. Thereafter, "Pashupati Cotspin LLP" was converted from a Limited Liability Partnership to a Private Limited Company under part I Chapter XXI of Section 366 of Companies Act, 2013 with the name of "Pashupati Cotspin Private Limited" and received a fresh certificate of incorporation from the Registrar of Companies Gujarat, Central Registration Center on July 3, 2017. Later, it was converted into Public Limited Company and consequently name of company was changed from "Pashupati Cotspin Private Limited" to "Pashupati Cotspin Limited" vide Special resolution passed by the Shareholders at the Extra Ordinary General Meeting held on July 11, 2017 and a fresh certificate of Incorporation dated July 18, 2017 issued by the Registrar of Companies, Gujarat, Ahmedabad.

2. Financial Results

The revenue of your Company for the year 2017-18 is Rs. 3,344,228,330/- however there is loss of Rs.63,92,977. In comparison to last year's revenue figures, the current year revenue has increased and your Directors look forward to improve the financial position of the Company.

The Financial Performance of the company for the year ended 31st March; 2018 is summarized as below:

(Standalone) (Amount in Rs.)

Particulars for the year ended	For the Period from July 03,2017 To March 31,2018	March 31,2017
Net revenue from Operations (Sales)	3,344,228,330	2,759,748,889
Profit Before Depreciation and Tax	151,243,824	172,143,549
Less: Depreciation	83,473,919	85,657,207
Profit Before Extra ordinary Items and Tax	67,769,905	86,486,342
Add: Extra Ordinary Items	-	71,218,575
Profit Before Tax	67,769,905	157,704,917
Tax Expense		
- Current Tax	13,851,940	0
Less: MAT Credit Receivable	13,851,940	0
- Deferred Tax	(74,132,882)	69,203,900
Profit After Tax	(63,62,977)	226,908,817
EPS (Basic)	(0.69)	N.A.
EPS (Diluted)	(0.69)	N.A.

3. Dividend

Since the Company has incurred loss during the year ended on 31st March, 2018, hence the Board has not recommended/declared dividend for the year 2017-18.

4. Transfer of Unclaimed Dividend to Investor Education and Protection Fund

Since there was no unpaid/unclaimed dividend, the provision of Section 125 of the Companies Act, 2013 do not apply.

5. Change in the nature of business, if any-

During the year, there is no change in the nature of business of the Company.

6. Reserves

During the year under review, the Company has not transferred any amount to reserve.

7. Subsidiary, Joint Ventures and Associate Companies

The Company does not have any subsidiary, Joint venture, or Associate Company.

8. Public Deposit

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act, 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the period under review. Hence, the requirement for furnishing the details of deposits which are not in compliance with Chapter V of the Act is not applicable.

9. Particulars of loan, Guarantees or Investment made under Section 186

During the year, the Company has not made any investments under the provisions of Section 186 of the Companies Act, 2013 however, the Company has provided loans to persons or provided security in connection with the loan to any other body corporate or person and the particulars of such loans, falling under the provisions of Section 186 of the Companies Act, 2013 are provided in the notes no 15 to financial statements of the Company.

10. Extract of the annual return

The extract of the Annual Return in Form MGT-9 pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in "Annexure A" and is attached to the report.

11. Directors & Key Management Personnel**I. Composition of Board & Board Meetings**

The Board of Directors of the Company has an optimum combination of Executive, Non Executive and Independent Directors. As on the date of this report, the Board comprises of 6(Six) Directors, out of which 2 are Executive Directors, 1 is Non Executive Director and 3 are non-executive Independent Directors that includes one Woman Director. The Chairman of the Board is an executive Director.

The Board of Directors duly met Nine (09) times on 03/07/2017, 18/07/2017, 26/07/2017, 21/08/2017, 06/09/2017, 03/11/2017, 14/11/2017 16/12/2017 and 06/02/2018 during the year. The Composition, category and attendance of each Director at the Board and Annual General Meeting and Number of other Directorship and Chairmanship / Membership of Committee of each Director in various companies is as follows:-

Name of Director	Designation	Category	No of Board Meetings held during the year	No of Board Meetings attended during the year
Mr.Saurin Jagdish Bhai Parikh	Chairman & Managing Director	Promoter	9	9
Mr.Tushar Rameshchandra Trivedi	Whole Time Director	Promoter	9	9
Mr.Dakshesh Jayantilal Patel	Non-Executive Director	Promoter	9	9
Mr.Sandip Ashwinbhai Parikh	Non-Executive Director	Independent	9	6
Mr.Mahendrabhai Gulabdas Patel	Non-Executive Director	Independent	9	6
Mrs.Sheela Kirtankumar Roy	Non-Executive Director	Independent	9	6

II. INDUCTIONS:

The following appointments were made during the year

- ◆ Mr. Saurin Jagdish Bhai Parikh appointed as a Chairman & Managing Director of the Company effective from 03/07/2017 for a period of five years.
- ◆ Mr. Tushar Rameshchandra Trivedi appointed as a Whole time Director of the Company effective from 03/07/2017 for a period of five years.
- ◆ Mr. Dakshesh Jayantilal Patel appointed as a Director of the Company effective from 03/07/2017.
- ◆ Mr. Sandip Ashwinbhai Parikh appointed as an Additional Independent Director of the Company effective from 26/07/2017.
- ◆ Mr. Mahendrabhai Gulabdas Patel appointed as an Additional Independent Director of the Company effective from 26/07/2017.
- ◆ Mrs. Sheela Kirtankumar Roy appointed as an Additional Independent Director of the Company effective from 26/07/2017.

- ◆ Mr. Hareshkumar Rameshchandra Shah was appointed as the Chief Financial Officer of the Company effective from 18/07/2017.
- ◆ Ms. Bijal Nareshbhai Thakkar, a member of Institute of Company Secretaries of India appointed as the Company Secretary and Compliance Officer of the Company effective from 03/11/2017.

III. CESSATIONS:

- ◆ Mr. Pratik Ashokbhai Patel resigned as a company secretary and compliance officer of the company effective from 03/11/2017.

IV. Retirement by Rotation

In accordance with the provisions of the Companies Act 2013 and Companies Articles of Association, Mr. Dakshesh Jayantilal Patel (DIN-07859419) retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. Necessary resolution for his re-appointment is placed before the shareholder for approval.

V. Profile of Directors seeking appointment / reappointment

As required under regulation 36(3) of SEBI (LODR), 2015, particulars of the Directors retiring and seeking reappointment at the ensuing Annual General Meeting is annexed to the notice convening 01st Annual General Meeting.

VI. Key Managerial Personnel

As on the date of this report, the following persons are the Key Managerial Personnel(s) of the Company:

- a) Mr. Saurin Jagdish Bhai Parikh, Chairman & Managing Director
- b) Mr. Tushar Rameshchandra Trivedi, Whole Time Director
- c) Mr. Hareshkumar Rameshchandra Shah, Chief Financial Officer
- d) Ms. Bijal Nareshbhai Thakkar, Company Secretary

VII. Declaration from Independent Director

All the Independent Directors of the Company have given their declarations stating that they meet the criteria of independence as prescribed under the Section 149(6) of the Companies Act, 2013 read with the rules made there under and in the opinion of the Board, the Independent Directors meet the said criteria.

During the year under review the Independent Directors duly met pursuant to the provisions as specified in Schedule IV of the Companies Act, 2013 and the quorum was present throughout the meeting.

12. Audit Committee

The Audit Committee is duly constituted vide Board Resolution dated 26/07/2017 in accordance with SEBI (LODR) Regulations 2015 and Section 177 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014 as amended from time to time. It adheres to the terms of reference which is prepared in compliance with Section 177 of the Companies Act, 2013, and SEBI (LODR) Regulations 2015. The constituted Audit Committee comprises following members:

Name	Category	Position	Number of meetings held	Number of meetings attended
Mr.Sandip Ashwinbhai Parikh	Non Executive Independent Director	Chairman	3	1
Mrs.Sheela Kirtankumar Roy	Non Executive Independent Director	Member	3	3
Mr.Saurin Jagdish Bhai Parikh	Managing Director	Member	3	3

The Company Secretary acts as Secretary to the Audit Committee and no personnel has been denied access to the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to answer shareholder queries. The scope and function of the Audit Committee and its terms of reference shall include the following:

A. Tenure:

The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

B. Meetings of the Committee:

The committee shall meet at least four times in a year and not more than 120 days shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members

of the committee, whichever is higher but there shall be presence of minimum two Independent members at each meeting.

C. Role and Powers:

The Role of Audit Committee together with its powers as Part C of Schedule II of SEBI Listing Regulation, 2015 and Companies Act, 2013 shall be as under:

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval, with particular reference to;
 - ◆ matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - ◆ changes, if any, in accounting policies and practices and reasons for the same;
 - ◆ major accounting entries involving estimates based on the exercise of judgment by management;
 - ◆ significant adjustments made in the financial statements arising out of audit findings;
 - ◆ compliance with listing and other legal requirements relating to financial statements;
 - ◆ disclosure of any related party transactions;
 - ◆ modified opinion(s) in the draft audit report;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Valuation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.
16. Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
18. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
19. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177(4) of Companies Act 2013 or referred to it by the Board.
20. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
21. To review the functioning of the whistle blower mechanism;
22. Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and;
23. Audit committee shall oversee the vigil mechanism.
24. Audit Committee will facilitate KMP/auditor(s) of the Company to be heard in its meetings.
25. Carrying out any other function as is mentioned in the terms of reference of the audit committee or containing into SEBI Listing Regulations 2015.

Further, the Audit Committee shall mandatorily review the following:

- a) Management discussion and analysis of financial condition and results of operations;
- b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) The appointment, removal and terms of remuneration of the chief internal auditor
- f) Statement of deviations:
 - ◆ Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - ◆ Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

Two third of the members are Independent Directors and all the members are financially literate. The composition, role, functions and powers of the Audit Committee are in line with the requirements of applicable laws and regulations.

Three meetings were held during the year 2017-18 on 05/09/2017, 14/11/2017 and 20/03/2018.

13. Nomination and Remuneration Committee

The Nomination and Remuneration Committee is constituted vide Board Resolution dated 26/07/2017 in accordance with SEBI (LODR) Regulations 2015 and Section 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014 as amended from time to time. The Nomination and Remuneration Committee comprise the following:

Name	Category	Position	Number of meetings held	Number of meetings attended
Mr.Mahendrabhai Gulabdas Patel	Non Executive Independent Director	Chairman	1	1
Mr.Sandip Ashwinbhai Parikh	Non Executive Independent Director	Member	1	1
Mr.Dakshesh Jayantilal Patel	Non Executive Director	Member	1	1

The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

A. Tenure:

The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

B. Meetings:

The committee shall meet as and when the need arises for review of Managerial Remuneration. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. The Chairperson of the nomination and remuneration committee may be present at the annual general meeting, to answer the shareholders' queries; however, it shall be up to the chairperson to decide who shall answer the queries.

C. Role of Terms of Reference:

- ◆ Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board for their appointment and removal and shall carry out evaluation of every director's performance;
- ◆ Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for directors, KMPs and other employees;
- ◆ Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- ◆ Devising a policy on diversity of board of directors;
- ◆ Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- ◆ Determine our Company's policy on specific remuneration package for the Managing Director / Executive
- ◆ Director including pension rights;
- ◆ Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors;
- ◆ Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
- ◆ Decide the amount of Commission payable to the Whole time Directors;
- ◆ Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc; and
- ◆ To formulate and administer the Employee Stock Option Scheme.

One meeting was held during the year 2017-18 on 03/11/2017.

14. Stakeholders Relationship Committee

The Stakeholders Relationship Committee is constituted vide Board Resolution dated 26/07/2017 in compliance with the requirements of Section 178 of the Companies Act, 2013. The constituted Stakeholders Relationship Committee comprises the following:

Name	Category	Position	Number of meetings held	Number of meetings attended
Mrs. Sheela Kirtankumar Roy	Non Executive Independent Director	Chairman	4	4
Mr. Mahendrabhai Gulabdas Patel	Non Executive Independent Director	Member	4	4
Mr. Tushar Rameshchandra Trivedi	Whole Time Director	Member	4	4

The Company Secretary of our Company shall act as a Secretary to the Stakeholders Relationship Committee. The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:

A. Tenure:

The Stakeholders Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholders Relationship Committee as approved by the Board.

B. Meetings:

The Stakeholders Relationship Committee shall meet at least four times a year with maximum interval of four months between two meetings and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The quorum shall be two members present.

C. Terms of Reference: Redressal of shareholders' and investors' complaints, including and in respect of:

- ◆ Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized.
- ◆ Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
- ◆ Review the process and mechanism of redressal of Shareholders' /Investor's grievance and suggest measures of improving the system of redressal of Shareholders' /Investors' grievances.
- ◆ Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
- ◆ Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
- ◆ Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time.
- ◆ Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting, and
- ◆ Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

Four meetings were held during the year 2017-18 on 11/09/2017, 05/12/2017, 18/01/2018 and 12/03/2018.

15. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee is constituted in compliance with the requirements of Section 135 of the Companies Act, 2013, to undertake the below mentioned tasks:

- A. To recommend the policy on Corporate Social Responsibility (CSR) and Implementation of the CSR Projects or program to be undertaken by the company as per the CSR Policy for consideration and approval by the Board of Directors.
- B. Recommend the amount of expenditure to be incurred on the corporate social responsibility activities; and
- C. Monitor the implementation of the Company's corporate social responsibility policy.

The Corporate Social Responsibility Committee comprises the following:

Name	Category	Position	Number of meetings held	Number of meetings attended
Mr.Saurin Jagdish Bhai Parikh	Managing Director	Chairman	2	2
Mrs.Sheela Kirtankumar Roy	Non Executive Independent Director	Member	2	2
Mr.Tushar Rameshchandra Trivedi	Whole Time Director	Member	2	2

meetings were held during the year 2017-18 on 07/10/2017 and 20/03/2018.

During the year the provisions of Corporate Social Responsibility (CSR) are not applicable to the Company. But the Company has made CSR expenses which is given as under.

◆ Details of CSR spent during the financial year 2017-18

(a) Total amount spent for the financial year: Rs. 22,27,126/-

(b) Amount unspent, if any: NIL

(c) Manner in which the amount spent during the financial year is detailed below:

Sr. No.	CSR project or activity Identified.	Sector in which the Project is covered	Projects or programs 1)Local area or other 2)Specify the State and district where projects or programs were undertaken	Amount outlay (budget) Project or programs wise	Amount spent on the Projects or programs Sub-heads: (1)Direct expenditure on projects or Programs (2)Overheads:	Cumulative expenditure up to the reporting period	Amount spent Direct or through implementing agency
1.	Cancer Awareness	Promoting Health Care	The Company has carried out Cancer Awareness Programme in the nearby area of its works situated at Balasar in the state of Gujarat, India	No	Rs.22,27,126	Rs.22,27,126	Through Human Wellness Foundation

16. Compliance Officer

The Company Secretary & Compliance Officer of the Company Mr. Pratik Ashokbhai Patel has tendered his resignation from the post of Company Secretary and Compliance Officer of the company from 03rd November, 2017.

Ms. Bijal Nareshbhai Thakkar, is appointed as Company Secretary & Compliance Officer of the Company w.e.f 03rd November, 2017.

17. Statements on Formal Annual Evaluation of Board

Nomination and Remuneration Committee annually evaluates the performance of individual Directors, Committees, and of the Board as a whole in accordance with the formal system adopted by it. Further, the Board also regularly in their meetings held for various purposes evaluates the performance of all the Directors, committees and the Board as a whole. The Board considers the recommendation made by Nomination and Remuneration Committee in regard to the evaluation of board members and also tries to discharge its duties more effectively. Each Board member's contribution, their participation was evaluated and the domain knowledge they bring. They also evaluated the manner in which the information flows between the Board and the Management and the manner in which the board papers and other documents are prepared and furnished.

18. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date of report.

19. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

There are no significant and material orders passed by the regulators of courts or tribunals impacting the going concerns status and Company's operations in future.

20. Auditors

1. Statutory Auditors

M/s. Mahendra N. Shah & Co., Chartered Accountants, appointed as first auditor of the Company to hold office till the conclusion of the Annual General Meeting to be held in the calendar year 2018. The Board

of Directors of Company has recommended their appointment as statutory auditor of the company for a period of 5 (Five) years i.e. from 1st Annual General Meeting to 6th Annual General Meeting of the Company to be held in the year 2023 at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.

The consent of Mahendra N. Shah & Co., Chartered Accountants along with the certificate under Section 139 of the Act has been obtained to the effect that their appointment, if made, shall be in accordance with the prescribed conditions and that they are eligible to hold the office of the Auditors of the Company.

There are no qualifications, reservations or adverse remarks made by M/s. Mahendra N. Shah & Co., Chartered Accountants, the Statutory Auditors of the Company, in their report.

2. Cost Auditors

The Company has not appointed the Cost Auditor as pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit is not applicable to the Company.

3. Secretarial Auditor

M/s. Vishwas Sharma & Associates, Practicing Company Secretaries, Ahmedabad were appointed as Secretarial Auditor of the Company to conduct secretarial audit pursuant to the provisions of Section 204 of the Companies Act, 2013. The secretarial audit of the Company has been conducted on a concurrent basis in respect of the matters as set out in the said rules and Secretarial Audit Report given by M/s. Vishwas Sharma & Associates, Practicing Company Secretaries, Secretarial Auditor of the Company forms part of this report and is marked as "Annexure-B".

There are no qualifications, reservations or adverse remarks made by M/s. Vishwas Sharma & Associates, Practicing Company Secretaries, Secretarial Auditor of the Company, in their report.

21. Personnel

The information required under Section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the Report and marked as "Annexure-C". No employee of the Company was in receipt of the remuneration exceeding the limits prescribed in the rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

22. Management's Discussion and Analysis Report

The Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 (2) (e) of the Listing Regulations is given as "Annexure-D" to this report.

23. Conservation of energy, technology absorption and foreign exchange earnings and outgo

A. CONSERVATION OF ENERGY:

A statement containing the necessary information required under Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are given as "Annexure E" to this report.

B. TECHNOLOGY ABSORPTION:

- i. the efforts made towards technology absorption : **None**
- ii. the benefits derived like product improvement, cost reduction, product development or import substitution : **None**
- iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
 - a) the details of technology imported : **None**
 - b) the year of import : **N.A.**
 - c) whether the technology been fully absorbed: **N.A.**
 - d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof : **N.A.**
 - e) the expenditure incurred on Research and Development : **Nil**

C. Foreign exchange Earnings & Outgo

- Foreign Exchange Earning: NIL
- Foreign Exchange Outgo: Rs. 12,24,30,038/-

24. Particulars of contracts or arrangements with related parties:

All related party transactions which were entered into during the financial year were on an arm's length basis and in the ordinary course of business.

The details of related party transactions are annexed to this Board Report in Form AOC-2 and Marked as "Annexure F" to this report.

25. Statement regarding the development and implementation of Risk Management Policy

The Company has not developed and implemented any risk management policy as the risk threatening the business activity carried out by the Company during the year are minimal.

26. Adequacy of Internal Financial Control

The Company has in place adequate internal financial controls with reference to financial statements. The Board has inter alia reviewed the adequacy and effectiveness of the Company's internal financial controls relating to its financial statements.

During the year, no reportable material weakness was observed.

27. Directors' Responsibility Statement

In terms of Section 134 (5) of the Companies Act, 2013, the directors would like to state that:

- (a) In the preparation of the annual accounts for the financial year ended March 31, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- (b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period under review.
- (c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (d) The directors have prepared the annual accounts on a going concern basis.
- (e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

28. Listing

Your Directors are pleased to inform you that in the financial year 2017-18 the Company has issued and allotted 27,84,000 Equity shares of Rs.10/- each at price of Rs. 75/-per share (including premium of Rs.65/- per share) to public through Initial Public offer (IPO) and its equity shares were listed on SME platform of NSE (NSE Emerge) on 08/09/2017.

As on date of this report, the shares of the Company are listed on SME platform of NSE (NSE EMERGE) and the Company has paid the annual listing fees for the year 2018-19.

29. Corporate Governance

Your Company has been complying with the principals of good Corporate Governance over the years and is committed to the highest standards of compliance. Pursuant to regulation 15(2) of the SEBI (LODR) Regulations 2015, the compliance with the corporate governance provisions as specified in regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) and para C, D and E of schedule V shall not apply to the listed entity which has listed its specified securities on the SME Exchange.

Therefore, the Corporate Governance Report is not applicable on the Company and therefore not provided by the Board.

30. Acknowledgement

The Directors place on record their sincere thanks to the Bankers, Business associates, consultants, customers, and employees for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

For and on behalf of the Board of Directors

Date : 02/08/2018
Place : Ahmedabad

Saurin Jagdish Bhai Parikh
Chairman & Managing Director
(DIN: 02136530)

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN OF PASHUPATI COTSPIN LIMITED

As on financial year ended on 31.03.2018

Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014

I. REGISTRATION AND OTHER DETAILS :

1.	CIN	U17309GJ2017PLC098117
2.	Registration Date	03/07/2017
3.	Name of the Company	Pashupati Cotspin Limited
5.	Address of the Registered office & contact details	Survey No.404 At& Post Balasar, Kadi-Detroj Road, Kadi Mahesana-382715, Gujarat
6.	Whether listed company	Yes
7.	Name, Address & Contact details of Registrar and Transfer Agent, if any	Sharex Dynamic (India) Private Ltd Unit-1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai-400 072.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

S. N.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Preparation and spinning of cotton fiber including blended cotton	13111	63.49
2.	Cotton ginning, cleaning and bailing	01632	36.51

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

S. N.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associates	% of Shares Held	Applicable Section under Companies Act, 2013
	----- NIL -----				

IV. SHARE HOLDING PATTERN :

Category of Shareholders	No. of Shares held at the beginning of the year (As on 03-07-2017)				No. of Shares held at the end of the year (As on 31-03-2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/ HUF	--	6675000	6675000	89.00	6675000	--	6675000	64.91	(24.09)
b) Central Govt	--	--	--	--	--	--	--	--	--
c) State Govt(s)	--	--	--	--	--	--	--	--	--
d) Bodies Corp	--	--	--	--	--	--	--	--	--
e) Banks / FI	--	--	--	--	--	--	--	--	--
f) Any Other	--	--	--	--	--	--	--	--	--
Total Shareholding of promoter(A)	--	6675000	6675000	89.00	6675000	--	6675000	64.91	(24.09)

IV. SHARE HOLDING PATTERN : (Contd.....)

Category of Shareholders	No. of Shares held at the beginning of the year (As on 03-07-2017)				No. of Shares held at the end of the year (As on 31-03-2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding									
1. Institutions	--	--	--	--	--	--	--	--	--
a) Mutual Funds	--	--	--	--	--	--	--	--	--
b) Banks / FI	--	--	--	--	--	--	--	--	--
c) Central Govt	--	--	--	--	--	--	--	--	--
d) State Govt(s)	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--	--	--
g) FIs	--	--	--	--	--	--	--	--	--
h) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
i) Others (specify)	--	--	--	--	--	--	--	--	--
Sub-total(B)(1)	--	--	--	--	--	--	--	--	--
2. Non Institutions									
a) Bodies Corp.	--	--	--	--	--	--	--	--	--
(i) Indian	--	--	--	--	700800	--	700800	6.81	6.81
(ii) Overseas									
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs.1 lakh	--	--	--	--	342400	--	342400	3.33	3.33
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	--	825000	825000	11.00	2156200	--	2156200	20.97	9.97
c) Others (Specify)									
HUF	--	--	--	--	116800	--	116800	1.14	1.14
Non Resident Indians	--	--	--	--	1600	--	1600	0.02	0.02
Overseas Corporate Bodies	--	--	--	--	--	--	--	--	--
Foreign Nationals	--	--	--	--	--	--	--	--	--
Clearing Members	--	--	--	--	291200	--	291200	2.83	2.83
Trusts	--	--	--	--	--	--	--	--	--
Foreign Bodies - D R	--	--	--	--	--	--	--	--	--
Sub-total(B)(2)	--	825000	825000	11.00	3609000	--	3609000	35.09	24.09
Total Public Shareholding (B)=(B)(1)+(B)(2)	--	825000	825000	11.00	3609000	--	3609000	35.09	24.09
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--
Grand Total (A+B+C)	--	7500000	7500000	100	10284000	--	10284000	100	--

B) Shareholding of Promoters :

S. N.	Shareholder's Name	Shareholding at the beginning of the year (03-07-2017)			Shareholding at the end of the year (31-3-2018)			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Saurin Jagdishbhai Parikh	1725000	23.00	-	1725000	16.77	-	(6.23)
2	Falguni Mitesh Parikh	1125000	15.00	-	1125000	10.94	-	(4.06)
3	Hariprabha Aravindbhai Parikh	975000	13.00	-	975000	9.48	-	(3.52)
4	Renukaben J. Parikh	975000	13.00	-	975000	9.48	-	(3.52)
5	Ashish Rameshchandra Trivedi	600000	8.00	-	600000	5.83	-	(2.17)
6	Bhaveshkumar Jayantilal Patel	525000	7.00	-	525000	5.11	-	(1.89)
7	Dakshesh Jayantilal Patel	525000	7.00	-	525000	5.11	-	(1.89)
8	Tushar Rameshchandra Trivedi	225000	3.00	-	225000	2.19	-	(0.81)

C) Change in Promoters' Shareholding : (please specify, if there is no change)

S. N.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	At the beginning of the year	6675000	89.00	6675000	89.00
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):		No change*		
	At the end of the year	6675000	64.91	6675000	64.91

*Due to Increase in Subscribed and Paid up Share Capital of the Company as company brought out an IPO in the financial year 2017-18.

D) Shareholding pattern of top ten shareholders :

(Other than Directors, Promoters and Holders of GDRs and ADRs):

S. N.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (03-07-2017)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	MUKESHKUMAR VITTHALBHAI PATEL				
	At the beginning of the year	600000	8.00	600000	8.00
	Increase/Decrease in Shareholding during the year	Nil*			
	At the end of the year	600000	5.83	600000	5.83

D) Shareholding pattern of top ten shareholders : (Contd.....)

S. N.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (03-07-2017)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
2.	ANS PVT LIMITED				
	At the beginning of the year	0.00	0.00	0.00	0.00
	Allotment on 15/09/2017	56000			
	Sell on 22/09/2017	12800			
	Sell on 30/09/2017	24000		19200	
	Purchase on 06/10/2017	1600			
	Purchase on 20/10/2017	14400			
	Purchase on 27/10/2017	17600			
	Purchase on 10/11/2017	1600			
	Purchase on 17/11/2017	8000			
	Purchase on 24/11/2017	4800			
	Purchase on 01/12/2017	9600		76800	
	Sell on 22/12/2017	1600			
	Sell on 19/01/2018	52800		22400	
	Purchase on 09/02/2018	4800			
	Purchase on 16/02/2018	1600			
	Purchase on 23/02/2018	3200			
	Purchase on 02/03/2018	3200			
	Purchase on 09/03/2018	1600			
	Purchase on 23/03/2018	118400			
	Purchase on 31/03/2018	132800		288000	
	At the end of the year	288000	2.80	288000	2.80
3.	GUJCOT ENTERPRISES LLP				
	At the beginning of the year	0.00	0.00	0.00	0.00
	Purchase on 08/12/2017	225600		225600	
	At the end of the year	225600	2.19	225600	2.19
4.	TORALBEN URDEEP BRAHMBHATT				
	At the beginning of the year	225000	3.00	225000	3.00
	Date wise Increase/Decrease in Shareholding during the year	Nil*			
	At the end of the year	225000	2.19	225000	2.19
5.	INVESTMENTOR SECS LTD				
	At the beginning of the year	0.00	0.00	0.00	0.00
	Allotment on 15/09/2017	220800		220800	
	Purchase on 27/10/2017	22400		243200	
	Sale on 17/11/2017	22400		220800	
	At the end of the year	220800	2.15	220800	2.15
6.	PARAK TRADEWING LLP				
	At the beginning of the year	0.00	0.00	0.00	0.00
	Purchase on 22/12/2017	73600			
	Purchase on 29/12/2017	56000			
	Purchase on 12/01/2018	89600		219200	
	At the end of the year	219200	2.13	219200	2.13

D) Shareholding pattern of top ten shareholders : (Contd.....)

S. N.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (03-07-2017)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
7.	ANITA NIMESH SHAH				
	At the beginning of the year	0.00	0.00	0.00	0.00
	Purchase on 27/10/2017	97600			
	Purchase on 22/12/2017	30400		128000	
	At the end of the year	128000	1.25	128000	1.25
8.	JAYESHKUMAR MANILAL PATEL				
	At the beginning of the year	0.00	0.00	0.00	0.00
	Allotment on 15/09/2017	110400			
	At the end of the year	110400	1.07	110400	1.07
9.	TARUNA KIRTIKUMAR JAIN				
	At the beginning of the year	0.00	0.00	0.00	0.00
	Purchase on 08/12/2017	99200			
	At the end of the year	99200	0.97	99200	0.97
10.	SANJAY GIJUBHAI AMIN				
	At the beginning of the year	0.00	0.00	0.00	0.00
	Allotment on 15/09/2017	166400			
	Sell on 20/10/2017	27200			
	Sell on 27/10/2017	46400		92800	
	At the end of the year	92800	0.90	92800	0.90

*Due to Increase in Subscribed and Paid up Share Capital of the Company as company brought out an IPO in the financial year 2017-18.

E) Shareholding of Directors and Key Managerial Personnel:

S. N.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Saurin Jagdish Bhai Parikh				
	At the beginning of the year	1725000	23.00	1725000	23.00
	Date wise Increase / Decrease in Shareholding during the year	Nil*			
	At the end of the year	1725000	16.77	1725000	16.77
2	Tushar Rameshchandra Trivedi				
	At the beginning of the year	225000	3.00	225000	3.00
	Date wise Increase / Decrease in Shareholding during the year	Nil*			
	At the end of the year	225000	2.19	225000	2.19

E) Shareholding of Directors and Key Managerial Personnel: (Contd.....)

S. N.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
3	Dakshesh Jayantilal Patel				
	At the beginning of the year	525000	7.00	525000	7.00
	Date wise Increase / Decrease in Shareholding during the year	Nil*			
	At the end of the year	525000	5.11	525000	5.114
4.	Sandip Ashwinbhai Parikh	-	-	-	-
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
5	Mahendrabhai Gulabdas Patel				
	At the beginning of the year	0.00	0.00	0.00	0.00
	Allotment on 15/09/2017	22400	0.22	22400	0.22
	At the end of the year	22400	0.22	22400	0.22
6	Sheela Kirtankumar Roy	-	-	-	-
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
7	Hareshkumar Rameshchandra Shah	-	-	-	-
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
8	Bijal Nareshbhai Thakkar	-	-	-	-
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-

*Due to Increase in Subscribed and Paid up Share Capital of the Company as company brought out an IPO in the financial year 2017-18.

V. INDEBTEDNESS :

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebted- ness
Indebtedness at the beginning of the financial year				
i) Principal Amount	970648312*	164685869*	-	1135334181*
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	970648312	164685869	-	1135334181
Change in Indebtedness during the financial year				
* Addition	5314325954	19590044	-	5333915998
* Reduction	5026181290	21393604	-	5047574894
Net Change	288144664	(1803560)	-	286341104
Indebtedness at the end of the financial year				
i) Principal Amount	1258792976	162882309	-	1421675285
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	1258792976	162882309	-	1421675285

*Opening Balance as on 03/07/2017.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sr. No.	Particulars of Remuneration	Name of MD/WTM/ Manager		Total Amount
		Saurin J. Parikh (MD)	Tushar R. Trivedi (WTD) (w.e.f. 03/07/2017)	
1	Gross salary	-	1,80,000	1,80,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	NIL
2	Stock Option	-	-	NIL
3	Sweat Equity	-	-	NIL
4	Commission - as % of profit - others, specify...	-	-	NIL
5	Others, please specify	-	-	NIL
	Total (A)	-	1,80,000	1,80,000

B. Remuneration to other directors :

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Sandip A. Parikh	Mrs. Mahendrabhai G. Patel	Mrs. Sheela K. Roy	Mr. Dakshesh J. Patel	
1	Independent Directors	✓	✓	✓	–	–
	Fee for attending board / committee meetings	–	–	–	–	–
	Commission	–	–	–	–	–
	Others, please specify	–	–	–	–	–
	Total (1)	–	–	–	–	–
2	Other Non-Executive Directors	–	–	–	✓	–
	Fee for attending board / committee meetings	–	–	–	–	–
	Commission	–	–	–	–	–
	Others, please specify	–	–	–	–	–
	Total (2)	–	–	–	–	–
	Total (B)=(1+2)	–	–	–	–	–
	Total Managerial Remuneration	–	–	–	–	–
	Overall Ceiling as per the Act	Rs.1,00,000/- per meeting				

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/ WTD :

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CFO Mr. Hareshkumar Shah (w.e.f. 18/07/2017)	CS Mr.Pratik Ashokbhai Patel*	CS Ms.Bijal Thakkar# (w.e.f. 03/11/2017)	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,74,400	49,600	89,000	3,13,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	–	–	–	
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	–	–	–	
2	Stock Option	–	–	–	
3	Sweat Equity	–	–	–	
4	Commission - as % of profit Others specify...	– – –	– – –	– – –	
5	Others, please specify				
	Total	1,74,400	49,600	89,000	3,13,000

* Ceased as a Company Secretary w.e.f. 03/11/2017

appointed as Company Secretary w.e.f. 03/11/2017

vi. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT /Court]	Appeal made. If any (give details)
A. COMPANY					
Penalty			NONE		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NONE		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NONE		
Punishment					
Compounding					

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2018
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9
of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Pashupati Cotspin Limited
Kadi, Gujarat.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PASHUPATI COTSPIN LIMITED** (CIN: U17309GJ2017PLC098117) (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under.
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing.
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (**not applicable to the company during the audit period**)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**not applicable to the company during the audit period**);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**not applicable to the company during the audit period**);
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**not applicable to the company during the audit period**);

I have relied on the representations made by the Company and its officers for systems and mechanism formed by the Company for compliances of other specific applicable Acts, Laws and Regulations to the Company as mentioned hereunder;

- a) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
- b) The Factories Act, 1948
- c) The Minimum Wages Act, 1948, and rules made there under
- d) Payment of Gratuity Act, 1972
- e) Payment of Bonus Act, 1965

I have also examined compliance with the applicable Clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Board takes decision by majority of directors while the dissenting directors' views are captured and recorded as part of the minutes.

I further report that:

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable Laws, Rules, Regulations and guidelines.

I further report that during the audit period the Company has issued 27,84,000 equity share of Rs.10/- each at a price of Rs.75/- per share (including premium of Rs.65/- per share) through Initial Public Offer (IPO) and listed its equity shares on SME platform of National Stock Exchange (NSE Emerge) on 08th September, 2017

I further report that during the audit period the Company has taken the borrowing power limit upto Rs. 200 Crores (Rupees Two Hundred Crores) under section 180 (1) (c) by passing a Special Resolution in the Extra Ordinary General Meeting dated 11th July, 2017.

I further report that there were no other instances of:

- (i) Rights/Preferential issue of Shares/debentures/sweat equity.
- (ii) Redemption/buy-back of securities.
- (iii) Merger / amalgamation etc.
- (iv) Foreign technical collaborations.

**For, Vishwas Sharma and Associates,
Company secretaries,**

**Vishwas Sharma
Proprietor
ACS: 33017
COP No.:16942
Date : 02/08/2018
Place : Ahmedabad**

Note: This report is to be read with my letter of even date which is annexed as Annexure herewith and forms and integral part of this report.

Annexure to Secretarial Audit Report

To,
The Members,
Pashupati Cotspin Limited
Kadi, Gujarat.

My report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representations about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For, Vishwas Sharma and Associates,
Company secretaries,

Vishwas Sharma
Proprietor
ACS: 33017
COP No.:16942
Date : 02/08/2018
Place : Ahmedabad

ANNEXURE - "C"

The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

No.	Requirements	Disclosure	
I.	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year	WTD	1.01 times
II.	The percentage increase in remuneration of each director, CFO, CEO, CS in the financial year	No increase	
III.	The percentage increase in the median remuneration of employees in the financial year	No increase	
IV.	The number of permanent employees on the rolls of the Company as on 31st March, 2018	272	
V.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Nil	
VI.	Affirmation that the remuneration is as per the remuneration policy of the company	Yes, it is confirmed	

For and on behalf of the Board of Directors

Date : 02/08/2018
Place : Ahmedabad

Saurin Jagdish Bhai Parikh
Chairman & Managing Director
(DIN: 02136530)

MANAGEMENT'S DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE & DEVELOPMENT

Our Company was originally formed and registered as a Limited Liability Partnership under the Limited Liability Partnership Act, 2008 ("LLP Act") in the name and style of "Pashupati Cotspin LLP" (LLPIN:3046) and received a certificate of incorporation from the Registrar of Companies, Gujarat, Dadra and Nagar Haveli on January 07, 2013. The constitution and capital Contribution of the Limited Liability partnership was changed pursuant to supplementary agreement modifying the Limited Liability partnership Agreement dated January 9, 2013, July 29, 2013, October 21, 2013 and March 31, 2017. Further, "Pashupati Cotspin LLP" was thereafter converted from a Limited Liability Partnership to a Private Limited Company under part I Chapter XXI of Section 366 of Companies Act, 2013 with the name of Pashupati Cotspin Private Limited and received a fresh certificate of incorporation from the Registrar of Companies Gujarat, Central Registration Center on July 3, 2017. The Corporate Identification Number of our Company is U17309GJ2017PTC098117. Later, our Company was converted into Public Limited Company and consequently name of company was changed from "Pashupati Cotspin Private Limited" to "Pashupati Cotspin Limited" vide Special resolution passed by the Shareholders at the Extra Ordinary General Meeting held on July 11, 2017 and a fresh certificate of incorporation dated July 18, 2017 issued by the Registrar of Companies, Gujarat, Ahmedabad. The firm was established with the main aim of setting up of a manufacturing plant of ginning and spinning yarn from cotton fibres.

We are engaged in the business of processing of Kapas (raw cotton) by way of Ginning of cotton, spinning of cotton yarn and delineating Process. The products manufactured at our Company include Cotton bales, Cotton yarn and Black Cotton seeds (Delineate Seeds). By setting up of the Ginning and Spinning unit our Company has entered into a forward integration of the Textile industry by manufacturing of cotton yarn to cope up with the changes in the fashion consciousness, development in the cotton textile sector and synchronizing with the initiatives provided by the Central and the state Government.

The manufacturing facility of our Company is situated at Kadi of Mahesana District in Gujarat state which is close to the rich cotton growing areas of Maharashtra and Saurashtra (region) of Gujarat. The company has established a capacity of the spindlage of total 25536 spindle, and 56 ginning units. Our plant is equipped with modern and automatic plant and machinery. The level of advancement determines the productivity of machines and labor, which in turn, determines the production and profitability of our Company. Our technical team in spinning is well equipped with modern spinning technology and processing techniques by virtue of which we are able to ensure quality yarn. Technology is a crucial aspect of the cotton yarn industry. Our Company is also using the storage space available with us for the purpose of letting it out to customers and thereby earning lease rentals as consideration.

COMPETITION

The customer base for the cotton yarn manufactured by us includes local fabric producers and corporate buyers. The market for cotton yarn is highly competitive and fragmented, and we face competition from various local as well as well established manufacturers. Moreover, as we seek to diversify into new geographical areas globally, we may face competition from existing players that have presence in respective markets. In order to counter the competition, our focus would be to provide products that would be of the superior quality, competitive pricing and timely available as per the requirements of our customer.

MARKETING STRATEGY

We intend to focus on the following marketing strategies for yarn:

1. Direct sales to hosiery units.
2. Direct sales to textile mills (including power loom sector).
3. Exports to various countries.
4. Sales through brokers / business house.

FACTORS AFFECTING OUR FUTURE RESULTS OF OPERATIONS:-

Our results of operations could potentially be affected by the following factors amongst others:

1. Disruption in our cotton textile business.
2. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
3. Inability to successfully obtain registrations in a timely manner or at all;
4. General economic and business conditions in the markets in which we operate and in the local, regional and national economies;

5. Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
6. Disruption in supply of Raw Materials at our manufacturing facilities;
7. Recession in the market;
8. Changes in laws and regulations relating to the industries in which we operate;
9. Effect of lack of infrastructure facilities on our business;
10. Occurrence of Environmental Problems & Uninsured Losses;
11. Our ability to successfully implement our growth strategy and expansion plans;
12. Our ability to meet our capital expenditure requirements;
13. Our ability to attract, retain and manage qualified personnel;
14. Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
15. Failure to obtain any approvals, licenses, registrations and permits in a timely manner;
16. The timely completion of the Company's orders;
17. Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
18. Occurrence of natural disasters or calamities affecting the areas in which we have operations;
19. Conflicts of interest with affiliated companies, the promoter group and other related parties;
20. The performance of the financial markets in India and globally;
21. Any adverse outcome in the legal proceedings in which we are involved;
22. Our ability to expand our geographical area of operation;
23. Concentration of ownership among our Promoters

INTERNAL CONTROL SYSTEM AND ADEQUACY

The Company has an adequate internal control system commensurate with its size and the nature of its business in order to achieve efficiency in operation and optimum utilization of resources. These controls ensure safeguarding of assets, reduction and detection of fraud and error, adequacy and completeness of the accounting records and timely preparation of reliable financial information.

FINANCIAL AND OPERATIONAL PERFORMANCE

(Standalone) (Amount in Rs.)

Particulars for the year ended	For the Period from July 03, 2017 To March 31, 2018	March 31, 2017
Net revenue from Operations (Sales)	3,344,228,330	2,759,748,889
Profit Before Depreciation and Tax	151,243,824	172,143,549
Less: Depreciation	83,473,919	85,657,207
Profit Before Extra ordinary Items and Tax	67,769,905	86,486,342
Add: Extra Ordinary Items	-	71,218,575
Profit Before Tax	67,769,905	157,704,917
Tax Expense		
- Current Tax	13,851,940	0
Less: MAT Credit Receivable	13,851,940	0
- Deferred Tax	(74,132,882)	69,203,900
Profit After Tax	(63,62,977)	226,908,817
EPS (Basic)	(0.69)	N.A.
EPS (Diluted)	(0.69)	N.A.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The industrial relations remained cordial throughout the year. The employees of the Company have extended a very productive cooperation in the efforts of the management to carry the Company to greater heights. Continuous training down the line is a normal feature in the Company to upgrade the skills and knowledge of the employees and workmen of the Company.

CAUTIONARY STATEMENT

Statement in this report describing the Company's objectives, expectations or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the company's operations include economic conditions affecting demand / supply and price condition in the domestic markets in which the company operates, changes in the government regulations, tax laws and other statutes and other incidental factors.

For and on behalf of the Board of Directors

Date : 02/08/2018
Place : Ahmedabad

Saurin Jagdish Bhai Parikh
Chairman & Managing Director
(DIN: 02136530)

CONSERVATION OF ENERGY

The information under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2018 is given here below and forms part of the Directors' Report.

The steps taken for conservation of energy:

In line with the Company's commitment towards conservation of energy, the company continues with its efforts aimed at improving energy efficiency through improved operational and maintenance practices.

The steps taken in this direction are as under:

- ◆ Installation of 1 Mega Watt (mw) Solar Roof Top Plant.

A **Rooftop PV System** is a photovoltaic system which generates electricity from solar panels mounted on the rooftop of a residential or commercial building or structure.

Benefits of Installation of Solar Roof Top Plant:

- ◆ Reduction in Electricity bill.
- ◆ Reduction in Pollution.
- ◆ Saving in land requirement and costs. Panels will be placed in your rooftop. So, they don't require additional land.

Approx Savings per Month:

- ◆ **Calculation:**

Average Units Generated per Month (a)	1,50,000 KWH
Cost per Unit (b)	Rs. 7/-
Cost of Energy Saved (a*b) (c)	Rs. 10,50,000/-
Recovery Period for Project (d)	6 Years
Cost of Capital Finance per Month (e)	Rs. 6,00,000/-
Total Savings per Month (c-e)	Rs. 4,50,000/-

Due to installation of 1 Mega Watt (mw) Solar Roof Plant the approx savings of Company is Rs. 4,50,000/- per Month.

The steps taken by the Company for utilizing alternate sources of energy:

- ◆ Generation of Green Energy

Green Energy is energy that can be extracted, generated, and/or consumed without any significant negative impact to the environment.

- ◆ **The capital investment on energy conservation equipments : Rs.48,65,956/-**

For and on behalf of the Board of Directors

Date : 02/08/2018
Place : Ahmedabad

Saurin Jagdish Bhai Parikh
Chairman & Managing Director
(DIN: 02136530)

FORM NO. AOC-2

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of Contracts or arrangements or transactions not at arm's Length basis:-

Sr. No.	Name(s) of the related party and nature of relationship	Nature of Contracts/ Arrangements/ Trans-	Duration of The Contracts/ actions Arrangements/ Transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any: was passed	Date on which the special resolution in general meeting as required under first proviso to section 188
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
NIL								

2. Details of contracts or arrangements or transactions at Arm's length basis:-

Sr. No.	Name(s) of the related party and nature of relationship	Nature of Contracts/ Arrangements/ Transactions	Duration of The Contracts/ Arrangements/ Transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any:
	(a)	(b)	(c)	(d)	(e)	(f)
1.	Pashupati Agro Green Industries	Purchase of Property	–	Rs. 1,38,50,000/-	03/07/2017	–
2.	Pashupati Cotton Industries	Purchase of Goods	On yearly basis	Rs. 1,86,57,134/-	03/07/2017	–
3.	Pashupati Oil Industries	Purchase of Goods	On yearly basis	Rs. 76,38,997/-	03/07/2017	–
4.	Pashupati Oil Industries	Sale of Goods	On yearly basis	Rs. 47,81,78,223/-	03/07/2017	–
5.	S Raja Export Pvt Ltd	Sale of Goods	On yearly basis	Rs. 84,90,63,988/-	03/07/2017	–
6.	Pashupati Oil Industries	Job Work	On yearly basis	Rs. 86,24,150/-	03/07/2017	–
7.	Shree Pashupati Fabric LLP	Rent Paid	On yearly	Rs. 16,37,625/-	03/07/2017	–

For and on behalf of the Board of Directors

Date : 02/08/2018
Place : Ahmedabad

Saurin Jagdish Bhai Parikh
Chairman & Managing Director
(DIN: 02136530)

INDEPENDENT AUDITORS' REPORT

TO,
THE MEMBERS OF
PASHUPATI COTSPIN LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of PASHUPATI COTSPIN LIMITED ("the Company") which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2018 and its Loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements :**1. As required by section 143(3) of the Act, we report that:**

- A. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

- B. in our opinion proper books of account as required by law has been kept by the Company so far as it appears from our examination of those books;
 - C. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - D. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014.
 - E. on the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of sub section (2) of section 164 of the Act.
 - F. with reference to the adequacy of the internal financial controls over financial reporting of the Company and operating effectiveness of such control, refer to our separate report to "Annexure A".
 - G. With respect to the other matters included in the auditor's report and to best of our information and according to the explanation given to us.
 - 1) The company has disclosed the impact of pending litigation on its financial position in its financial statements Refer to Sub Note (a) of Note 1 of Part (B) to notes forming part of the financial statements.
 - 2) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - 3) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For and on behalf of
Mahendra N. Shah & Co.
Chartered Accountants
Firm's Registration No.-105775W

CA. Chirag M. Shah
Partner
Membership No.-F 045706

Place : Ahmedabad
Date : 28th May, 2018

Annexure - A to the Independent Auditor's report

Annexure to the Independent Auditor's report of even date on the financial statements of Pashupati Cotspin Limited.

Report on the Internal Financial Controls under Clause (1) of Sub-section 3 of Sec.143 of the Companies Act, 2013("the Act")

We have audited the internal financial controls over financial reporting of Pashupati Cotspin Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls systems over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's Judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company. (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company, and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting was operating effectively as on March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reports issued by the Institute of Chartered Accountants of India.

For and on behalf of
Mahendra N. Shah & Co.
Chartered Accountants
Firm's Registration No.-105775W

CA. Chirag M. Shah
Partner
Membership No.-F 045706

Place : Ahmedabad
Date : 28th May, 2018

Annexure - B to the Independent Auditor's report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirements' of our report of even date to the financial statements of the Company for the year ended March 31, 2018:

1. In respect of Fixed Assets :

- (a) The Company is in the process of maintaining proper records which show full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of five years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. According to information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties are in the name of the company.

2. In respect of Inventories:

According to information and explanation given to us, Physical verification of inventories has been conducted in reasonable interval by the Management and no material discrepancies were noticed on physical verification during the year.

- 3. According to information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- 4. In our opinion and according to the information and explanations given to us, the company has not granted loan or given guarantee or provided security as provided in the section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5. According to information and explanation given to us, the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6. Maintenance of Cost Records has not been specified by the central government under sub section (1) of section 148 of the Companies Act, 2013.
- 7. According to information and explanations given to us in respect of statutory dues and on the basis of our examination of the books of account, and records,

- (a) the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Goods and Service Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2018 for a period of more than six months from the date on when they become payable.
- (b) According to the information and explanations given to us, there are no material dues of income tax, sales tax, service tax, value added tax, wealth tax, duty of customs and Cess which have not been deposited with the appropriate authorities on account of any dispute, except in respect to income tax penalty and excise duty, the following dues have not been deposited by the Company on account of disputes according to information and explanations given to us,:

Name of the Statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Disallowance of Excess Depreciation	54,44,720	AY 2014-15	CIT (A)

8. The company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
9. According to the information and explanations given by the management, the company has raised money by way of initial public offer and term Loans during the year, and the said funds are used for the purpose the same was raised.
10. According to the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
11. According to the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
13. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
15. According to the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
16. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For and on behalf of
Mahendra N. Shah & Co.
Chartered Accountants
Firm's Registration No.-105775W

CA. Chirag M. Shah
Partner
Membership No.-F 045706

Place : Ahmedabad
Date : 28th May, 2018

BALANCE SHEET AS AT 31ST MARCH, 2018

Particulars	Note	Amount in Rs. 31-Mar-18	Amount in Rs. 31-Mar-17
I. EQUITY AND LIABILITIES :			
1 Shareholders' funds			
(a) Share capital	2(a)	102,840,000	75,000,000
(b) Reserves and surplus	2(b)	418,098,668	599,108,508
		520,938,668	674,108,508
2 Share application money pending allotment			
3 Non-current liabilities			
(a) Long-term borrowings	03	793,625,592	353,267,373
(b) Deferred Tax Liability (Net)	04	89,266,504	-69,203,900
(c) Long Term Provisions	05	3,745,391	2,500,000
		88,66,37,487	286,563,473
4 Current liabilities			
(a) Short Term Borrowings	06	628,049,692	306,121,061
(b) Trade payables	07	28,591,361	84,835,588
(c) Other Current Liabilities	08	242,101,418	136,933,647
(d) Short term Provisions	09	13,851,940	-
		912,594,410	527,890,296
		2,320,170,565	1,48,85,62,277
II. ASSETS :			
1 Non-current assets			
(a) Property Plant & Equipment			
(i) Tangible assets	10	1,208,313,610	570,742,953
(ii) Intangible assets		--	25,634,167
(c) Long - Term Loans and Advances	11	1,961,061	39,668,485
		1,210,274,671	636,045,605
2 Current assets			
(a) Inventories	12	638,789,705	205,783,103
(b) Trade receivables	13	234,691,842	259,009,987
(c) Cash and cash equivalents	14	16,766,395	12,104,427
(d) Short-term loans and advances	15	219,647,950	375,619,155
		1,109,895,893	852,516,672
		2,320,170,565	1,48,85,62,277

Significant accounting policies and notes to Accounts

1

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Pashupati Cotspin Limited

For Mahendra J. Shah & Co.

FRN : 105775W

Chartered Accountants

Saurin Parikh
Chairman & Managing Director
DIN : 02136530Tushar Trivedi
Whole Time Director
DIN : 06438707Chirag M. Shah
Partner
M. No. : F 045706Hareshbhai Shah
Chief Financial OfficerBijal Thakkar
Company SecretaryPlace : Ahmedabad
Date : 28th May, 2018Place: Kadi
Date: 28th May, 2018

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	Note	Amount in Rs. 31-Mar-18	Amount in Rs. 31-Mar-17
I. Revenue From Operations			
Sales	16	3,333,228,330	2,759,748,889
		<u>3,333,228,330</u>	<u>2,759,748,889</u>
II. Other Income	17	7,714,378	32,275,665
III. Total Revenue (I + II)		<u>3,351,942,707</u>	<u>2,792,024,554</u>
IV. Expenses:			
Cost of materials consumed	18(a)	3,152,152,528	2,277,513,948
Changes in Inventories	18(b)	(323,031,593)	(31,802,677)
Employee benefits expenses	19	58,871,095	54,787,595
Finance costs	20	100,708,477	129,691,859
Depreciation and amortization expense			
(i) Depreciation for the year	10	83,473,919	85,657,207
Other expenses	21	211,998,377	189,690,279
Total expenses		<u>3,284,172,803</u>	<u>2,705,538,211</u>
V. Profit before exceptional and extraordinary items		<u>67,769,905</u>	<u>86,486,342</u>
VI. Exceptional items			
Prior Period Expenses		-	-
VII. Profit before extraordinary items and tax (V - VI)		<u>67,769,905</u>	<u>86,486,342</u>
VIII Extraordinary Income		-	71,218,575
IX. Profit before tax (VII- VIII)		<u>67,769,905</u>	<u>157,704,917</u>
X. Tax expense:			
(1) Current tax		13,851,940	-
Less: MAT Credit Receivable		<u>(13,851,940)</u>	<u>-</u>
(2) Deferred tax		<u>(74,132,882)</u>	<u>69,203,900</u>
XI Profit /(Loss) for the period		<u>-6,362,977</u>	<u>226,908,817</u>
XII Earnings per equity share:			
(1) Basic		-0.69	N.A
(2) Diluted		-0.69	N.A

Significant Accounting Policies & Notes to Accounts 1

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Pashupati Cotspin Limited

For Mahendra J. Shah & Co.

FRN : 105775W
Chartered AccountantsSaurin Parikh
Chairman & Managing Director
DIN : 02136530Tushar Trivedi
Whole Time Director
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Partner
M. No. : F 045706Hareshbhai Shah
Chief Financial OfficerBijal Thakkar
Company SecretaryPlace : Ahmedabad
Date : 28th May, 2018Place: Kadi
Date: 28th May, 2018

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	Amount in Rs. 31-Mar-18	Amount in Rs. 31-Mar-17
CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before tax as per statement of profit and loss	67,769,905	86,486,342
Adjusted for:		
Depreciation & amortization	83,473,919	85,657,207
Loss on Sale of Fixed Assets	3,109,045	–
Interest Income	(3,351,644)	(28,589,917)
Finance Cost	100,708,477	129,691,859
Operating profit before working capital	251,709,702	273,245,491
Adjusted for:		
Trade Receivables, Loans & Advances	(287,580,188)	(153,627,058)
Stock	(328,809,743)	(38,215,177)
Trade payables & Liabilities	180,007,857	90,601,722
	(436,382,073)	(101,240,513)
Cash generated from operations	(184,672,371)	172,004,978
Extra Ordinary Items	–	71,218,575
Net cash generated from/ (used in) operating activities [A]	(184,672,371)	243,223,553
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of fixed assets	(248,470,407)	(52,201,464)
Interest Received	3,351,644	28,589,917
Net cash used in investing activities [B]	(245,118,763)	(23,611,547)
CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from/(Repayment) of Long Term Borrowings (Net)	290,306,603	(95,118,536)
Issue Of Share Capital	208,800,000	–
Interest Paid	(100,708,477)	(129,691,859)
Net cash flow from financing activities [C]	39,83,98,126	(224,810,395)
Net increase/(decrease) in cash & cash equivalents [A+B+C]	3,13,93,008	(5,198,389)
Opening Balance of Cash & Cash equivalents (a)	48,159,403	17,302,815
Closing Balance of Cash & Cash equivalents (b)	16,766,395	12,104,427
Net Increase/(Decrease) in cash & cash equivalents (b-a)	(3,13,93,008)	(5,198,388)

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Pashupati Cotspin Limited

For Mahendra J. Shah & Co.

FRN : 105775W

Chartered Accountants

Saurin Parikh
Chairman & Managing Director
DIN : 02136530

Tushar Trivedi
Whole Time Director
DIN : 06438707

Chirag M. Shah
Partner
M. No. : F 045706

Hareeshbhai Shah
Chief Financial Officer

Bijal Thakkar
Company Secretary

Place : Ahmedabad
Date : 28th May, 2018

Place: Kadi
Date: 28th May, 2018

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018**NOTE : 1 - SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS:-****A) SIGNIFICANT ACCOUNTING POLICIES:****(1) Information:**

Pashupati Cotspin Ltd is a listed company incorporated in India. The Company is engaged in Cotton Ginning and manufacture, processing of yarn.

(2) Basis of Preparation:

The financial statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects. The financial statements have been prepared on accrual basis and under the historical cost convention. The accounting policies adopted in preparation of financial statements are consistent with those of previous year.

(3) Use of Estimates:

The presentation of financial statements in conformity with the GAAP requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates is recognized in the period in which the results are known / materialized.

(4) Fixed Assets:

Fixed Assets are stated at Cost or at Revalued Amount, net of CENVAT / VAT /GST Credit less Accumulated Depreciation. All costs including financing costs till commencement of commercial production and Exchange rate variations relating to the Borrowing are capitalized / adjusted to the fixed assets.

(5) Depreciation:

- i. Depreciation on fixed assets is provided on the Straight Line Method (SLM) Method on the basis of Useful Life prescribed in Schedule II to the Companies Act, 2013
- ii. Depreciation on additions to the assets and the assets sold or disposed off, during the year is provided on pro-rata basis, at their respective rates with reference to the date of acquisition / installation or date of sale/disposal.

(6) Inventories:

(Inventories were taken as valued & certified by the partners.)

- a) Raw Material – At lower of Cost or Net Realizable Value.
- b) Stock in Process - At lower of Cost or Net Realizable Value.
- c) Finished Goods - At lower of Cost or Net Realizable Value.
- d) Stores, Spares, Lubricants - At lower of Cost or Net Realizable Value.
- e) Material In Transit - At Cost
- f) Waste (Cotton and Yarn) - At Net Realizable value

(7) Foreign Currency Transactions:

- (a) Foreign currency transactions are accounted for at the exchange rate prevailing on the date of the transaction. All monetary foreign currency assets and liabilities are converted at the exchange rates prevailing on the date of the balance sheet. All exchange differences other than those relating to the acquisition of fixed assets from outside India are dealt with in the statement of profit and loss. Exchange gain or loss relating to fixed assets acquired from outside India is adjusted in the cost of respective fixed assets.
- (b) In case of forward contracts, the gain / loss on contracts are treated as periodical expense or revenue. Any profit or loss arising on the cancellation or renewal of a forward exchange contract is recognized as income or expense for the year, except in case of a forward exchange contract relating to liabilities incurred for acquiring fixed assets from outside India, in which case, such profit or loss is adjusted in the cost of fixed assets.
- (c) Exchange difference is calculated as the difference between the foreign currency amount of the contract translated at the exchange rate at the reporting date, or the settlement date where the transaction is settled during the reporting period, and the corresponding foreign currency amount translated at the later of the date of inception of the forward exchange contract and the last reporting date. Such exchange differences are recognized in the statement of profit and loss in the reporting period in which the exchange rates change.

(8) Retirement Benefits:

- (a) The company has made provision of Gratuity liability of employees on basis of actuarial valuation report.
- (b) Leave encashment has been charged to the Revenue Account on the basis of policy of the company.
- (c) The company contribution to Provident Fund is charged to Revenue Account.

(9) Borrowing Cost:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

(10) Revenue Recognition:

Income and Expenditure are recognized and accounted on Accrual Basis. Revenue from Sale of goods is recognized on delivery of the goods, when all significant contractual obligations have been satisfied, the property in the goods is transferred for a price, significant risks and rewards of ownership are transferred to customers & no effective ownership is retained However;

- a) Revenue in respect of insurance/other claims etc is recognized only when it is reasonably certain that the ultimate collection will be made.
- b) Dividend income is recognized when the right to receive is established.
- c) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable rate of interest.
- d) Interest received on delayed payment is accounted on receipt basis.
- e) Lease Rent Income is recognized on accrual basis as per the terms of the Agreement.
- f) All benefits, claims, entitlements etc. under TUF subsidy, VAT, Electricity, Government Textile Policy Benefits are recognized as per the terms of the scheme and on accrual basis.

(11) Segment Accounting:

The company manufactures and deals in single product i.e. Cotton Yarn only and therefore, Accounting Standard 17 on Segment Reporting is not applicable.

(12) Investments:

Long Term Investments are carried at cost. Temporary diminution in value of such investments, if any, is ignored.

(13) Provisions and contingencies:

A provision is recognized when the company has a legal and constructive obligation as a result of a past event, for which it is probable that cash outflow will be required and a reliable estimate can be made of the amount of the obligation. A contingent liability is disclosed when the Company has a probable obligation where it is not probable that an outflow of resources will be required to settle it. Contingent assets are neither recognized nor disclosed.

(14) Taxation:**(a) Direct Taxes :**

Tax expense for the year, comprising Current Tax if any and Deferred Tax are included in determining the net profit for the year.

A provision is made for deferred tax for all timing differences arising between taxable incomes and accounting income at currently enacted tax rates.

Deferred tax assets are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

(b) Indirect Taxes:

The liabilities are provided or considered as contingent depending upon the merit of each case and/or receiving the actual demand from the department.

(15) Impairment Loss:

Impairment Loss, if any, is provided to the extent the carrying amounts of assets exceed their recoverable amounts. Recoverable amount is that which is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the assets and from its disposal at the end of its useful life. Net Selling Price is the amount obtainable from sale of the asset on arms length basis between knowledgeable and willing parties less the cost of disposal.

B) NOTES ON ACCOUNTS:**1. Contingent Liabilities:**

- a) Income Tax Demands for A.Y. 2014-15 of Rs 54,44,720. (P.Y. NIL/-) against which Company has preferred appeals before appropriate authorities.
 - b) Bank guarantees amounting to Rs. 3,93,02,964/- in favor of DGFT& Customs Rs.2,41,12,137/- in favor of Uttar Gujarat Vij Company Limited.
 - c) Export Obligation for duty saved amount of Rs. 21,00,18,268/-
2. In terms of Accounting Standard 28 – Impairment of Assets issued by ICAI the Management has reviewed its fixed assets and the difference between the carrying amount and recoverable value of relevant assets was not material. Hence, provision for impairment loss is not considered necessary to be made in the books.
 3. In respect of the loss & Unabsorbed Depreciation incurred by the Company for the current year, deferred tax asset is recognized in the books, since the company has certainty that they will be realized in the near future.
 4. The company has not received information from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amount unpaid as at the balance sheet date together with interest payable, if any, under this Act have not been given.
 5. Earlier the Company was formed as “Pashupati Cotspin LLP”. and was functioning and carrying out its business activities in LLP and all the interest in the LLP have vested to the Company by virtue of the conversion of LLP into Limited Company under Part I Chapter XXI of Section 366 of Companies Act, 2013. Therefore Previous year figures strictly not comparable.
 6. The depreciation hitherto was provided by LLP as per WDV Method and rates provided under Income Tax Act. On conversion into Public Limited Company, the Company has calculated depreciation on Straight Line method as per the rates derived on the basis of useful life of the assets as provided in Schedule II of the Companies Act, 2013 and the Company has recalculated Depreciation from the beginning i.e. from the date of put to use and the difference being excess Depreciation of Rs. 883.14 lacs (Net of Deferred Tax) provided in earlier years have been transferred to Retained earnings and the respective depreciation Fund has been restated
 7. Reversal of restated deferred tax assets of Rs 741.32 Lacs during the current period are pertaining to set off of the Current profits against carried forward business losses and unabsorbed depreciation as per Income Tax Act.

8. Earnings Per Share:

Particular	2017-18	2016-17
Net profit attributable to Shareholders	-63,62,977	22,69,08,817
Weighted average number of equity shares	1,02,84,000	N.A.
Basic earnings per share of Rs.10/- each (in Rs)	(0.69)	-

9. RELATED PARTY DISCLOSURE:**A. LIST OF RELATED PARTIES AND RELATIONSHIP:**

Related Entities & Persons with whom the company has entered into transactions during the year:

Mr. Mitesh Parikh
 Mrs. Renuka Parikh
 Mrs. Hariprabha Parikh
 Mrs. Falguni Parikh
 M/s Pashupati Cotton Industries
 M/s Shree Pashupati Fabric LLP
 M/s Pashupati Oil Industries
 M/s S.Raja Export Pvt Ltd
 M/S Pashupati Agro Green Industries

B. KEY MANAGERIAL PERSONNEL / PARTNERS:

Saurin J. Parikh	Chairman & Managing Director
TusharR.Trivedi	Whole time Director
Dakshesh J. Patel	Director

C. RELATED PARTIES TRANSACTIONS (RS.):

Transactions	Associates / Related Party	Enterprises owned or Significantly influenced by Key Managerial Personnel	Key Managerial Personnel	Closing Balance
Purchase of Goods/Property	4,01,46,131	NIL	NIL	NIL
Sale of Goods	1,32,72,42,211	NIL	NIL	NIL
For Various Expenses	86,24,150	NIL	NIL	NIL
Interest Income	NIL	NIL	NIL	NIL
Loan Received	1,65,09,24,660	NIL	75,00,000	6,07,35,077
Loan Repaid	45,29,11,487	NIL	1,51,84,600	NIL
Interest Expenses	1,21,19,126	NIL	24,00,256	NIL
Remuneration	NIL	NIL	1,80,000	NIL
Rent	16,37,625	NIL	NIL	NIL

10. Disclosure pursuant to Accounting Standard - 15 [Revised] 'Employee Benefits:

- A.** The Company has, with effect from 1st April, 2007, adopted Accounting Standard 15, Employee Benefits [Revised 2005] [the 'Revised AS 15']. In accordance with the transitional provisions governing gratuity valuation – defined benefit plan – long term liability based on actuarial valuation is as follows:
- B.** The Amount (in Rs.) as certified by the Approved Value is as under:

Period	From: 1/4/2017 To 31/3/2018	From: 1/4/2016 To: 31/3/2017
Present value of the obligation at the beginning of the period	23,33,148	12,30,224
Interest cost	1,63,320	92,267
Current service cost	12,13,594	11,73,291
Past Service Cost	0	0
Benefits paid (if any)	0	0
Actuarial (gain)/loss	(1,31,523)	(1,62,634)
Present value of the obligation at the end of the period	35,78,539	23,33,148

Key results (The amount to be recognized in the Balance Sheet):

Period	As on: 31/3/2018	As on: 31/3/2017
Present value of the obligation at the end of the period	1,65,99,578	1,14,87,646
Fair value of plan assets at end of period	1, 18,72,952	71,63,630
Net liability/(asset) recognized in Balance Sheet and related analysis	47,26,626	43,24,016
Funded Status	(47,26,626)	(43,24,016)

Expense recognized in the statement of Profit and Loss:

Period	From: 1/4/2017 To 31/3/2018	From: 1/4/2016 To 31/3/2017
Interest cost	1,63,320	92,267
Current service cost	12,13,594	11,73,291
Past Service Cost	0	0
Expected return on plan asset	(0)	(0)
Net actuarial (gain)/loss recognized in the period	(1,31,523)	(1,62,634)
Expenses to be recognized in P&L	12,45,391	11,02,924

Table showing changes in the Fair value of Planned Assets:

Period	From: 1/4/2017 To 31/3/2018	From: 1/4/2016 To 31/3/2017
Fair value of plan assets at the beginning of the Period	71,63,630	19,03,853
Expected return on plan assets	5,37,272	1,42,789
Contributions	47,50,000	50,00,000
Benefits paid	(6,96,966)	(22,757)
Actuarial gain/(Loss) on plan Assets	1,19,016	1,39,745
Fair Value of Plan Asset at the end of the Period	1,18,72,952	71,63,630

Table showing Fair Value of Planned Assets:

Period	From: 1/4/2017 To 31/3/2018	From: 1/4/2016 To 31/3/2017
Fair value of plan assets at the beginning of the Period	71,63,630	19,03,853
Actual return on plan assets	6,56,288	2,82,534
Contributions	47,50,000	50,00,000
Benefits paid	(6,96,966)	(22,757)
Fair value of plan assets at the end of the period	1,18,72,952	71,63,630

Experience adjustment:

Period	From: 1/4/2017 To 31/3/2018	From: 1/4/2016 To 31/3/2017
Experience Adjustment (Gain) / loss for Plan liabilities	1,74,456	(1,62,634)
Experience Adjustment Gain / (loss) for Plan assets	0	0

Summary of membership data at the date of valuation and statistics based thereon:

Period	As on: 31/3/2018	As on: 31/3/2017
Number of employees	273	212
Total monthly salary	71,35,080	38,82,706
Average Past Service(Years)	1.9	1.8
Average Future Service (yr)	28.1	29.7
Average Age(Years)	31.9	30.3
Weighted average duration (based on discounted cash flows) in years	27	30
Average monthly salary	26,136	18,315

The assumptions employed for the calculations are tabulated:

Discount rate	7.00% per annum	7.50 % per annum
Salary Growth Rate	5.00 % per annum	5.00 % per annum
Mortality	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
Expected rate of return	0	0
Withdrawal rate (Per Annum)	30.00% p.a.	5.00% p.a.

Benefits valued:

Normal Retirement Age	60 Years	60 Years
Salary	Last drawn qualifying salary	Last drawn qualifying salary
Vesting Period	5 Years of service	5 Years of service
Benefits on Normal Retirement	15/26 * Salary * Past Service (yr)	15/26 * Salary * Past Service (yr)
Benefit on early exit due to death and disability	As above except that no vesting conditions apply	As above except that no vesting conditions apply
Limit	2000000.00	1000000.00

Current Liability (*Expected payout in next year as per schedule III of the Companies Act, 2013) :

Period	As on: 31/3/2018	As on: 31/3/2017
Current Liability (Short Term)*	69,189	7,302
Non Current Liability (Long Term)	35,09,350	23,25,846
Total Liability	35,78,539	23,33,148

Projection for next period:

Best estimate for contribution during next Period	30,88,892	—
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Sensitivity Analysis: Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. The results of sensitivity analysis are given below:

Period	As on: 31/03/2018
Defined Benefit Obligation (Base)	35,78,539 @ Salary Increase Rate : 5%, and discount rate :7%
Liability with x% increase in Discount Rate	34,75,938; x=1.00% [Change (3)%]
Liability with x% decrease in Discount Rate	36,87,305; x=1.00% [Change 3%]
Liability with x% increase in Salary Growth Rate	36,88,344; x=1.00% [Change 3%]
Liability with x% decrease in Salary Growth Rate	34,73,136; x=1.00% [Change (3)%]
Liability with x% increase in withdrawal Rate	35,11,397; x=1.00% [Change (2)%]
Liability with x% decrease in withdrawal Rate	36,46,517; x=1.00% [Change 2%]

11.**AUDITORS' REMUNERATION:-**

	2017-18	2016 - 17
1. Audit Fees (Including Service Tax)	1,75,000	2,01,250
2. Tax Audit	0	0
3. Traveling expenses	0	0
TOTAL	1,75,000	2,01,250

		2017-18	2016 – 17
12.	DETAILS OF GOODS IMPORTED:-		
1.	CIF value of goods imported:		
	(a) Cotton	6,78,48,360	-
	(b) Machineries, Spares and Stores	1,22,495	-
	(c) Plant and Machinery	5,44,59,183	-
	TOTAL	12,24,30,038	-
2.	CONSUMPTION:-		
	(a) Raw Materials:		
	(i) Imported goods	6,78,48,360	-
	(ii) Indigenous goods:		
	Cotton	3084304168	-
	Cotton yarn	0	-
	TOTAL	3,152,152,528	
	Imported	2.15%	-
	Indigenous	97.85%	-
	(b) Machinery Spares and Stores:		
	(i) Imported goods	5,45,81,678	-
	(ii) Indigenous goods	2,09,23,333	-
	TOTAL	7,55,05,011	-
	Imported	72.29%	-
	Indigenous	27.71%	-
13.	1. Earning in Foreign Exchange:		
	Exports: Direct(FOB Value)	0	-
	Through Merchant Exporters	0	-
		NIL	NIL
	2. Expenditure in Foreign Currency:		
	Purchase of Plant and Machinery, Stores, Spares and Cotton	12,24,30,038	
	Travelling and Others	0	-
	Interest on Foreign Currency Loan	0	-
	Freight	0	-
	Commission	0	-
	TOTAL	12,24,30,038	-
	3. Remittances of Dividend in Foreign Currency	NIL	NIL

For Mahendra J. Shah & Co.

FRN : 105775W

Chartered Accountants

Chirag M. Shah

Partner

M. No. : F 045706

For Pashupati Cotspin Limited

Saurin Parikh

Chairman & Managing Director

DIN : 02136530

Hareshbhai Shah

Chief Financial Officer

Tushar Trivedi

Whole Time Director

DIN : 06438707

Bijal Thakkar

Company Secretary

Place : Ahmedabad

Date : 28th May, 2018

Place: Kadi

Date: 28th May, 2018

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

Particulars	As At 31 March, 2018		As At 31 March, 2017	
	Number	Rs.	Number	Rs.
NOTE NO. 2(A) - SHARE CAPITAL :				
Authorised Share Capital				
Equity Shares of Rs 10/- each	1,10,00,000	110,000,000	-	-
Issued				
Equity Shares of Rs 10/- each	1,02,84,000	102,840,000	-	-
Subscribed & Paid up				
Equity Shares of Rs. 10/- each fully paid	1,02,84,000	102,840,000	-	-
TOTAL	1,02,84,000	102,840,000	-	-
NOTE NO. 2.1 :				
Equity Shares outstanding at the beginning of the year	-	-	-	-
Shares Issued during the year	1,02,84,000	102,840,000	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	1,02,84,000	102,840,000	-	-

NOTE NO. 2.2 :

Details of Shareholders holding more than 5% Shares.

Name of Shareholder	As At 31 March, 2018		As At 31 March, 2017	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Ashishbhai Rameshchandra Trivedi	600000	5.83	-	-
Bhavesbhai Jayantibhai Patel	525000	5.11	-	-
Daksheshbhai Jayantibhai Patel	525000	5.11	-	-
Falguniben Miteshbhai Parikh	1125000	10.94	-	-
Hariprabhaben Arvindbhai Parikh	975000	9.48	-	-
Mukeshbhai Vithalbhai Patel	600000	5.83	-	-
Renukaben Jagdishbhai Parikh	975000	9.48	-	-
Saurinbhai Jagdishbhai Parikh	1725000	16.77	-	-

NOTE NO 2.3 :

75,00,000 Equity Shares allotted pursuant to conversion of M/s Pashupati Cotspin LLP, a Limited Liability Partnership into a Private Limited company under Section 366 of Part I, Chapter XXI of the Companies Act, 2013 with the name of Pashupati Cotspin Private Limited and thereafter converted into Pashupati Cotspin Limited.

The company has only one class of shares referred to as equity shares having a par value of Rs 10. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend recommended by the Board of Directors is subject to the approval of the share holders in the ensuing Annual General Meeting.

NOTE NO 2.4 :

There are no unpaid calls from Directors or officers.

NOTE NO. 2.5 :

Equity shares rank pari passu & subject to right, preference and restrictions under the Companies Act.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

(Amt in Rs.)

Particulars	As At 31 March, 2018	As At 31 March, 2017
NOTE NO. 2(B) - RESERVES & SURPLUS :		
(a) Surplus in Statement of Profit & Loss		
Opening balance	18,44,22,637	-
(+) Net Profit For the current year	-63,62,977	-
(-) Proposed Dividends	-	-
(-) Corporate Dividend Tax	-	-
(-) Depreciation of Earlier years	-	-
(+) Transfer to Reserves	5,90,79,008	-
Closing Balance	23,71,38,668	-
(b) Share Securities Premium		
Opening Balance		
Add: Additions during the year	18,09,60,000	-
Less: Utilised during the year	-	-
Closing Balance	18,09,60,000	-
TOTAL	41,80,98,668	-
NOTE 3 - LONG TERM BORROWINGS :		
A. Secured Loan		
1) From Oriental Bank of Commerce	75,97,49,488	31,79,14,180
2) From Yes Bank	3,58,51,845	-
3) From HDFC	52,06,747	-
Less: Current Maturities of long term debt	-17,00,64,797	-
B. Unsecured Loan		
1) From Members	16,28,82,309	2,64,75,350
2) From others	-	88,77,843
TOTAL	79,36,25,592	35,32,67,373
NOTE.: 4 - DEFERRED TAX LIABILITY :		
Deferred Tax Liability	8,92,66,504	-6,92,03,900
TOTAL	8,92,66,504	-6,92,03,900
NOTE.: 5- LONG TERM PROVISIONS :		
Provision- Others		
Provision For Gratuity	37,45,391	25,00,000
TOTAL	37,45,391	25,00,000
NOTE.: 6 - SHORT TERM BORROWINGS :		
(a) Working Capital Loan (Secured)	62,80,49,692	30,61,21,061
TOTAL	62,80,49,692	30,61,21,061

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

(Amt in Rs.)

Particulars	As At 31 March, 2018	As At 31 March, 2017
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NOTE.: 7 - TRADE PAYABLES :**Trade Payables**

For Supply of Goods	1,07,23,449	6,60,64,794
For Others	1,78,67,911	1,87,70,794
TOTAL	2,85,91,361	8,48,35,588

NOTE.: 8 - OTHER CURRENT LIABILITIES :**Other payables**

(i) Statutory Remittances	5,27,30,192	1,18,29,242
(ii) Current Maturities Of Long Term Borrowings	17,00,64,797	10,79,43,996
(iii) Other Payables	1,93,06,429	1,71,60,409
TOTAL	24,21,01,418	13,69,33,647

NOTE.: 9 - SHORT TERM PROVISIONS :

Provision for Income Tax	1,38,51,940	-
TOTAL	1,38,51,940	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

NOTE : 10 - FIXED ASSETS :

Particulars	GROSS BLOCK AT COST				DEPRECIATION				NET BLOCK	
	Balance as on 03.07.2017	Additions During the Year	Adjustment/ Deductions During the year	Balance as on 31.03.2018	As on 03.07.2017	Provided During the year	Amount Transferred to Retained Earnings	Adjustment/ Deductions During the year	As on 31.03.2018	As on 31.03.2018
Bridges, culverts, bunders, etc.	9,78,675	-	-	9,78,675	3,87,394	23,072	2,82,007	-	1,28,459	8,50,216
Computer software	3,46,200	-	-	3,46,200	3,16,024	40,821	1,66,597	-	1,90,248	1,55,952
Computer	5,20,099	4,26,794	-	9,46,893	4,65,931	43,159	2,147	-	5,06,942	4,39,951
Electrical Installation	2,76,95,833	1,95,97,007	11,00,000	4,61,92,840	1,24,43,186	27,14,004	35,17,482	2,94,194	1,13,45,514	3,48,47,326
Factory Building	20,27,01,645	6,37,86,736	-	26,64,88,381	4,99,15,390	55,43,949	3,35,12,815	-	2,19,46,523	24,45,41,858
Office Equipments	5,79,541	-	-	5,79,541	1,50,303	86,415	-1,13,965	-	3,50,683	2,28,858
Plant & Machinery	69,51,55,814	53,96,95,382	3,08,91,218	1,20,39,59,978	29,50,21,747	7,37,29,414	5,04,62,028	1,15,01,930	30,67,87,203	89,71,72,775
Tubewell	6,30,670	-	-	6,30,670	2,55,972	94,038	-1,65,029	-	5,15,039	1,15,631
Vehicle	1,34,91,043	6,00,000	-	1,40,91,043	29,67,734	11,99,047	6,49,453	-	35,17,329	1,05,73,714
Land	1,93,87,328	-	-	1,93,87,328	-	-	-	-	-	1,93,87,328
Total	96,14,86,848	62,41,05,919	3,19,91,218	1,55,36,01,549	36,19,23,681	8,34,73,919	8,83,13,536	1,17,96,125	34,52,87,940	1,20,83,13,610

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

(Amt in Rs.)

Particulars	As At 31 March, 2018	As At 31 March, 2017
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NOTE : 11- LONG TERM LOANS & ADVANCES :**Unsecured, Considered Good**

Capital Advances	19,61,061	3,96,68,485
TOTAL	19,61,061	3,96,68,485

NOTE : 12 - INVENTORIES :**(At Lower of Cost or Net Realisable Value)**

(a) Raw Materials	57,78,150	1,02,12,500
(b) Finished Goods	57,46,86,557	17,38,08,721
(c) WIP	3,40,07,156	1,09,12,358
(d) Stores , Spares & Packing Material	2,43,17,842	1,08,49,524
TOTAL	63,87,89,705	20,57,83,103

NOTE : 13 - TRADE RECEIVABLES :**Unsecured, Considered Good**

More than Six Month	3,52,77,885	2,90,13,855
Others	19,94,13,957	22,99,96,132
TOTAL	23,46,91,842	25,90,09,987

NOTE : 14 - CASH AND CASH EQUIVALENTS :

(a) Cash on Hand	17,36,714	9,34,739
(b) Balances with Banks		
(1) In Current Accounts		
(ii) Oriental Bank Of Commerce	1,10,063	67,515
(iii) Others	33,107	-
(2) Fixed Deposits Under Lien #		
(i) Against Borrowings	62,88,871	59,34,164.00
(ii) Against Guarantees	85,97,640	51,68,009.00
TOTAL	1,67,66,395	1,21,04,427

Fixed Deposit with Maturity of more than 12 Month.

NOTE : 15 - SHORT TERM LOANS AND ADVANCES :**Unsecured, Considered Good**

(a) Loans and Advances		
Others	12,05,05,070	35,95,17,464
(b) Security deposit		
Others	36,76,010	3,29,510
(c) Balances with Government Authorities	9,54,66,870	1,57,72,181
TOTAL	21,96,47,950	37,56,19,155

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

(Amt in Rs.)

Particulars	As At 31 March, 2018	As At 31 March, 2017
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NOTE : 16 - REVENUE FROM OPERATIONS :

1 Yarn Sales	1,06,78,74,290	1,09,57,28,039
2 Yarn Waste Sales	12,47,32,915	10,93,77,390
3 Cotton Sales	2,07,42,28,910	1,43,21,29,405
TOTAL	3,26,68,36,115	2,63,72,34,834
Less : Rebate & Goods returned	-	58,47,119
Less : Excise Duty	-	-
NET SALES	3,26,68,36,115	2,63,13,87,715
4 Other Operating Revenues	7,73,92,214	12,83,61,174
TOTAL	3,34,42,28,330	2,75,97,48,889

NOTE : 17 - OTHER INCOME :

1 Interest Income	21,61,222	2,85,89,917
2 FD Interest Income	11,90,422	8,66,081
3 Weight Bridge Income	-	36,980
4 Other Income and Kasar Vatav	43,62,734	27,82,687
TOTAL	77,14,378	3,22,75,665

NOTE : 18.A - COST OF MATERIALS CONSUMED :

Opening Stock	-	38,00,000
Add: Purchases	3,15,79,30,678	2,28,39,26,448
Less: Closing Stock	57,78,150	1,02,12,500
TOTAL	3,15,21,52,528	2,27,75,13,948

NOTE : 18.B - CHANGES IN INVENTORIES OF FINISHED GOODS :**Inventories at the End of the Year:**

Finished Goods	57,46,86,557	17,38,08,721
Stores, Spares & Packing Material	2,43,17,842	1,08,49,524
Work in process	3,40,07,156	1,09,12,358
	63,30,11,555	19,55,70,603

Inventories at the Beginning of the Year:

Finished Goods	28,85,97,112	14,35,30,461
Stores, Spares & Packing Material	1,12,08,859	1,16,87,617
Work in process	1,01,73,991	85,49,848
	30,99,79,962	16,37,67,926
TOTAL	-32,30,31,593	-3,18,02,677

NOTE : 19 - EMPLOYEE BENEFITS EXPENSE :

Salaries and Wages	5,52,06,776	4,71,50,936
Gratuity Expenses	12,45,391	25,00,000
Leave Encashment	-	22,62,219
Contributions to Provident and Other Funds	5,96,103	5,01,831
Staff Welfare Expenses	18,22,825	23,72,609
TOTAL	5,88,71,095	5,47,87,595

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

(Amt in Rs.)

Particulars	As At 31 March, 2018	As At 31 March, 2017
NOTE : 20 - FINANCE COST :		
Bank Charges Exp.	3,10,242	10,06,015
Bank Interest Exp.	9,28,95,777	8,34,71,183
Other Exp.	43,14,261	26,23,336
Interest on Partner's Capital	-	4,10,77,292
Loan processing fees and other charges	31,88,197	15,14,033
TOTAL	10,07,08,477	12,96,91,859

NOTE : 21 - OTHER EXPENSES :

Transportation Expenses	47,05,020	36,99,077
Brokerage & Commission Expenses	51,14,540	47,28,498
Job work Expenses	82,13,476	55,19,203
Legal & Consultancy Charges	10,56,531	18,76,451
Power and Fuel	15,07,72,633	14,32,02,033
Donation	18,01,949	6,54,603
Freight Expense	3,68,687	1,46,560
Factory Expense	86,000	1,11,477
Bad debt exp.	-	7,18,797
Repairing & Maintenance	2,12,58,485	52,44,670
Labour Expenses	30,62,736	6,06,252
Insurance	9,36,199	17,45,068
Travelling Expenses	3,05,299	3,35,402
Advertisement Expenses	95,100	28,440
Loading & Unloading Expenses	33,98,775	37,78,377
Loss on Sale of Fixed Assets	31,09,045	-
Quality Claim & Weight Shortage Claims	7,15,322	85,52,854
Sales Tax Expense	14,400	25,797
Auditors Remuneration (Refer Note Below)	1,75,000	2,01,250
Internal Audit Fees	43,500	-
Stationery, Printing, Postage & Telephone	7,04,273	7,21,614
General Expenses	60,61,407	77,93,856
TOTAL	21,19,98,377	18,96,90,279

NOTE:

Payments to the Auditors comprises :

As Auditors - Statutory Audit	1,75,000	2,01,250
Taxation Matters	-	-
Out of pocket expenses	-	-
TOTAL	1,75,000	2,01,250

PASHUPATI COTSPIN LIMITED

(CIN: U17309GJ2017PLC098117)

Survey No.404 At& Post Balasar, Kadi-Detroj Road, Kadi Mahesana-382715 Gujarat.

ATTENDANCE SLIP

DPID / CLIENT ID : _____

Registered Folio No. : _____

No of Shares : _____

Name(s) and address of the Shareholders/Proxy in Full:

I, Certify that I am a Shareholder / Proxy of the Shareholder of the Company. I/We hereby accord my/our presence at the **01ST Annual General Meeting** of the Company being held on Monday, September 17, 2018 at 11.00 AM at the registered office of the Company at Survey No.404 At & Post Balasar, Kadi-Detroj Road, Kadi Mahesana-382715.

Signature of Shareholder/ Proxy

NOTE: Please fill in the Attendance Slip and hand it over at the entrance of the Hall.

PASHUPATI COTSPIN LIMITED

Registered office: Survey No.404 At & Post Balasar, Kadi-Detroj Road, Kadi Mahesana-382715 Gujarat.

CIN: U17309GJ2017PLC098117

Email: cs@pashupaticotspin.com Website: www.pashupaticotspin.com Tel. no.: 02764-262200

FORM MGT-11 - PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : U17309GJ2017PLC098117
Name of the company : PASHUPATI COTSPIN LIMITED
Registered office : Survey No. 404 At & Post Balasar, Kadi-Detroj Road, Kadi Mahesana-382715, Gujarat.

Name of the member(s) :	_____
Registered address :	_____
Email Id :	_____
Folio No./Client Id :	_____ DP ID : _____

I/We, being the member (s) of _____ shares of the above named company, hereby appoint

1. Name :	_____
Address :	_____
E-mail Id :	_____
Signature :	_____
2. Name :	_____
Address :	_____
E-mail Id :	_____
Signature :	_____
3. Name :	_____
Address :	_____
E-mail Id :	_____
Signature :	_____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **01st Annual general meeting** of the company, to be held on Monday, 17th September, 2018 at 11.00 A.M. at the registered office of the Company situated at Survey No. 404 At & Post Balasar, Kadi-Detroj Road, Kadi Mahesana-382715, Gujarat and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Particulars
Ordinary Business	
1.	To receive, consider and adopt the audited Financial Statement of the Company for the financial year ended March 31, 2018 and the reports of the Board of Directors and Auditors thereon;
2.	To appoint a Director in place of Mr. Dakshesh Jayantilal Patel (DIN: 07859419) who retires by rotation and being eligible, offers himself for re-appointment.
3.	To appoint M/s. Mahendra N. Shah & Co. (FRN: 105775W), Chartered Accountants as statutory auditors of the Company and fix their remuneration.
Special Business	
4.	To appoint Mr. Sandip Ashwinbhai Parikh (DIN: 00030990) as an Independent Director of the Company.
5.	To appoint Mr. Mahendrabhai Gulabdas Patel (DIN: 00104706) as an Independent Director of the Company.
6.	To appoint Mrs. Sheela Kirtankumar Roy (DIN: 07891440) as an Independent Director of the Company.
7.	To approve related party transactions to be entered by the Company with related parties
8.	To Increase the Borrowing Power limit of the Board of Directors From Rs. 200 Crores (Two Hundred Crores) to Rs. 500 Crores (Five Hundred Crores)

Signed this _____ day of _____, 2018

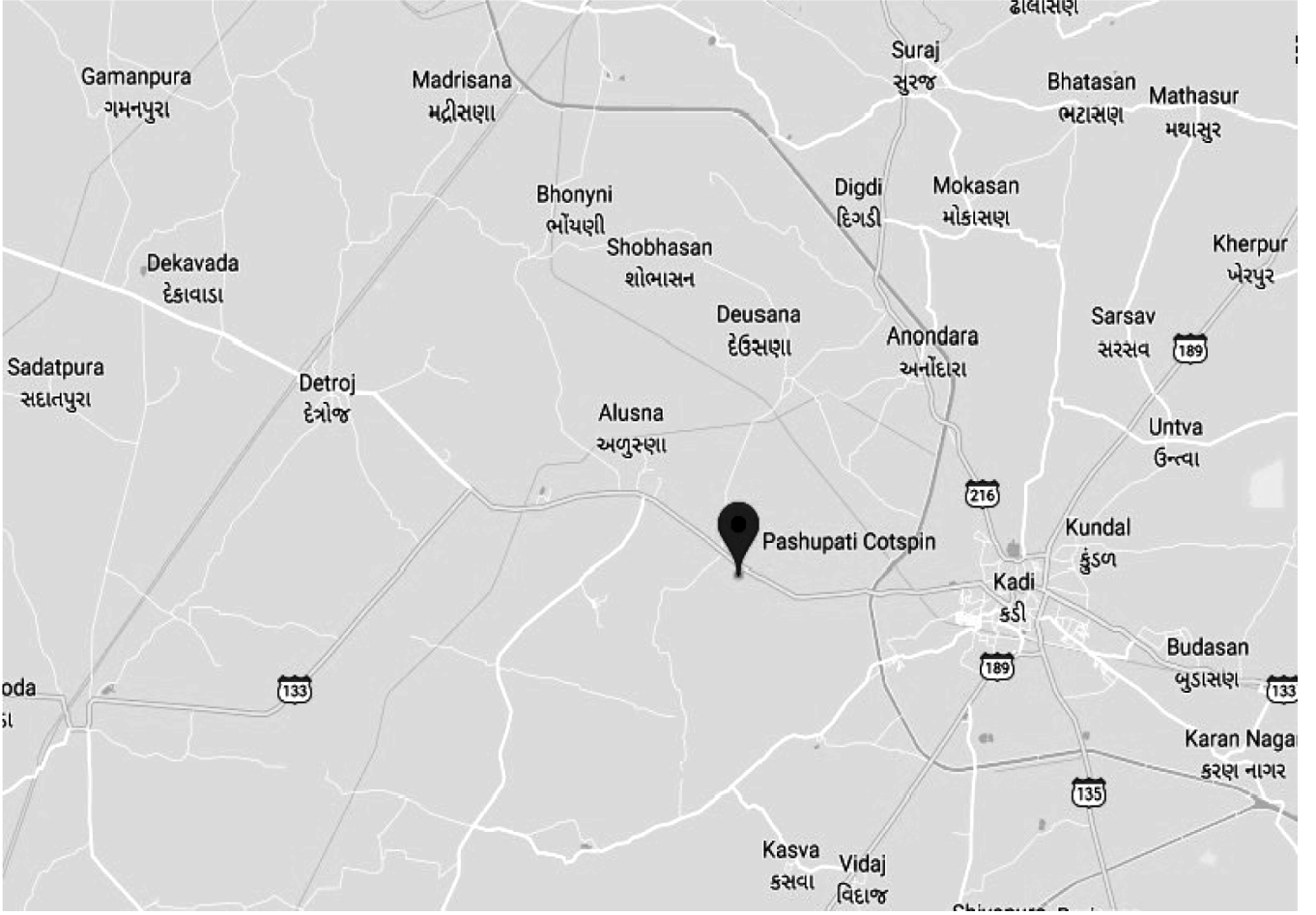
Signature of shareholder

Signature of Proxy holder(s)

Notes:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting. The Proxy need not be a member of the Company.
- A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
- ** This is only optional. Please put 'X' in the appropriate Column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' Column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
- Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.

ROUTE MAP TO AGM VENUE



PASHUPATI COTSPIN LIMITED

Survey No.404 At & Post Balasar, Kadi-Detroj Road, Kadi Mahesana-382715, Gujarat.

Book Post

To

If Undelivered please return to :

PASHUPATI COTSPIN LIMITED

Survey No.404 At& Post Balasar,

Kadi-Detroj Road,

Kadi Mahesana-382715.